

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 251** SLS 26RS 615
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 23, 2026 5:35 PM	Author: PRESSLY
Dept./Agy.: GOHSEP/AG	
Subject: Louisiana Critical Infrastructure Protection Act of 2026	Analyst: Kimberly Fruge

HOMELAND SECURITY OR INCREASE GF EX See Note Page 1 of 2
 Provides for critical infrastructure protection. (8/1/26)

Proposed law provides for the Louisiana Critical Infrastructure Protection Act of 2026; provides that a governmental entity may not enter into a contract or other agreement relating to critical infrastructure with a company that is a foreign principal from a foreign adversary country if the agreement would allow the foreign principal to directly or remotely access or control critical infrastructure, unless there is no other reasonable option and the contract is pre-approved by the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP); provides requirements for access to critical infrastructure, including certification with GOHSEP; provides that GOHSEP investigate a proposed sale, transfer, or investment of critical infrastructure; provides that GOHSEP notify critical infrastructure entities of known or suspected cyber threats; prohibits the use of software produced by a company headquartered in and subject to the laws of a foreign adversary for critical infrastructure; provides for prohibition on adversary network-connect devices; provides for the Foreign Adversary Fraud Office; and provides for the Foreign Adversary Technology Rip and Replace Fund.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						
REVENUES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in an indeterminable, but significant, increase in SGF expenditures for the Governor's Office of Homeland Security and Emergency Preparedness and the Office of the Attorney General to implement the Louisiana Critical Infrastructure Protection Act of 2026.

Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP)

Proposed law requires GOHSEP to certify any company accessing critical infrastructure, investigate proposed sales or transfers of critical infrastructure, notify critical infrastructure entities of known or suspected cybersecurity threats, create a public listing of all prohibited information and communications network-connected technologies; and administer the Foreign Adversary Technology Rip and Replace Fund. GOHSEP reports that the cost to implement proposed law is indeterminable but at a minimum would include an increase of approximately \$4 M for professional services to award pre-approval for contracts, certify companies with access to critical infrastructure, check for foreign ownership and beneficial ownership, and monitor and assess critical infrastructure. In addition, the office estimates needing at least an additional six (6) T.O. positions--two (2) analyst positions for the cybersecurity component and four (4) positions (program manager, compliance and policy specialists, and two critical infrastructure specialists) for the critical infrastructure component. The estimated cost for salary, related benefits, training, and travel for the six positions is \$774,500 in FY 27, with a 4% increase in salary and related benefits annually starting in FY 28. GOHSEP reports that this estimate likely represents only a small portion of the full implementation costs. Other potential costs include additional personnel such as cybersecurity auditors, legal counsel, forensic analysts, and fund managers; forensic hardware/software for technology audits; tracking portal for critical infrastructure vendors; and the initial capitalization of the Foreign Adversary Technology Rip and Replace Fund (FATRRP).

Proposed law creates the FATRRP Fund under GOHSEP to provide resources for the replacement of foreign adversary technologies from state and local government systems and state critical infrastructure. Proposed law does not provide a recurring source of revenue for the fund. The LFO assumes that any monies deposited into the fund will require a specific appropriation by the legislature.

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REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

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EXPENDITURE EXPLANATION CONTINUED:

Office of the Attorney General (AG)

Proposed law creates the Foreign Adversary Fraud Office (FAFO) within the consumer protection division of the AG to develop and bring legal claims against entities suspected of violating consumer fraud laws in their market, distribution, selling, and otherwise promulgating of foreign adversary technologies. Proposed law provides for a director appointed by the AG. The cost to implement FAFO is indeterminable at this time, but at a minimum would include costs associated with the director position (an assistant district attorney) and an administrative assistant. The estimated cost for salary, related benefits, travel, supplies, operating expenses, and equipment is \$299,620 in FY 27, with a 4% increase in salary and related benefits annually starting in FY 28.

Senate Dual Referral Rules


13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


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