

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 690** HLS 26RS 1068

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 8, 2026	6:30 PM	Author: AMELEE
Dept./Agy.: Education		Analyst: Julie Silva
Subject: Education service providers and vendors		

EDUCATION

EG NO IMPACT See Note

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Provides relative to education service providers and vendors of educational products

Proposed legislation prohibits state and local education agencies from contracting with education service providers or vendors of educational products that are foreign adversaries, agents of foreign adversaries, foreign terrorist organizations, or their agents. Requires suspension of payments to any vendor found to fall under these categories, mandates due process procedures, authorizes recovery of funds by the state, and requires contract notice language. Provides that an education agency may request the attorney general's opinion on whether a provider or vendor is prohibited from contracting with the agency. Provides that if a provider or vendor is ineligible and does not return recoverable payments, the Department of Justice, in coordination with the Department of Revenue, will collect the debt.

EXPENDITURES	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

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

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

Proposed legislation may increase administrative workload for state and local education agencies to the extent agencies must update procurement templates, incorporate additional vendor certifications, review vendor ownership information, and monitor compliance throughout the contract term. However, state procurement processes currently require vendor registration, responsibility determinations, and verification against federal suspension and debarment lists through systems administered by the Division of Administration (DOA).

To the extent the bill requires review of foreign ownership or affiliation beyond existing debarment and responsibility checks, education agencies may experience a marginal increase in procurement staff workload. Any such increase is expected to be absorbable within existing resources. The Department of Justice may experience minimal additional workload associated with advisory opinions or enforcement actions; however, any such impact is expected to be handled using existing resources.

REVENUE EXPLANATION

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

Proposed legislation does not create any new fees, fines, or penalties. Although the measure authorizes the recovery of payments previously made to contractors later determined to be affiliated with foreign adversaries or foreign terrorist organizations, any such recoveries would be incidental, case-specific, and indeterminable, and do not constitute new revenue.

Senate

Dual Referral Rules

House

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

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

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

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

Patrice Thomas
Deputy Fiscal Officer