

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 445** SLS 26RS 980  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 12, 2026	12:32 PM	<b>Author:</b> PRESSLY
<b>Dept./Agy.:</b> Education		
<b>Subject:</b> Louisiana Early Childhood Education Fund		<b>Analyst:</b> Julie Silva

FUNDS/FUNDING OR SEE FISC NOTE GF EX Page 1 of 1  
 Provides relative to the Louisiana Early Childhood Education Fund. (gov sig)

Proposed legislation expands the funding sources for the Louisiana Early Childhood Education Fund by allowing certain unexpended cash balances of the Louisiana Department of Education (LDOE), provided no bona fide liabilities exist, to be deposited into the fund at the end of each fiscal year. Additionally, the measure authorizes annual SGF transfers up to \$30 M to ensure the fund balance is at least equal to that amount at the start of each fiscal year. Proposed legislation removes the requirement that expenditures from the fund be subject to legislative appropriation and revises cash balance remission provisions in state treasury law accordingly.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$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
<b>Annual Total</b>	<b>\$0</b>					<b>\$0</b>

  

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

**EXPENDITURE EXPLANATION**

Proposed legislation may result in an annual increase in SGF expenditures beginning in FY 28 to the extent the unencumbered balance in the Louisiana Early Childhood Education (ECE) Fund is below \$30 M at the start of each fiscal year. This measure establishes a funding sequence whereby unexpended balances of state funds (primarily SGF and SGR) appropriated to the Louisiana Department of Education (LDOE), for which no bona fide liabilities exist, are deposited into the ECE Fund at the end of each fiscal year. To the extent such deposits are insufficient to bring the fund to the required minimum, the treasurer is then required to deposit SGF in an amount necessary to reach the \$30 M threshold.

Deposits from unencumbered LDOE balances are expected to be minimal and variable, as such balances are limited and not a consistent source of funding. As a result, SGF expenditures are anticipated to serve as the primary mechanism for maintaining the required minimum balance.

For informational purposes, while the ECE Fund has maintained a balance above the proposed \$30 M minimum in each fiscal year since its inception, expenditures exceeded revenues for the first time in FY 24 due to increased program demand. This trend continued in FY 25 and is expected to persist in FY 26, gradually reducing the fund's balance. Under proposed legislation, SGF would likely be required in future years to supplement available LDOE balances and ensure the \$30 M minimum beginning balance is achieved.

*Note: Proposed legislation removes a reference to R.S. 28:26, which was repealed by Act 1185 of the 2001 RS. The statute authorized the Department of Health and Hospitals (now the Louisiana Department of Health), through the Office of Behavioral Health, to retain certain unexpended funds for the operation and administration of state mental health facilities. However, that authority was eliminated upon repeal and has not been recreated elsewhere in statute. As a result, the existing reference is obsolete and without operative effect. Its removal is technical in nature and has no practical impact.*

**REVENUE EXPLANATION**

Proposed legislation may result in a redirection of state funds, reducing SGF receipts and increasing statutory dedications to the extent unexpended cash balances of LDOE, for which no bona fide liabilities exist, are deposited into the ECE Fund at the end of each fiscal year. While this represents a reduction to SGF receipts, it does not reduce overall state resources, as such funds are instead dedicated to early childhood education. Any impact is expected to be indeterminable and will vary from year to year.

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| <u>Senate</u>  | <u>Dual Referral Rules</u> | <u>House</u>   |
| <input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} |                            | <input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}         |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}      |                            | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

  
**Patrice Thomas**  
**Deputy Fiscal Officer**