



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 827** HLS 26RS 1246
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 14, 2026 4:04 PM	Author: JORDAN
Dept./Agy.: Louisiana Works/LCTCS/Plumbing Board/DPS	Analyst: Darynn Hoppe
Subject: Creates the Plumbing Workforce Access Act	

PLUMBERS RE SEE FISC NOTE SG EX See Note Page 1 of 2
 Creates the Plumbing Workforce Access Act

Proposed law abolishes the State Plumbing Board, and provides for the transference of duties to the State Licensing Board for Contractors (SLBC). Proposed law creates the Plumbing Contractors Subcommittee within the SLBC, and provides for the membership, powers, duties and regulations of the subcommittee. Proposed law requires the SLBC, in coordination with Louisiana Community and Technical College System (LCTCS) to establish the Institutional Plumbing Pathway (IPP) as an alternative route to qualify for the journeyman plumber examination. Proposed law requires the board to: promulgate rules; perform certain actions for the application within 90 days of receipt; provide written findings supporting its decision; establish a series of not fewer than three competency checkpoints to be completed by IPP students; authorize approved institutions to include correctional facilities operating under the jurisdiction of the LA Dept. of Public Safety and Corrections (DPS) as delivery sites for the pre-apprenticeship and classroom components of the IPP; submit an annual report to the legislature, and the governor, by February 1st of each year with certain information; and to enter into interagency agreements with LCTCS, DPS, LA Works, and the LA Dept. of Revenue.

EXPENDITURES	2026-27	2027-28	2028-29	2029-30	2030-31	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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

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.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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

EXPENDITURE EXPLANATION

Proposed law is anticipated to have an indeterminable impact to SGR expenditures.

Proposed law abolishes the State Plumbing Board and transfers all duties and functions of the board to the State Licensing Board for Contractors (SLBC). All unfinished business, references in laws and documents, employees, property, obligations, and books and records are to be transferred. The current year operating budget for the State Plumbing Board totals \$1.35 M, and all activities and duties will be transferred to the SLBC. The consolidation of the State Plumbing Board may result in short term transitional costs not currently contemplated within the budget of either agency. Any increase to expenditures may be fully or partially offset through the elimination of duplicative functions, administrative consolidation, and improved operational coordination. Such potential savings are speculative and dependent on implementation decisions.

Proposed law also requires the SLBC to establish the Institutional Plumbing Pathway (IPP) in conjunction with Louisiana Community and Technical College System (LCTCS). This pathway is to consist of three components: (1) classroom and laboratory instruction, (2) competency checkpoints, and (3) Industry Rotation. The State Plumbing Board reported that additional staff and resources would be required to administer the provisions of this bill. **The cost estimates are provided from the State Plumbing Board on page 2 below, and are used as a reference point for the proposed program. Actual costs may vary depending on the structure, implementation, and administrative capacity of the SLBC. SLBC is unable to articulate whether additional staffing may be necessary after the boards are combined.**

Proposed law would require LA Works to collaborate with the Reentry Advisory Council to develop outreach, support services, and employer recruitment information specific to the returning citizen pathway available. Additionally, LA Works would be required to coordinate with the board and LCTCS to develop a financial assistance program for students of the Institutional Plumbing Pathway who demonstrate financial need. The financial assistance program developed in this provision is to be funded through appropriations made by the legislature, assumed in this fiscal note to be SGF. This amount is currently speculative and therefore indeterminable.

Both LA Works and LCTCS report that implementation of proposed law can be absorbed within existing budgetary and staff resources.

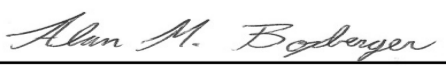
EXPENDITURE EXPLANATION CONTINUED ON PAGE TWO

REVENUE EXPLANATION

Proposed law is anticipated to have an indeterminable effect on SGR revenues. Proposed law provides that all fines or penalties collected for violations related to plumbing or plumbing contracting pursuant to R.S. 37:2164, shall be transferred to the Louisiana Community and Technical College System to be used exclusively for training programs related to the plumbing trade. To the extent that fines are collected for these violations, Interagency Transfer Revenues (SGR source) will increase for LCTCS.

REVENUE EXPLANATION CONTINUED ON PAGE TWO

<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 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}


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 Legislative Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED FROM PAGE ONE

Implementation of the IPP program is anticipated to result in additional costs to the SLBC. The following estimates are derived from the State Plumbing Board's original estimates, and may vary based on implementation decisions made by the SLBC.

In order to establish this program, the State Plumbing Board originally reported it would need an additional staff position for a Program Administrator; operating expenses to support travel for institutional reviews, compliance monitoring, database modifications, reporting requirements, and administrative support; a one-time expenditure of \$10,000 for legal assistance related to rulemaking, an expenditure of \$20,000 for examination development, and a one-time equipment purchase for workstation and technology setup.

Below is a breakdown by expenditure category as reported by the State Plumbing Board. Personal Services consist of combined salary (\$65,000) and related benefits (\$22,750) for a Program Administrator and assumes a 3% annual growth. The same assumed growth is applied to operating expenses.

Expenditure Category	FY 27	FY 28	FY 29	FY 30	FY 31
Personal Services	\$87,750	\$90,383	\$93,095	\$95,888	\$98,765
Operating Expenses	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883
Professional Services	\$30,000				
Equipment	\$ 5,000	\$ 0	\$ 0	\$ 0	\$ 0
Total SGR Expenditures:	\$137,750	\$90,383	\$109,009	\$112,279	\$115,648

NOTE: THE LFO cannot corroborate that the provisions of proposed law would require the resources identified by the State Plumbing Board of Louisiana, but acknowledges that a workload increase will be necessitated for implementation. Additionally, the anticipated workload may be affected by decisions made by the SLBC upon implementation. To the extent that workload may be greater or less than estimates originally provided by the State Plumbing Board of Louisiana, costs may be higher or lower than the estimates provided.

REVENUE EXPLANATION CONTINUED FROM PAGE ONE

In FY 25 the State Plumbing Board has reported that it received \$37,836 from enforcement actions, and has budgeted \$37,000 in FY 26, this accounts for 2.7% of the State Plumbing Boards annual budget. Proposed law will require fines collected for violations related to plumbing or plumbing contracting be transferred to the Louisiana Community and Technical College System for plumbing training programs. The resulting shift in revenues from enforcement actions are anticipated to reduce the available funds that the State Licensing Board for Contractors will have for operating expenses.

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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