



LEGISLATIVE FISCAL OFFICE

Fiscal Note

Fiscal Note On: **HB 618** HLS 26RS 1168
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: April 27, 2026	7:47 AM	Author: MCMAKIN
Dept./Agy.: Louisiana Economic Development		Analyst: Noah O'Dell
Subject: Increases Fees Collected by Louisiana Economic Dev.		

ECONOMIC DEVELOP/DEPT EG1 +\$500,000 SG RV See Note Page 1 of 1
 Increases certain fees assessed by Louisiana Economic Development

Current law authorizes the secretary of Louisiana Economic Development (LED) to impose fees and costs for certain purposes in amounts not to exceed specified levels. Current law provides for oversight by the Joint Legislative Committee on the Budget (JLCB) on the purchase process of property by LED.

Proposed law increases the specified levels of fees and costs imposed by LED by various amounts (ranging from 30% to 160%), establishes a new fee for any miscellaneous administrative documents with a maximum of \$350, and authorizes the secretary of LED to exercise discretion in the collection of fees and reduce or waive fees for small businesses under certain circumstances. Proposed law removes oversight by JLCB on LED's purchase process of property. LED is required to report certain transactions related to the lease, sublease, or sale of property under LED's control and supervision to JLCB annually.

Effective January 1, 2027.

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.	\$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.	\$250,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,250,000
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	\$250,000	\$500,000	\$500,000	\$500,000	\$500,000	\$2,250,000

EXPENDITURE EXPLANATION

Proposed law removes Joint Legislative Committee on the Budget (JLCB) oversight for the property acquisition process of Louisiana Economic Development (LED). The Legislative Fiscal Office (LFO) assumes property acquisitions would likely be SGF or Statutory Dedication expenditures. Proposed law requires LED to annually report transactions involving any lease, sublease, or sale of property under its control to JLCB. This reporting requirement is not anticipated to result in a material change in expenditures for LED.

REVENUE EXPLANATION

Proposed law is anticipated to increase self-generated fees collected by LED by approximately \$250,000 in FY 27 and \$500,000 each fiscal year thereafter. Implementation of the new fee schedule occurs halfway through FY 27. For purposes of this fiscal note, LFO assumes a half-year impact in FY 27, although the timing of collections may vary across LED programs. The full impact of the new fee schedule is expected to begin in FY 28.

LED constructed forecasts for the proposed fee increases, based on FY 25 and FY 26 SGR collections to date:

Fee Types	Estimated Increase in SGR
Application Fees	\$ 303,700
Contract Renewal Fee	\$ 42,000
Contract Change Cost	\$ 32,200
Annual Certification Report	\$ 20,240
Affidavit of Final Cost	\$ 18,000
Employee Certification Report	\$ 17,280
Project Completion Report	\$ 15,300
Advance Notification Fee	\$ 6,900
Annual Project Property Report	\$ 5,000
Total Estimated SGR Increase	\$ 460,620

Proposed legislation also creates a new fee (set at a maximum of \$350) for miscellaneous, unique administrative documents and increases the Loan Guarantee Fee (from 4% to 5.5%), for which LED was unable to provide a forecast. Due to these additional fee changes and uncertainty regarding the timing of collections within LED's sunseting programs, the LFO rounds the estimated SGR increase to \$500,000 annually.

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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