



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 1200** HLS 26RS 2731
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action: **w/ SEN COMM AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: April 28, 2026	10:12 AM	Author: BUTLER
Dept./Agy.: Treasury, C&E, LDEQ, LED, DOA, LMA, PJAL		
Subject: Louisiana Rural Infrastructure Revolving Loan Program		Analyst: Darynn Hoppe

CAPITAL OUTLAY RE1 SEE FISC NOTE SD EX See Note Page 1 of 1
 Provides for the Louisiana Rural Infrastructure Revolving Loan Program

Present law creates the Louisiana Rural Infrastructure Revolving Loan Program, and provides for the source and use of monies deposited into the fund. Present law limits the maximum amount of a loan funded through the program to \$1.5 M, and limits loans to local governments with a population under 15,000 according the last federal decennial census. Present law defines what projects are eligible for program funds. Present law provides for bond requirements and requirements for the publication of notice for the issuance of bonds.

Proposed law changes the operation and lending authority of the fund from the Treasury to the Office of Rural Development. Proposed law expands funding eligibility to political subdivisions. Proposed law transfers promulgation of rules from the Treasury to the Office of Rural Development, and adds authorization to establish program rules and underwriting standards. Proposed law authorizes the Office of Rural Development to establish advisory committees, and to enter into contracts and other agreements in connection with the operation of the fund. Proposed law requires the Office of Rural Development to establish and maintain accounts sufficient to segregate funds by program requirements.

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

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 may increase Statutory Dedication expenditures out of the Louisiana Rural Infrastructure Revolving Loan Program Fund by an indeterminable amount, to the extent the legislature capitalizes the Louisiana Rural Infrastructure Revolving Loan Program through appropriation, authorization of bond sales, grants, gifts, donations, or other sources.

The balance of the Louisiana Rural Infrastructure Revolving Loan Program Fund as of 2/27/2026 was \$0.

Proposed law transfers spending and allocation authority of the existing Louisiana Rural Infrastructure Revolving Loan Program from the Treasury to the Office of Rural Development, and authorizes the Office of Rural Development to enter into contracts and other agreements in connection with the operation of the fund.

The Office of Rural Development reports that it can absorb the duties prescribed in proposed law within existing budgetary and staffing resources. If the Louisiana Rural Infrastructure Revolving Loan Program receives significant capitalization through legislative appropriation, bond sales or other sources, the LFO anticipates the Office of Rural Development may realize additional expenditures for the administration, implementation, and ongoing operation of the revolving loan program. Research by the LFO shows that similar programs tend to operate within the same range as federal guidance and typically allow up to approximately 2% of capitalization for administrative costs. These costs include services such as underwriting, loan servicing, financial reporting, and the promulgation of rules and regulations. To the extent that interest collections are received, collections may be able to cover a portion of the costs of program administration.

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}

Alan M. Boxberger
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 Legislative Fiscal Officer