



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 1157** HLS 26RS 1471
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 25, 2026	2:52 PM	Author: BOURRIAQUE
Dept./Agy.: Office of the Governor/Treasury		Analyst: Kimberly Fruge
Subject: Louisiana State Infrastructure Bank		

TRANSPORTATION DEPT EN SEE FISC NOTE SD EX Page 1 of 1

Provides for funding to certain entities for infrastructure related projects within the Department of Transportation and Development

Proposed law creates the Louisiana State Infrastructure Bank within the Office of the Governor and the Louisiana State Infrastructure Fund for the purpose of capitalizing a state infrastructure bank; creates a Highway Account, a Transit Account, a Rail Account, and a State-Funded Account; provides for the allowable uses of each account; provides that all repayments of principal and interest from loans made by the Louisiana State Infrastructure Bank be credited to the same account from which the loan was originally provided; provides that monies in the fund be invested by the state treasurer in a separate portfolio; provides that the purpose of the bank is to select and provide loans or other financial assistance to qualified borrowers for planning, constructing, improving, rehabilitating, and making resilient infrastructure facilities necessary for public purposes; establishes the bank as a revolving loan and credit assistance program that administers federal and state funds; provides for a board of directors who shall be staffed by the Office of the Governor; provides for the powers and duties of the board of directors; authorizes the bank to expend monies for reasonable and necessary costs of administering and operating the bank; provides for applications, eligibility, and technical review; and provides for interest rates, repayment, terms, security, interception, remedies, and purpose.

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.	\$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

EXPENDITURE EXPLANATION

Proposed law may increase Statutory Dedications out of the newly created Louisiana State Infrastructure Fund by an indeterminable amount, to the extent that the legislature capitalizes the Louisiana State Infrastructure Fund. Proposed law creates the Louisiana State Infrastructure Bank within the Office of the Governor to provide loans or other financial assistance to qualified borrowers for planning, constructing, improving, rehabilitating, and making resilient infrastructure facilities necessary for public purposes. The Legislative Fiscal Office (LFO) is unable to estimate the scale of any appropriation or the number of loans or grants that may be issued annually under the program.

The Office of the Governor reports that it can absorb the duties prescribed in proposed law within existing budgetary and staffing resources. If the Louisiana State Infrastructure Fund receives significant capitalization through legislative appropriation or other sources, the LFO anticipates the Office of the Governor 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.


Proposed law requires that monies in the Louisiana State Infrastructure Fund be invested by the State Treasurer in a separate portfolio in the same manner as allowed for monies in the State General Fund. The Treasury estimates a cost of approximately \$40,000 per account annually for the custodial and wire transfer costs; however, such costs are dependent on the amount of monies in the fund and may increase or decrease accordingly. While proposed law allows the fund to be utilized for administrative expenses, it is unclear whether custodial services, investments, and disbursement costs incurred by the Treasury are an allowable use of the fund. To the extent these expenses are not allowable uses of the fund, the Treasury will require an SGF appropriation.

REVENUE EXPLANATION

Proposed law creates the Louisiana State Infrastructure Fund but does not provide an initial source of revenue for the fund. Monies deposited into the fund will be contingent upon transfers or appropriations into the fund, including federal funds, by the legislature. Prior to issuing loans, the fund will require an initial deposit of monies. To the extent interest is charged on the loans, there may be an increase in revenues deposited to the fund as loans are repaid.

Senate
 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}


Patrice Thomas
 Deputy Fiscal Officer