LEGISLATIVE FISCAL OFFICE
Fiscal Note

Louisiana Legislative Fiscal Office — Fiscal Notes

Fiscal Note On: **SB 274** SLS 26RS 546
Bill Text Version: **ENROLLED**
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: June 1, 2026 3:57 PM **Author:** EDMONDS
Dept./Agy.: Department of Environmental Quality
Subject: Hazard Risk assessments for Child Care Facilities **Analyst:** Richie Anderson

ENVIRONMENTAL QUALITY EN INCREASE SG EX See Note

Provides for lead hazard risk assessments for certain child care facilities and prekindergarten programs. (8/1/26)

Proposed law authorizes the Secretary of the Department of Environmental Quality (DEQ) to establish and administer a program for the collection, analysis, and reporting of data related to lead hazard detection and lead hazard reduction activities in the state. Proposed law provides that the owner, operator or governing entity of any proposed licensed early learning center or similar entity subject to federal daycare center licensing requirements shall have a risk assessor conduct a risk assessment at least 30 days prior to operations beginning of the facility and grounds for the presence of lead hazards. Proposed law requires prior to issuance of license for operations the owner, operator, or governing entity shall submit the results of the risk assessment to DEQ, the Department of Education (DOE), and the Louisiana Department of Health (LDH). Proposed law requires the State Health Officer to compile the results and report the findings to the legislature in the annual Louisiana Health Report Card. Proposed law further provides that DOE shall provide written notice to DEQ and LDH that an application for licensure has been received.

EXPENDITURES	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.	**INCREASE**	**INCREASE**	**INCREASE**	**INCREASE**	**INCREASE**	
Ded./Other	$0	$0	$0	$0	$0	**$0**
Federal Funds	$0	$0	$0	$0	$0	**$0**
Local Funds	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	**SEE BELOW**	
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	$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

Department of Environmental Quality. Proposed law will increase SGR expenditures in the Department of Environmental Quality (DEQ) out of the Lead Hazard Reduction Dedicated Fund Account. Proposed law provides that the owner, operator, or governing entity of any proposed licensed early learning center or similar entity subject to federal daycare center licensing requirements shall have a risk assessor conduct a risk assessment at least 30 days prior to operations beginning at the facility and grounds for the presence of lead hazards. The Louisiana Department of Education (LDOE) reports that in 2024 it received 107 initial child care center applications, and in 2025 received 98 initial child care center applications.

Proposed law requires DEQ to review and process the receipt of the risk assessment results. Currently, DEQ only receives reports if there is actually a hazard. DEQ reports to process these risk assessments, they will need to update its permitting software to provide for the ability to enter and track the data. DEQ reports to make similar updates to its software in the past cost between $50,000 and $100,000. Additionally, if lead hazards are identified, prior to LDOE issuing a license, DEQ risk assessors may be required to perform a follow-up inspection to ensure all hazards have been remediated. To the extent hazards are identified and risk assessors are required to follow up on hazards there will be a corresponding increase in expenditures for the department. DEQ is unable to quantify these costs resulting in an indeterminable workload expenditure impact.

LA Department of Health. Proposed law requires that prior to issuance of a license for operations, the owner, operator, or governing entity shall submit the results of the risk assessment to DEQ, DOE, and the Louisiana Department of Health (LDH). LDH reports that to receive these assessments and include them in the annual health report card will nominally increase expenditures, which can be absorbed using existing staff and resources.

Locals. Proposed law provides that if a child care center has not had a risk assessment done, it will now be required to get one. LDOE cannot quantify these costs for child care centers that have and have not had a risk assessment done. To the extent a center has not completed a risk assessment a corresponding increase in Local Fund expenditures will be required.

LA Department of Education. There is no anticipated direct material effect on LDOE as a result of this measure.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate — Dual Referral Rules

- [x] 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
Patrice Thomas
Deputy Fiscal Officer