

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 125** HLS 25RS 503

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: April 25, 2025 6:04 PM Author: HORTON

Dept./Agy.: Attorney General and Courts

Subject: Protection, Storage, and Access of Genomic Information

Analyst: Daniel Druilhet

TECHNOLOGY OR SEE FISC NOTE GF EX Provides for the protection, storage, and access of genomic information

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<u>Proposed law</u> creates the Louisiana Genomic Security Act; prohibits genomic research facilities from utilizing genetic sequencers or operational or research software produced in or by foreign adversaries (a state-owned company of, a company domiciled in, or an owned or controlled subsidiary or affiliate of a company domiciled in a foreign adversary); provides that a medical facility or genomic research facility shall replace any prohibited genetic sequencers and operational or research software with equipment that is not prohibited; provides that a medical, genomic research facility, or company shall restrict the storage of genetic sequencing data to geographic locations outside of a foreign adversary country and prohibits remote access to data storage, other than open data, from a foreign adversary country; requires a medical facility, genomic research facility, or company storing genetic sequencing data, including through contracts with third-party data storage companies, to ensure the security of genetic sequencing data by using reasonable encryption methods, restrictions on access, and other cybersecurity best practices; requires annual certification (in writing, by each impacted medical facility) to the Attorney General (AG) by 12/31 of each year regarding compliance with the <u>proposed law</u>; assesses variable fines of \$5,000 or \$10,000 per violation, for medical and genomic research facilities in violation; provides the AG the authority to investigate violations.

2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0
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Annual Total

REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	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

Attorney General

<u>Proposed law</u> may result in an indeterminable increase in workload in the Office of the Attorney General (AG), to the extent that they experience an increase in the number of instances in which they investigate medical or genomic research facilities for allegations of violating the <u>proposed law</u>'s prohibitions against using genetic sequencers or operational research software or storing genetic sequencing data in a foreign adversary country. The exact fiscal impact to the AG is indeterminable, because it is unknown the number of instances in which the AG's authority to investigate under the <u>proposed law</u> will be invoked in the future. Any fiscal impact is projected to be absorbed within the AG's budget.

District Courts

<u>Proposed law</u> may result in an indeterminable increase in workload in district courts, to the extent that individuals file suits for damages related to use of their genomic information by a medical or genomic research facility found to have improperly sequenced their genomic information. The exact fiscal impact relative to the increase in workload is indeterminable, because it is unknown the number of instances in which suits will be filed (and the related hearings conducted) relative to civil suits in violation of the <u>proposed law</u>. Any fiscal impact is projected to be absorbed within Local budgets for district courts.

Louisiana State University System and University of Louisiana System

To the extent that one of the university systems has a lab that conducts medical or genomic research and is required to replace equipment under the <u>proposed law</u>, there may be an increase in SGF expenditures by these entities. Any such increase is indeterminable at this time.

Note: The LFO is awaiting a response from the Louisiana State University System and the University of Louisiana System to corroborate the information contained in this fiscal note. Should that information materially change the analysis, this fiscal note will be updated to reflect the new information.

REVENUE EXPLANATION

<u>Proposed law</u> may result in an indeterminable increase in Self-Generated Revenue in the Office of the Attorney General, to the extent that the AG collects funds associated with investigations of medical or genomic research facilities in violation of the <u>proposed law</u>. The exact impact to Self-Generated Revenue is indeterminable, as it is unknown the number of instances in which the AG will successfully generate fines from investigations of medical or genomic research facilities in violation of the <u>proposed law</u>.

<u>Senate</u>	Dual Referral Rules	House	
13.5.1 >=	\$100,000 Annual Fiscal Cost {S & H}	6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	ature Mamors
	\$500,000 Annual Tax or Fee Change {S & H}	6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	Patrice Thomas Deputy Fiscal Officer