

House Committee on Appropriations

Minutes of Meeting
2017 Regular Session
March 28, 2017

I. CALL TO ORDER

Representative Cameron Henry, Chairman of the House Committee on Appropriations, called the meeting to order at 10:40 a.m. in Room 5, in the state capitol in Baton Rouge, Louisiana. The secretary called the roll.

II. ROLL CALL

MEMBERS PRESENT:

Representative Cameron Henry, Chairman
Representative Mark Abraham
Representative Beryl A. Amedée
Representative Tony Bacala
Representative Lawrence A. "Larry" Bagley
Representative John A. Berthelot
Representative Robert E. Billiot
Representative Gary M. Carter, Jr.
Representative Charles R. Chaney
Representative Rick Edmonds
Representative Franklin J. Foil
Representative Lance Harris
Representative Bob Hensgens
Representative Valarie Hodges
Representative Walt Leger, III
Representative Jack G. McFarland
Representative Blake Miguez
Representative Dustin Miller
Representative Jerome Richard
Representative John M. Schroder, Sr.
Representative Scott M. Simon
Representative Patricia Haynes Smith
Representative Julie Stokes
Representative Jerome "Zee" Zeringue

MEMBERS ABSENT:

Representative James K. Armes, III
Representative Katrina R. Jackson
Representative Steve E. Pylant

STAFF MEMBERS PRESENT:

Ms. Katie Andress, Secretary
Mr. Peter G. E. Conroy, Legislative Analyst
Ms. Nancy Keaton, Legislative Analyst

ADDITIONAL ATTENDEES PRESENT:

Ms. Faye Talbot, Sergeant at Arms
Ms. Vivian Hurst, Sergeant at Arms

III. DISCUSSION

Commissioner Jay Dardenne, Division of Administration, 1201 North Third Street, Suite 7-210, Baton Rouge, LA 70802, (225) 342-7000, presented the governor's recommendations for the appropriations proposed in House Bill No. 1 of the 2017 Regular Session. (See Exhibit A)

Commissioner Dardenne discussed the Minimum Foundation Program (MFP) formula with Representative Henry. He also discussed regional funding for the Medicaid eligible population with Representative Bagley.

Commissioner Dardenne discussed restructuring certain programs within state agencies and merit increases with Representative Schroder.

Commissioner Dardenne discussed the employee turnover rate for the Department of Children and Family Services (DCFS) with Representative Smith.

Mr. Barry Dussé, Director of the Office of Planning and Budget, 1201 North Third Street, Suite 7-150, Baton Rouge, LA 70802, (225) 342-7005, discussed the request for budget priority lists from state agencies with Representative Harris.

Commissioner Dardenne discussed the review process for state agency contracts and the increase in State General Fund spending (as of March 2017) with Representative Harris.

Commissioner Dardenne discussed ways to recharge the oil and gas industry in Louisiana, merit increases for state employees, and saving a percentage of the State General Fund in the event of a mid-year deficit with Representative Miguez.

Commissioner Dardenne and Mr. Dussé discussed the total projected state spending for FY16-17 compared to FY15-16 with Representative Miguez.

Ms. Barbara Goodson, Deputy Commissioner of the Division of Administration, 1201 North Third Street, Suite 7-210, Baton Rouge, LA 70802, (225) 342-7000, and Mr. Dussé discussed the FY15-16 State General Fund actuals to the projected amount of State General Fund money budgeted in FY16-17 with Representative Edmonds.

Commissioner Dardenne discussed the effects of inaccurate Revenue Estimating Conference projections with Representative Edmonds.

Mr. Dussé and Commissioner Dardenne discussed, with Representative Bacala, how restructuring the Human Capital Management System related to the increase in Table of Organization (T.O.) positions since FY16-17.

Commissioner Dardenne discussed budgeting only a certain percentage of the State General Fund to prevent a mid-year deficit with Representative Henry.

Mr. Dussé explained the use of an Expenditure Budget (E.B.) form to Representative Henry.

Mr. Dussé presented the Preamble to House Bill No. 1 of the 2017 Regular Session.

Mr. Patrick Goldsmith, Director of the House Fiscal Division, 900 North Third Street, Baton Rouge, LA, 70804, (225) 342-8568, presented the organizational portion of the meeting.

House Bill No. 1 by Representative Henry

The following agencies contained in House Bill No. 1 were presented and discussed:

Executive Department

Louisiana Stadium and Exposition District

Mr. Chris Henry, Budget Analyst for the House Fiscal Division, 900 North Third Street, 11th Floor, Baton Rouge, LA 70804, (225) 342-1394, presented an overview and discussed the agency's FY17-18 budget.

Mr. Evan Holmes, Director of Business Operations, and Ms. Hilary Landry, Member of the Louisiana Stadium and Exposition District (LSED) Board, 1500 Girod Street, New Orleans, LA 70113, (504) 587-3850, presented an overview of the agency's budget.

Ms. Landry discussed the diversity of LSED's board with Representative Smith.

Mr. Holmes discussed the percentage of contracts with women and minority owned businesses to Representative Smith.

Mr. Holmes and Mr. David Weidler, Senior Director of Finance for LSED, discussed the state's return on investment from major events and concerts held at the Superdome, Smoothie King Center, and Champion Square facilities with Representative Bacala.

Ms. Landry discussed the economic impact of drawing major events and concerts to the New Orleans area with Representative Bacala.

Louisiana State Racing Commission

Mr. Henry presented an overview and discussed the FY17-18 budget for the commission.

Mr. Charles A. Gardiner, III, Executive Director of the Louisiana State Racing Commission, 320 North Carrollton Avenue, Suite 2-B, New Orleans, LA 70119, (504) 483-4000, discussed the commission's FY17-18 budget.

Mr. Gardiner also discussed the impact of viral outbreaks at the New Orleans Fair Grounds to the racing industry, Louisiana's Quarter Horse Breeding Program, and the commission's efforts to attract more families to the races with Representative Miguez.

Executive Office of the Governor

Mr. Henry presented an overview and discussed the FY17-18 budget for the Governor's Office. He also discussed the department's average salary increases over the past ten years with Representative Schroder.

Ms. Desireé Honoré Thomas, Assistant Commissioner, Division of Administration, 1201 North Third Street, Suite 7-210, Baton Rouge, LA 70802, (225) 342-7000, discussed the division's budgeting process for the governor's FY17-18 budget and the number of funded vacancies within the department with Representative Schroder.

Mr. Mark Cooper, Chief of Staff for the Governor's Office, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-7015, discussed the department's plan to prepare for budget reductions with Representative Schroder.

Ms. Thomas and Mr. Cooper discussed the department's efforts to create a standstill budget with Representatives Miguez and Schroder.

Mr. Dussé discussed the amount budgeted for attrition and funded vacancies with Representative Schroder.

Ms. Thomas discussed the increase in the unfunded accrued liability (UAL) debt payment, the division's efforts to rebuild the Office of Group Benefits' reserve account, the increase in the "Other" expenditure category, and the reduction of legal and professional services contracts with Representative Stokes.

Mr. Dussé discussed adjustments to the UAL payment for state agencies with Representative Stokes.

Ms. Thomas discussed increases in the department's FY17-18 budget with Representative Harris.

Ms. Thomas discussed the Disaster Recovery Unit's action plan to receive federal funding for flood recovery with Representative Hodges.

Office of Indian Affairs

Mr. Henry presented an overview and discussed the agency's FY17-18 budget.

Ms. Erin Monroe Wesley, Special Counsel in the Governor's Office, 900 North Third Street, Baton Rouge, LA 70804, (225) 342-7015, discussed the long-term plan for the agency with Representative Miguez.

Division of Administration

Mr. Henry presented an overview and discussed the FY17-18 budget for the division.

Ms. Thomas discussed the department's efforts to reduce T.O. positions and the Office of State Travel's P-Card Program with Representative Miguez.

Office of the Inspector General

Mr. Henry presented an overview and discussed the agency's FY17-18 budget.

Mr. Stephen B. Street, Jr., State Inspector General, 602 North Fifth Street, Suite 621, Baton Rouge, LA 70802, (225) 342-4262, gave an overview of the agency, discussed the impact of FY17-18 budget reductions, and alternative sources of funding for the agency with Representative Stokes.

Mr. Street discussed employee layoffs and the types of positions within the agency with Representative Chaney.

Office of Elderly Affairs

Mr. Henry presented an overview and discussed the FY17-18 budget for the agency. He also discussed the amount appropriated in FY17-18 for the Senior Centers Program and the Parish Councils on Aging Program with Representative Stokes.

Ms. Karen Ryder, Deputy Assistant Secretary of the Office of Elderly Affairs, 525 Florida Street, Baton Rouge, LA 70802, (225) 342-7100, discussed the effects of budget reductions to the Senior Centers Program and the Parish Councils on Aging Program with Representatives Carter and Stokes.

Ms. Ryder and Ms. Danielle Stafford, Financial Director for the Office of Elderly Affairs, 525 Florida Street, Baton Rouge, LA 70802, (225) 342-7100, discussed the comparison between statutory dedications and fees and self-generated revenue collected in FY16-17 versus FY17-18 with Representative Amedée.

Department of Military Affairs

Mr. Henry presented an overview and discussed the FY17-18 budget for the department.

Major General Glenn H. Curtis, Adjutant General, Louisiana National Guard, 304 F Street, Pineville, LA 71360, (318) 641-5600, discussed the impact of budget reductions to the department.

Major General Curtis discussed the impact of budget reductions to Louisiana's Youth Challenge Program and the department's maintenance backlog with Representatives Amedée, Bagley, and Chaney.

Mental Health Advocacy Service

Mr. Henry presented an overview and discussed the agency's FY17-18 budget.

Mr. Joseph Seyler, Director of the Louisiana Mental Health Advocacy Service (MHAS), 627 North Fourth Street, Suite 1-322, Baton Rouge, LA 70802, (225) 342-6678, gave an overview of the services provided by the agency and discussed the additional T.O. positions requested in the FY17-18 budget.

Mr. Seyler also discussed the number of T.O. positions within the agency and their average salaries with Representative Chaney.

Louisiana Tax Commission

Mr. Henry presented an overview and discussed the FY17-18 budget for the commission.

Mr. Charles Abels, Administrator for the Louisiana Tax Commission, 5420 Corporate Boulevard, Suite 107, Baton Rouge, LA 70808, (225) 925-7830, discussed residential and commercial fair market value reassessments with Representative Bagley.

Mr. Abels discussed the makeup of the board and their compensation rates with Representative Chaney.

Coastal Protection & Restoration Authority (CPRA)

Mr. Henry presented an overview and discussed the FY17-18 budget for the agency.

Mr. Michael Ellis, Executive Director of CPRA, 150 Terrace Avenue, Baton Rouge, LA 70802, (225) 342-7764, gave a status update on the state's Debt Forgiveness Resolution to Representative Miguez.

Ms. Janice Lansing, Chief Financial Officer for CPRA, 150 Terrace Avenue, Baton Rouge, LA 70802, (225) 342-4698, discussed funding for coastal projects and Gulf of Mexico Energy Security Act (GOMESA) funding with Representative Amedée.

Mr. Ellis discussed the agency's mission and master plan with Representative Bagley, and discussed future plans for a dredge system with Representative Billiot.

Mr. Bren Haase, Chief of Planning for CPRA, 150 Terrace Avenue, Baton Rouge, LA 70802, (225) 342-7179, discussed the Barrier Islands projects along the coast with Representative Chaney.

Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP)

Mr. Henry presented an overview and discussed the FY17-18 budget for the agency.

Mr. James Waskom, Director of GOHSEP, 7667 Independence Boulevard, Baton Rouge, LA 70806, (225) 925-7501, discussed the agency's FY17-18 budget and FEMA reimbursement for the rescue organizations who provided assistance during the August 2016 flood with Representative Henry.

Mr. Waskom discussed, with Representative Billiot, reimbursement to local first responders for equipment lost in the August 2016 flood.

Louisiana Commission on Law Enforcement

Mr. Henry presented an overview and discussed the FY17-18 budget for the commission.

Mr. Jim Craft, Executive Director of the Louisiana Commission on Law Enforcement, 602 North Fifth Street, Baton Rouge, LA 70802, (225) 342-1500, discussed the functions of the commission.

Louisiana Public Defender Board

Mr. Henry presented an overview and discussed the FY17-18 budget for the board.

Mr. James T. Dixon, Jr., State Public Defender, 301 Main Street, Suite 700, Baton Rouge, LA 70825, (225) 216-9305, discussed the lack of funding for the local public defender districts with Representative Henry.

Mr. Dixon discussed the decline in revenue collected from traffic citations and other decreases to local funding with Representatives Billiot and Chaney.

Office of Financial Institutions (OFI)

Mr. Henry presented an overview and discussed the FY17-18 budget for the agency.

Ms. Christine Kirkland, Deputy Commissioner, and Mr. Sid Seymour, Chief Examiner for OFI, 8660 United Plaza Boulevard, Suite 200, Baton Rouge, LA 70809, (225) 925-4660, discussed the agency's turnover rate and the impact of the downturn in the Oil and Gas Industry to local financial institutions with Representative Billiot.

IV. OTHER BUSINESS

There was no other business.

V. ANNOUNCEMENTS

There was no other business.

VI. ADJOURNMENT

Representative Bagley offered a motion to adjourn. Without objection, the motion passed by a vote of 24 yeas and 0 nays. Representatives Henry, Abraham, Amedée, Bacala, Bagley, Berthelot, Billiot, Carter, Chaney, Edmonds, Foil, Harris, Hensgens, Hodges, Leger, McFarland, Miguez, Miller, Richard, Schroder, Simon, Smith, Stokes, and Zeringue voted yea.

The meeting was adjourned at 5:23 p.m.

Respectfully submitted,

Chairman Cameron Henry
House Committee on Appropriations