

House Committee on Appropriations

Minutes of Meeting
2022 Regular Session
March 7, 2022

I. CALL TO ORDER

Representative Jerome "Zee" Zeringue, chairman of the House Committee on Appropriations, called the meeting to order at 9:39 a.m. in Room 5, in the state capitol in Baton Rouge, Louisiana.

II. ROLL CALL

MEMBERS PRESENT:

Representative Jerome "Zee" Zeringue, chairman
Representative Tony Bacala
Representative Daryl Andrew Deshotel
Representative Mary DuBuisson
Representative Rick Edmonds
Representative Aimee Adatto Freeman
Representative Brett F. Geymann
Representative Jason Hughes
Representative John R. Illg, Jr.
Representative Timothy P. Kerner
Representative Rodney Lyons
Representative C. Denise Marcelle
Representative Jack G. McFarland
Representative Blake Miguez
Representative Troy D. Romero
Representative Francis C. Thompson, vice chairman
Representative Debbie Villio
Representative William "Bill" Wheat, Jr.

MEMBERS ABSENT:

Representative Lawrence A. "Larry" Bagley, interim member
Representative Barbara W. Carpenter
Representative R. Dewith Carrier
Representative Raymond J. Crews
Representative Valarie Hodges, interim member
Representative Dustin Miller
Representative Christopher Turner

STAFF MEMBERS PRESENT:

Dazia Briscoe, committee administrative assistant
Stephanie Little, attorney
Chris Henry, budget analyst
Chas Nichols, budget analyst
Ashari Robinson, budget analyst
Daniel Waguespack, deputy director

ADDITIONAL ATTENDEES PRESENT:

Faye Talbot, sergeant at arms

III. BUSINESS**Discussion of the FY 22-23 Budget for:****Overview**

Mr. Daniel Waguespack, deputy director, House Fiscal Division (HFD), 900 North Third Street, Baton Rouge, LA 70802, (225) 342-7477, and Mr. Chas Nichols, budget analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2444, presented an overview of the FY 22-23 executive budget.

Ms. Debbie Viven, chief economist, Louisiana Fiscal Office (LFO), 900 North Third Street, Baton Rouge, LA 70802, (225) 342-7233, and Mr. Manfred Dix, chief economist, Office of Planning and Budget, 1201 North Third Street, Baton Rouge, LA 70802, (225) 342-7005, discussed the State General Fund forecast from the Revenue Estimating Conference (REC).

Mr. Dix discussed the sustainability of the forecasted budget and how increased gas prices may affect the projected budget with Representative Zeringue.

Mr. Nichols and Mr. Dix discussed the value of the Federal Medical Assistance Percentage (FMAP), the enhanced Federal Medical Assistance Percentage (eFMAP), and how contributions from the State General Fund would be affected once eFMAP ends with Representative Bacala.

Mr. Nichols discussed the incorporated auto tax in the REC forecast with Representative Miguez.

Mr. Dix discussed how the economy would be affected by the depletion of federal assistance dollars and the time it took for the state's hurricane funds to deplete in 2006 with Representative Miguez.

Representative Miguez and Mr. Dix also discussed how Louisiana compared to the national average with the high energy rates and historic peaks in the state's economy.

Representative Miguez spoke about the importance of the state being conservative with spending.

Mr. Dix discussed that the REC forecast has always presented data from the previous year, current year, and projections for the succeeding three years with Representative Marcelle.

Mr. Nichols discussed the deadline for American Rescue Plan (ARP) dollars to be obligated and spent with Representative Marcelle.

Mr. Dix and Ms. Viven discussed the billion-dollar increase in the forecasted FY 23 budget, how statutory dedications were reflected in the forecasted REC budget, and how the economy would be affected once the influx of federal and ARP dollars ceased with Representative Edmonds.

Mr. Nichols discussed how the fiscal status statement utilizes the continuation budget and the REC forecast simultaneously with Representative McFarland.

Mr. Chris Henry, budget analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-1394, Mr. Ashari Robinson, budget analyst, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-2412, and Mr. Nichols continued the overview of the FY 22-23 executive budget and presented the state budget recommendation.

Mr. Nichols discussed significant changes to the general fund, including a raise increase for medical providers and voucher dollars recommendations that were not listed in the presentation with Representative Edmonds.

Mr. Nichols discussed the statutory dedication for the Public Defender Fund with Representative Marcelle.

Mr. Nichols and Mr. Waguespack discussed the funds that were no longer needed in FY 23 for judgments against the state from the previous year with Representative DuBuisson and Representative Zeringue.

Mr. Nichols and Mr. Waguespack discussed teacher funding and the state acquisition to other departments with Representative DuBuisson.

Mr. Nichols discussed the FMAP, how the savings compiled from federal dollars were used for state obligations, and the impact such savings would have on state dollars with Representative Geymann.

Mr. Nichols discussed the possibility of a gradual decline in federal funding for eFMAP once the disenrollment process began with Representative Zeringue.

Mr. Nichols discussed how the increased number of Medicaid enrollees affected the state's cost per person and the estimated timeline for the dollars saved to become nonrecurring with Representative Bacala.

Mr. Alan Boxberger, interim fiscal officer, LFO, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-7233, discussed the application of House Rule 7.19 when evaluating when federal relief dollars would become nonrecurring revenue with Representative Bacala.

Mr. Nichols discussed historical total and foreseeable unspent budget authority with Representative Bacala.

Mr. Nichols and Mr. Henry continued the overview of the FY 22-23 executive budget and briefed the committee regarding the budget hearings schedule and the general information section of the budget presentations binders.

Mr. Boxberger addressed the committee to briefly discuss the contents of the "Green Book".

Preamble

Ms. Stephanie Little, attorney, HFD, 900 North Third Street, Baton Rouge, LA 70802, (225) 342-6292, presented an overview and discussed the Preamble to House Bill No. 1.

Dept. of Education

Mr. Robinson presented an overview and discussed the FY 22-23 budget for the Louisiana Department of Education (DOE).

Dr. Cade Brumley, superintendent, DOE, 1201 North Third Street, Baton Rouge, LA 70802, (877) 453-2721, presented opening comments to the committee. In his remarks, Dr. Brumley listed the number of schools, employees, and students under the responsibility of DOE. Dr. Brumley also discussed efforts to return students to the classroom following the pandemic and hurricanes, the academic impact the pandemic had on students, and the Louisiana Comeback initiative.

Dr. Brumley discussed teacher pay raises and the Minimum Foundation Program (MFP) with Representative Zeringue.

Dr. Brumley discussed funding sources for early childhood education, Title I funding, funding dedicated toward advancing literacy education, and higher education scholarships for students pursuing a teaching degree with Representative Edmonds.

Dr. Brumley discussed the child welfare attendance coordinator and the partnership with LSU for child welfare professionals to address chronic absenteeism with Representative Thompson.

Dr. Brumley discussed the Recovery School District (RSD), efforts to improve teachers' qualifications, the Steve Carter Literacy Program, and chronic truancy with Representative Hughes.

Representative Hughes requested DOE to provide data on the pilot of the Steve Carter Literacy Program to the committee at a later date.

Dr. Brumley discussed the potential effects on local schools if parents transition their children to homeschooling or private schools with Representative Romero. Dr. Brumley further discussed the reimbursement process for local schools that lost dollars at the expense of the pandemic and the decline of students graduating from the college of education to become teachers.

Ms. Keshia Payton, executive director of fiscal operations, DOE, 1201 North Third Street, Baton Rouge, LA 70802, (877) 453-2721, and Mr. Robinson discussed the department's unspent budget authority in previous years with Representative McFarland.

Dr. Brumley and Mr. Robinson discussed the means of financing swap within the department and the unfunded accrued liability (UAL) with Representative McFarland.

Dr. Brumley discussed the cost-savings effectiveness of the department's efforts to reorganize positions with Representative McFarland.

Dr. Brumley discussed the issue of the teachers shortage, the flexibility for schools to spend federal COVID dollars, early intervention with truancy, and the School Choice Program with Representative McFarland. Representative McFarland and Dr. Brumley also discussed funding for the Steve Carter Literacy program and the cost of funding cameras in special education classrooms.

Dr. Brumley discussed the effects of truancy, the impact of the lack of classroom time on retention, and increasing parent participation in students' education with Representative Illg. Representative Illg and Dr. Brumley also discussed investments in career and technical education in order to train students for readily available jobs.

Dr. Brumley discussed the goals DOE has for the \$40,000,000 set aside in their budget with Representative Lyons.

Dr. Brumley discussed the lack of school bus drivers across the state and the department's efforts to increase access to occupational licenses with Representative Wheat.

Dr. Brumley discussed parents' role in educational outcomes with Representative Romero.

IV. ANNOUNCEMENTS

Persons who do not feel comfortable giving testimony in person at this time may submit a prepared statement in lieu of appearing before the committee:

A. Any interested person or any committee member may file with the committee a prepared statement concerning a specific instrument or matter under consideration by the committee or concerning any matter within the committee's scope of authority, and the committee records shall reflect receipt of such statement and the date and time thereof.

B. Any person who files a prepared statement which contains data or statistical information shall include in such prepared statement sufficient information to identify the source of the data or statistical information.

For the purposes of this Paragraph, the term "source" shall mean a publication, website, person, or other source from which the data or statistical information contained in the prepared statement was obtained by the person or persons who prepared the statement.

NOTE: Only statements mailed to h-app@legis.la.gov and received prior to noon Friday, March 04, 2022, will be included in the record for this committee meeting.

All persons desiring to participate in the meeting shall utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

V. ADJOURNMENT

Representative Edmonds offered a motion to adjourn. Without objection, the motion passed by a vote of 18 yeas and 0 nays. Representatives Zeringue, Bacala, Deshotel, DuBuisson, Edmonds, Freeman, Geymann, Hughes, Illg, Kerner, Lyons, Marcelle, McFarland, Miguez, Romero, Thompson, Villio, and Wheat voted yea.

The meeting was adjourned at 2:26 p.m.

Respectfully submitted,

Chairman Jerome "Zee" Zeringue
House Committee on Appropriations