

Representative Jerome Zeringue
Chairman



Representative Gary Carter
Vice Chairman

Fiscal Year 2020-21 HB105 Budget Review

Department of Justice

House Committee on Appropriations
by the House Fiscal Division

March 10, 2020

Budget Analyst:

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DEPARTMENT ORGANIZATION

Article IV, Section 8 of the Constitution of Louisiana

Pursuant to Article IV, Section 8 of our state constitution, the attorney general heads the Department of Justice and is the chief legal officer of the state.

The constitution affords him the following powers and duties:

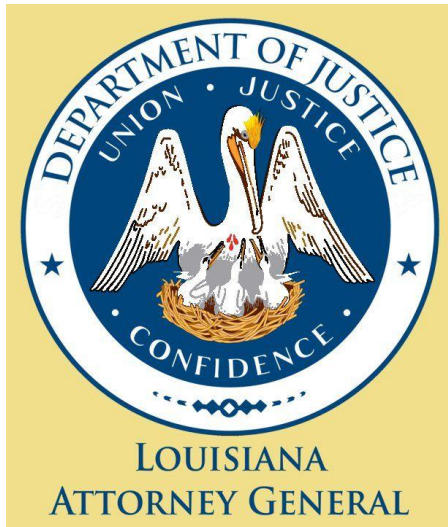
“As necessary for the assertion or protection of any right or interest of the state, the attorney general shall have authority (1) to institute, prosecute, or intervene in any civil action or proceeding; (2) upon the written request of a district attorney, to advise and assist in the prosecution of any criminal case; and (3) for cause, when authorized by the court which would have original jurisdiction and subject to judicial review, (a) to institute, prosecute, or intervene in any criminal action or proceeding, or (b) to supersede any attorney representing the state in any civil or criminal action.

The attorney general shall exercise other powers and perform other duties authorized by this constitution or by law.”

Article X, Section 2

Employees, deputies, and officers of the office of the attorney general occupy unclassified civil service positions.

DEPARTMENT OVERVIEW



Mission Statement

To protect the people and resources of the State of Louisiana by providing superior legal representation and interpretation, professional and effective law enforcement, and public education programs.

Department Organization by Program:

- Administrative
- Civil Law
- Criminal Law and Medicaid Fraud
- Risk Litigation
- Gaming

DEPARTMENT FUNCTIONS

Administrative \$9.2 Million

Contains the Executive Office and Administrative Services. Includes the collections section, which collects defaulted student loans and assists 28 boards, agencies, and commissions on collections.

Civil Law \$23.2 Million

Contains the Civil Division and the Public Protection Division. Includes attorneys assigned to various state departments, defense of state agencies in civil claims, writing legal opinions, and enforcement of the Tobacco Master Settlement agreement.

Criminal Law and Medicaid Fraud \$17.5 Million

Conducts or assists in criminal prosecutions; provides legal services in the areas of extradition, appeals, and habeas corpus proceedings; Medicaid Fraud Control Unit; and the Investigations Section provides services related to Cyber Crime Unit, Fugitive Apprehension, Special Investigation, trial assistance, and the Sexual Predator Apprehension Team.

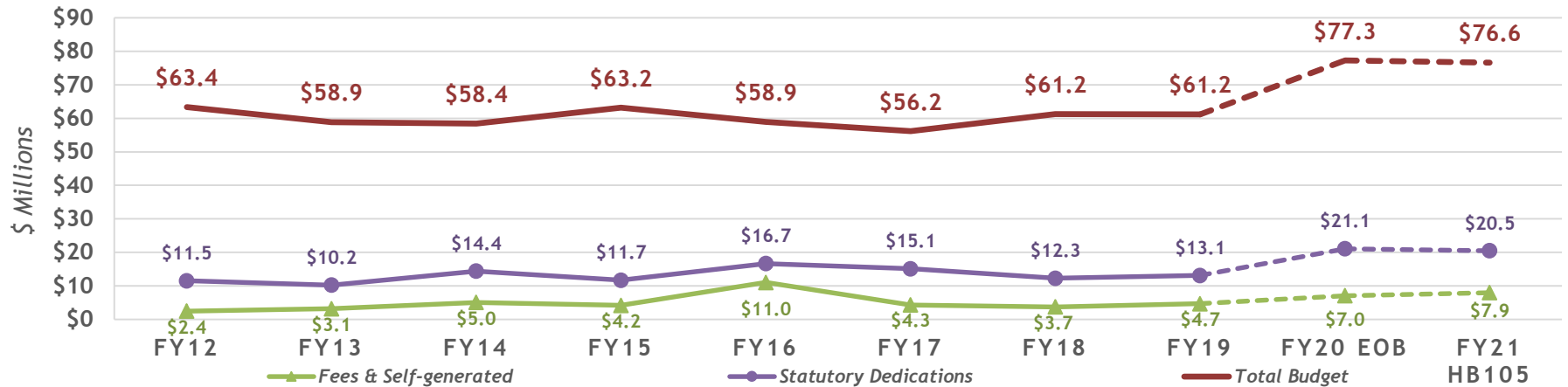
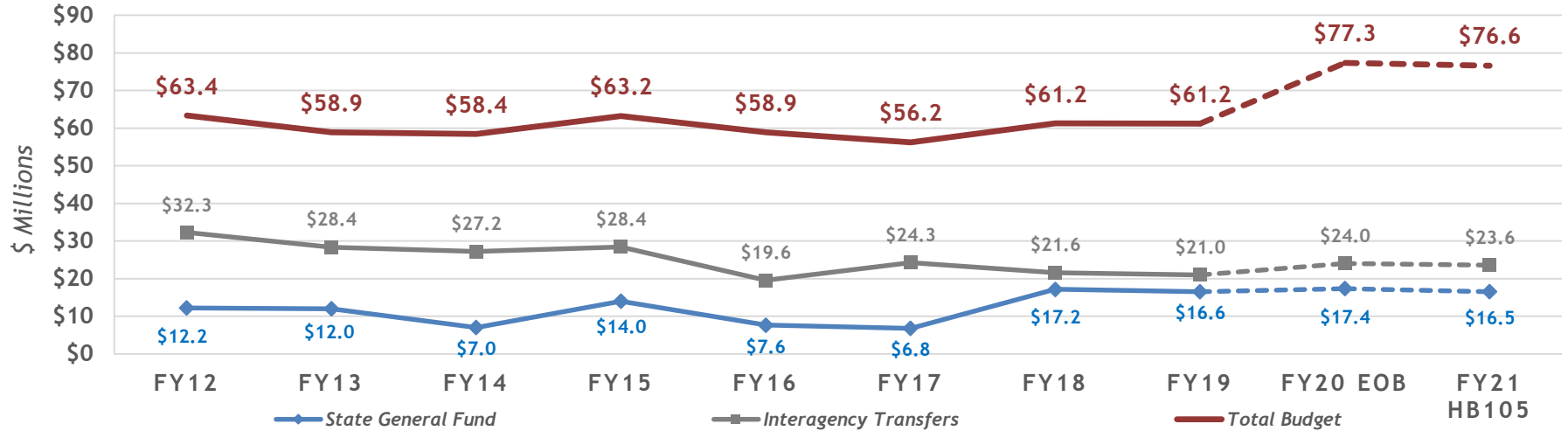
Risk Litigation \$19.7 Million

Provides legal representation for the state in civil rights, general liability, medical malpractice, road hazards, workers' compensation, and transportation. Funding comes from Interagency Transfers from the Office of Risk Management.

Gaming \$7 Million

Provides representation to the La. Gaming Control Board, the La. Lottery Corporation, the State Racing Commission, state police and the Dept. of Revenue. Funding is from statutory dedications, interagency transfers, and fees.

HISTORICAL SPENDING



Source: Office of Planning and Budget - Budget Supporting Documents; and HB105 of the 2020 Regular Session

SOURCES OF FUNDING

Interagency Transfers \$24 million

- \$20M is from Office of Risk Management and LSU for all tort claims seeking damages.
- The rest is generally transfers from agencies for legal services.

*CARRYOVER: \$3.5M
Authority based on language in HB 105 of the 2019 RS.

Self-generated Revenue \$8 million

- Ex: fees charged to other agencies for investigative and legal services for quasi-state agencies.

*CARRYOVER: \$443,287
Authority based on language in HB 105 of the 2019 RS. Primary source is the Consumer Protection section, which receives funds from suits and settlements and is to be used exclusively for consumer enforcement and education.

Statutory Dedications \$20 million

- \$6.5M from gaming-related statutory funds to support the Gaming Program within the DOJ.
- \$3.7M from the DOJ Debt Collection Fund.
- \$3.2M from the DOJ Legal Support Fund.
- \$2M from a fund for Medicaid fraud protection.

Federal Funds \$8 million

- Major source of federal funds is the Department of Health and Human Services Medicaid Fraud Unit.
- The U.S. Department of Justice and the Department of Housing and Urban Development also contribute funds to this agency's budget.

FUNDING CHANGE COMPARISON

Means of Finance	FY 18-19	FY 19-20	FY 20-21	Change from EOB		Change from Actuals	
	Actual Expenditures	Existing Operating Budget	HB105 Budget	\$	%	\$	%
SGF	\$16,554,782	\$17,354,514	\$16,494,397	(\$860,117)	(5.0%)	(\$60,385)	(0.4%)
IAT	\$20,985,405	\$24,015,339	\$23,571,349	(\$443,990)	(1.8%)	\$2,585,944	12.3%
FSGR	\$4,675,593	\$7,026,950	\$7,937,110	\$910,160	13.0%	\$3,261,517	69.8%
STAT DED	\$13,106,074	\$21,057,204	\$20,453,710	(\$603,494)	(2.9%)	\$7,347,636	56.1%
FEDERAL	\$5,902,333	\$7,851,063	\$8,160,746	\$309,683	3.9%	\$2,258,413	38.3%
Total	\$61,224,187	\$77,305,070	\$76,617,312	(\$687,758)	(0.9%)	\$15,393,125	25.1%

NOTE: All FY20 Existing Operating Budget (EOB) amounts used in this presentation exclude carryforwards from FY19.

SIGNIFICANT FUNDING CHANGES

(\$379,212) - State General Fund

(\$379,212) – State General Fund (direct) reduction in proposed budget.

(\$443,990) - Interagency Transfers

- Net reduction of excess budget authority based on historical expenditure analysis

\$948,489 - Fees and Self-generated Revenue

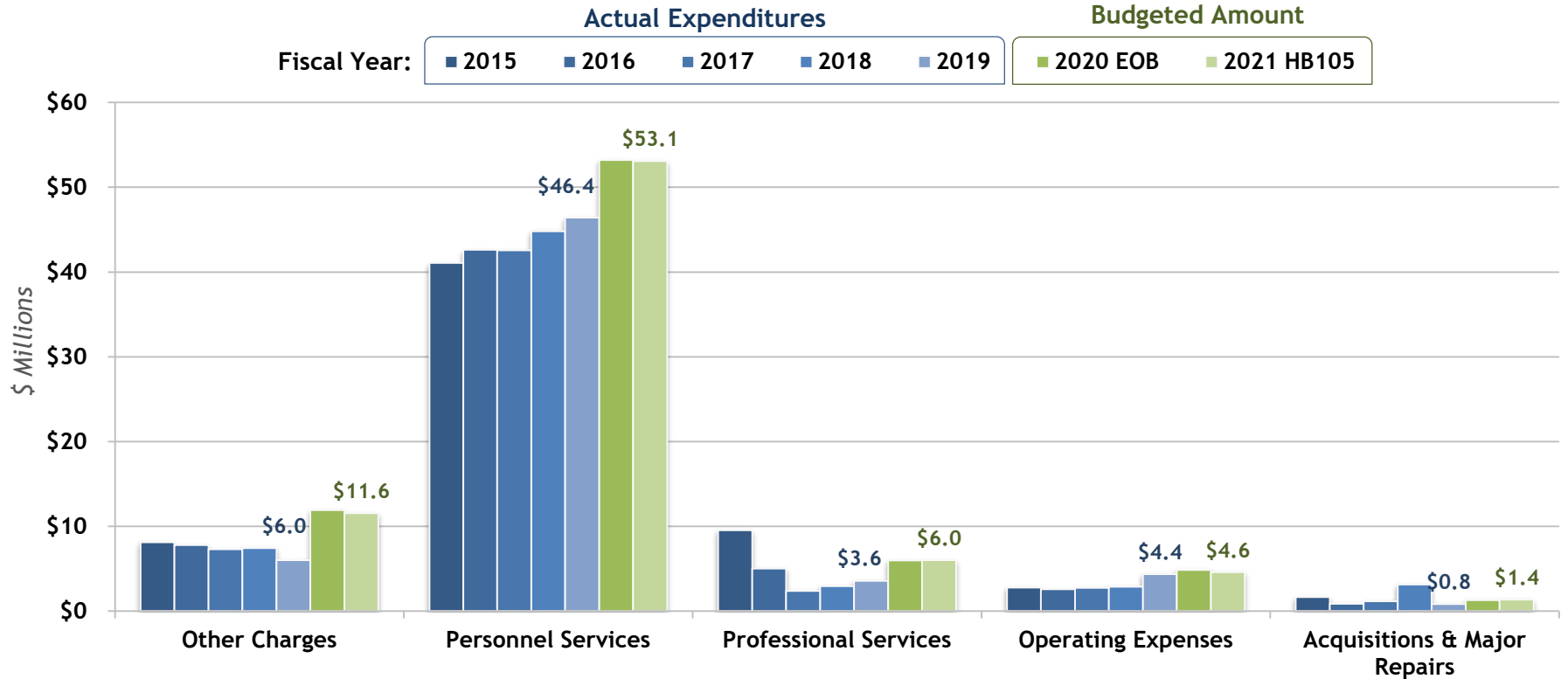
(\$948,489) - Statutory Dedications

- Reclassifying funding from the Statutorily Dedicated Sex Offender Registry Technology Fund as Fees & Self-Generated Revenue in accordance with Act 404 of the 2019 Regular Legislative Session.

PROGRAM FUNDING COMPARISON

Program Name	FY 18-19	FY 19-20	FY 20-21	Change from EOB		Change from Actuals	
	Actual Expenditures	Existing Operating Budget	HB105 Budget	\$	%	\$	%
Administration	\$6,315,763	\$8,546,838	\$9,182,206	\$635,368	7.4%	\$2,866,443	45.4%
Civil Law	\$15,568,617	\$24,169,384	\$23,210,484	(\$958,900)	(4.0%)	\$7,641,867	49.1%
Criminal Law & Medicaid Fraud	\$15,048,662	\$17,533,195	\$17,503,784	(\$29,411)	(0.2%)	\$2,455,122	16.3%
Risk Litigation	\$18,151,455	\$19,840,736	\$19,692,444	(\$148,292)	(0.7%)	\$1,540,989	8.5%
Gaming	\$6,139,690	\$7,214,917	\$7,028,394	(\$186,523)	(2.6%)	\$888,704	14.5%
Department Total	\$61,224,187	\$77,305,070	\$76,617,312	(\$687,758)	(0.9%)	\$15,393,125	25.1%

EXPENDITURE HISTORY



Source: Office of Planning and Budget - Executive and Proposed Budget Supporting Documents

EXPENDITURE CHANGE COMPARISON

Expenditure Category	FY 18-19	FY 19-20	FY 20-21	Change from EOB		Change from Actuals	
	Actual Expenditures	Existing Operating Budget	HB105 Budget	\$	%	\$	%
Salaries	\$28,454,300	\$31,764,230	\$31,871,845	\$107,615	0.3%	\$3,417,545	12.0%
Other Compensation	\$2,605,488	\$2,956,689	\$2,956,689	\$0	0.0%	\$351,201	13.5%
Related Benefits	\$15,364,164	\$18,496,790	\$18,248,411	(\$248,379)	(1.3%)	\$2,884,247	18.8%
Travel	\$839,876	\$1,252,551	\$1,027,532	(\$225,019)	(18.0%)	\$187,656	22.3%
Operating Services	\$3,061,561	\$2,752,325	\$2,748,959	(\$3,366)	(0.1%)	(\$312,602)	(10.2%)
Supplies	\$476,912	\$870,938	\$814,983	(\$55,955)	(6.4%)	\$338,071	70.9%
Professional Services	\$3,568,384	\$5,977,359	\$6,013,358	\$35,999	0.6%	\$2,444,974	68.5%
Other Charges/IAT	\$6,020,655	\$11,929,567	\$11,570,472	(\$359,095)	(3.0%)	\$5,549,817	92.2%
Acq/Major Repairs	\$832,847	\$1,304,621	\$1,365,063	\$60,442	4.6%	\$532,216	63.9%
Total	\$61,224,187	\$77,305,070	\$76,617,312	(\$687,758)	(0.9%)	\$15,393,125	25.1%

Source: Office of Planning and Budget - Budget Supporting Documents and HB105 of the 2020 Regular Session

OTHER CHARGES DETAIL

Other Charges

Amount	Description
\$3,510,072	Consumer Enforcement Fund Expenses
\$698,489	Disburse Sex Offender Registry Tech Fund money
\$500,989	Lawsuit-related costs (depositions, witnesses, etc.)
\$456,169	LDH Ombudsman
\$431,774	Medicaid Fraud Control Unit Expenses
\$250,000	Non-Profit Hospitals
\$192,257	U.S. Department of Housing and Urban Development
\$91,766	Federal Forfeiture
\$16,203	Intellectual Property Grant
\$15,000	Tobacco Control Special Fund Expenses
\$6,162,719	Total Other Charges

Interagency Transfers

Amount	Description
\$3,089,572	Rent in State-Owned Buildings
\$870,461	Office of Risk Management (ORM)
\$577,360	Benson Towers Rent
\$504,640	Office of Technology Services (OTS)
\$149,476	Capitol Park Security Fees
\$88,759	Legislative Auditor Fees
\$59,736	Maintenance in State-Owned Buildings
\$39,738	Office of State Procurement
\$28,011	Uniform Payroll System (UPS) Fees
\$5,407,753	Total OC-Interagency Transfers

FY19 UNSPENT AUTHORITY

	End of Fiscal Year Budget	Actual Amount Spent	Unspent Budget Authority	Unspent Budget %	Unspent % by MOF
SGF	\$16,751,888	\$16,554,782	\$197,106	1.2%	2.4%
IAT	\$23,229,085	\$20,985,405	\$2,243,680	9.7%	27.8%
FSGR	\$6,816,714	\$4,675,593	\$2,141,121	31.4%	26.5%
STAT DED	\$15,084,936	\$13,106,074	\$1,978,862	13.1%	24.5%
FEDERAL	\$7,415,409	\$5,902,333	\$1,513,076	20.4%	18.7%
FY19 TOTAL	\$69,298,032	\$61,224,187	\$8,073,845	11.7%	100.0%

Historical Total Unspent Authority for Comparison

FY18 TOTAL	\$73,625,820	\$61,247,637	\$12,378,183	16.8%
FY17 TOTAL	\$73,907,678	\$56,208,562	\$17,699,116	23.9%
3 YR AVG	\$72,277,177	\$59,560,129	\$12,717,048	17.6%

The \$8 million in unspent authority was a combination of the AG not collecting \$2.7 million of budgeted revenue and not spending \$5.3 million of what they did collect.

FY19 UNSPENT AUTHORITY

Did department collect all revenue budgeted?

	Final Budget <i>(w/o carryforward)</i>	Actual Revenue Collections	Uncollected Revenue
SGF	\$16,751,888	\$16,554,782	(\$197,106)
IAT	\$23,229,085	\$24,501,815	\$1,272,730
FSGR	\$6,816,714	\$5,118,881	(\$1,697,833)
SD	\$15,084,936	\$13,106,074	(\$1,978,862)
FED	\$7,415,409	\$7,279,453	(\$135,956)
TOTAL	\$69,298,032	\$66,561,005	(\$2,737,027)

The department collected \$2.7 million less than the FY19 budget. The majority of excess budget authority over collections was in every category except IAT.

Did department spend all collections?

	Actual Revenue Collections	Actual Expenditures	Unspent Revenue
SGF	\$16,554,782	\$16,554,782	\$0
IAT	\$24,501,815	\$20,985,405	(\$3,516,410)
FSGR	\$5,118,881	\$4,675,593	(\$443,288)
SD	\$13,106,074	\$13,106,074	\$0
FED	\$7,279,453	\$5,902,333	(\$1,377,120)
TOTAL	\$66,561,005	\$61,224,187	(\$5,336,818)

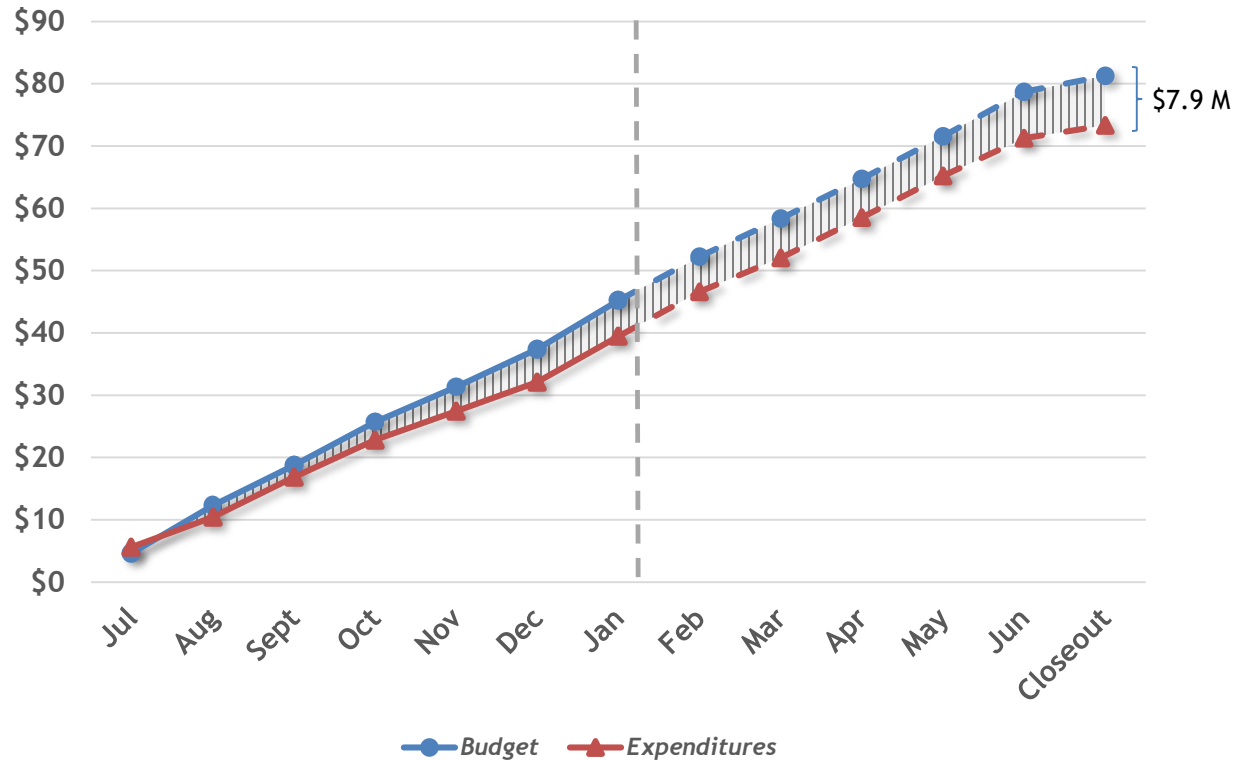
The department spent \$5.3 million less than they collected. The majority unspent was in IAT.

CURRENT EXPENDITURE TREND

Analysis shows approximately 9.7% or \$7.9 million in total budget authority from all means of finance could be unspent at year-end based on actual spending through January and projections to the end of the year.

In FY19, the department did not spend \$8 M of its budget authority comparing its end of year budget and actual expenditures and factoring in funds carried into FY20.

For FY19, HFD projected the department would have \$10.2 M in remaining budget authority, when they actually had \$8 M in budget authority left at year end.

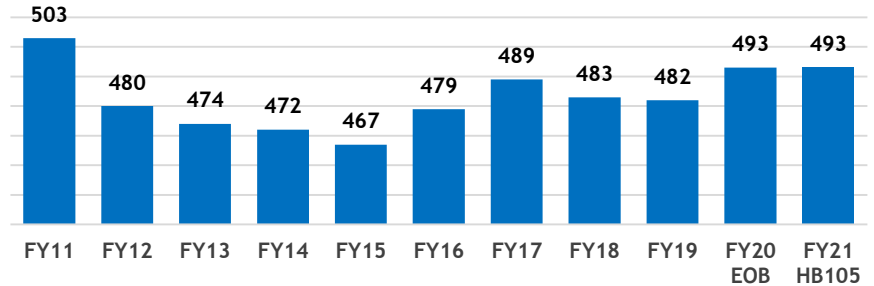


PERSONNEL INFORMATION

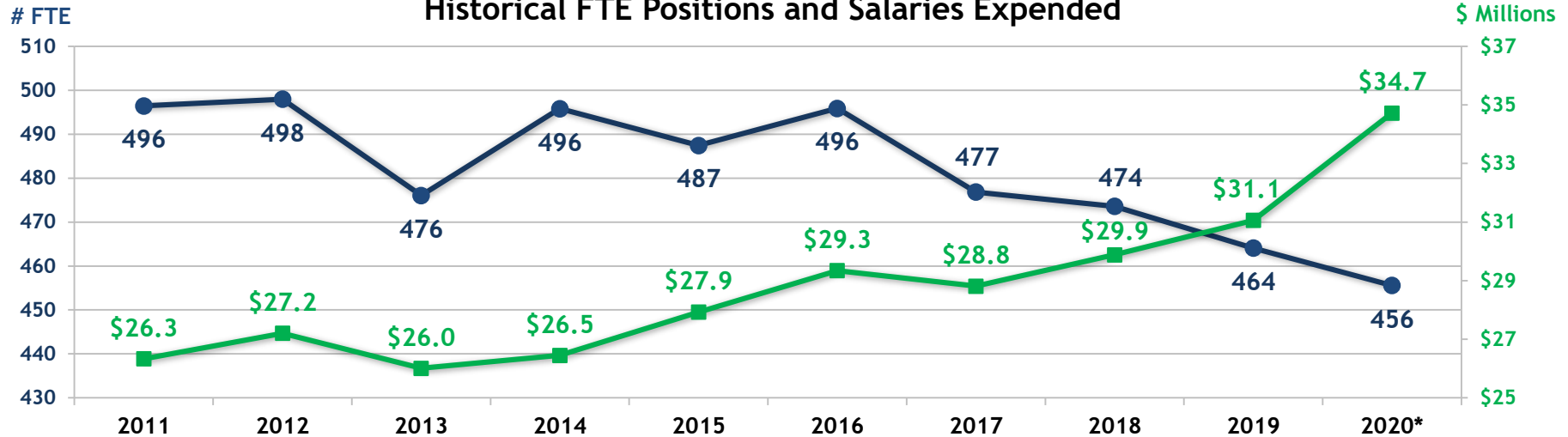
FY 2021 Recommended Positions

493	Total Authorized T.O. Positions (0 Classified, 493 Unclassified)
1	Authorized Other Charges Positions
46	Non-T.O. FTE Positions
21	Vacant Positions (February 3, 2020)

Historical Authorized T.O. Positions



Historical FTE Positions and Salaries Expended



DEPARTMENT CONTACTS



Jeff Landry
Attorney General

Wilbur L. Stiles, III
Chief Deputy Attorney General

Elise Cazes
Administrative Services Director

Melissa Gannuch
Administrative Services Deputy Director
