

Representative Jerome Zeringue
Chairman



Representative Francis Thompson
Vice Chairman

Fiscal Year 2023 Executive Budget Review Department of Justice

House Committee on Appropriations
House Fiscal Division

March 8, 2022

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This presentation was produced by the House Fiscal Division of the Louisiana House of Representatives.

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house.louisiana.gov/housefiscal/

All data and figures were obtained from the governor's Fiscal Year 2022-2023 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2022 Regular Session, unless otherwise noted.

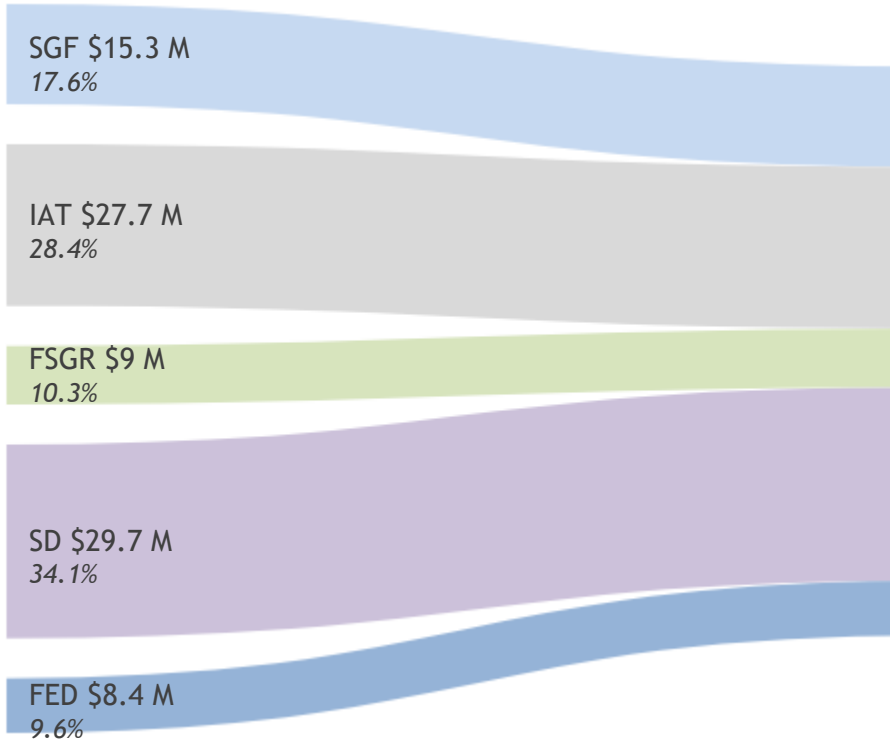
<https://www.doa.la.gov/doa/opb/budget-documents/>

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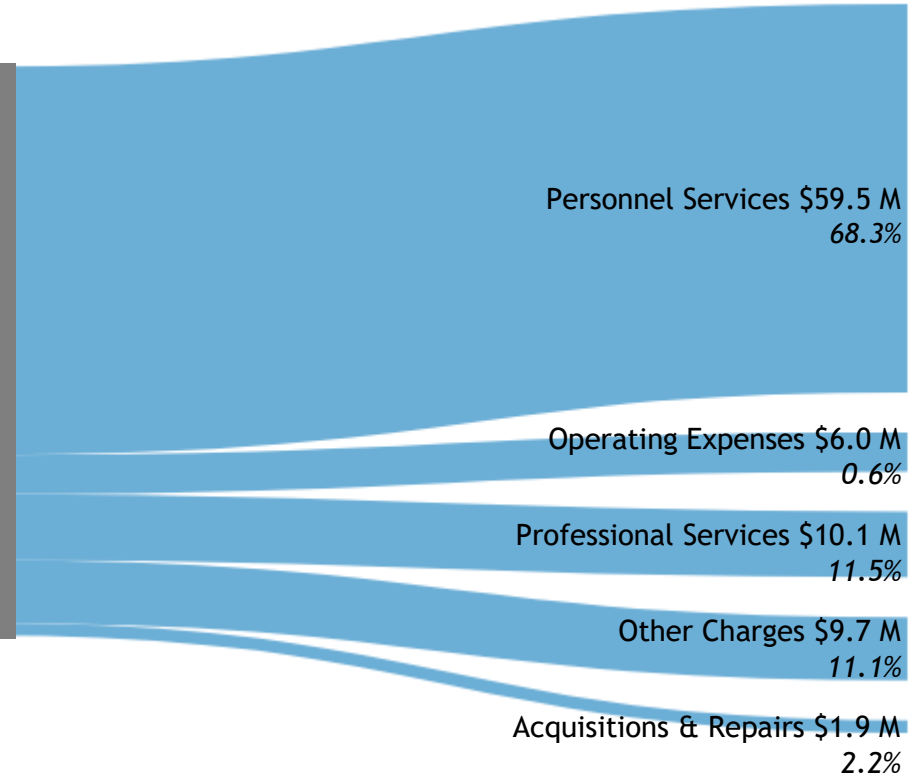
BUDGET RECOMMENDATION FY 23

Total Recommended = \$87,092,148

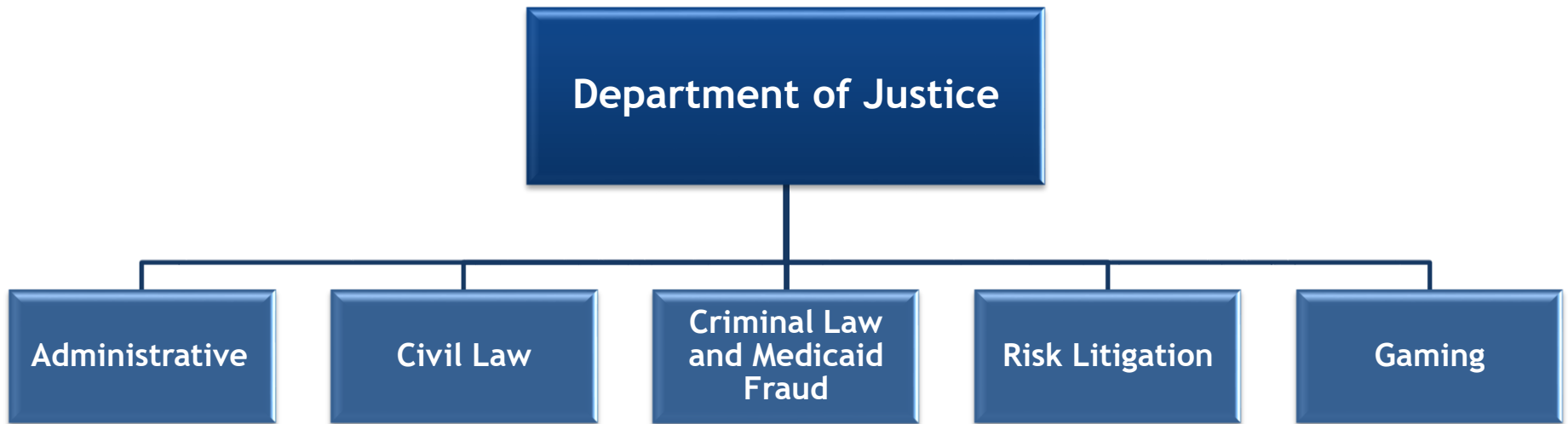
Means of Financing



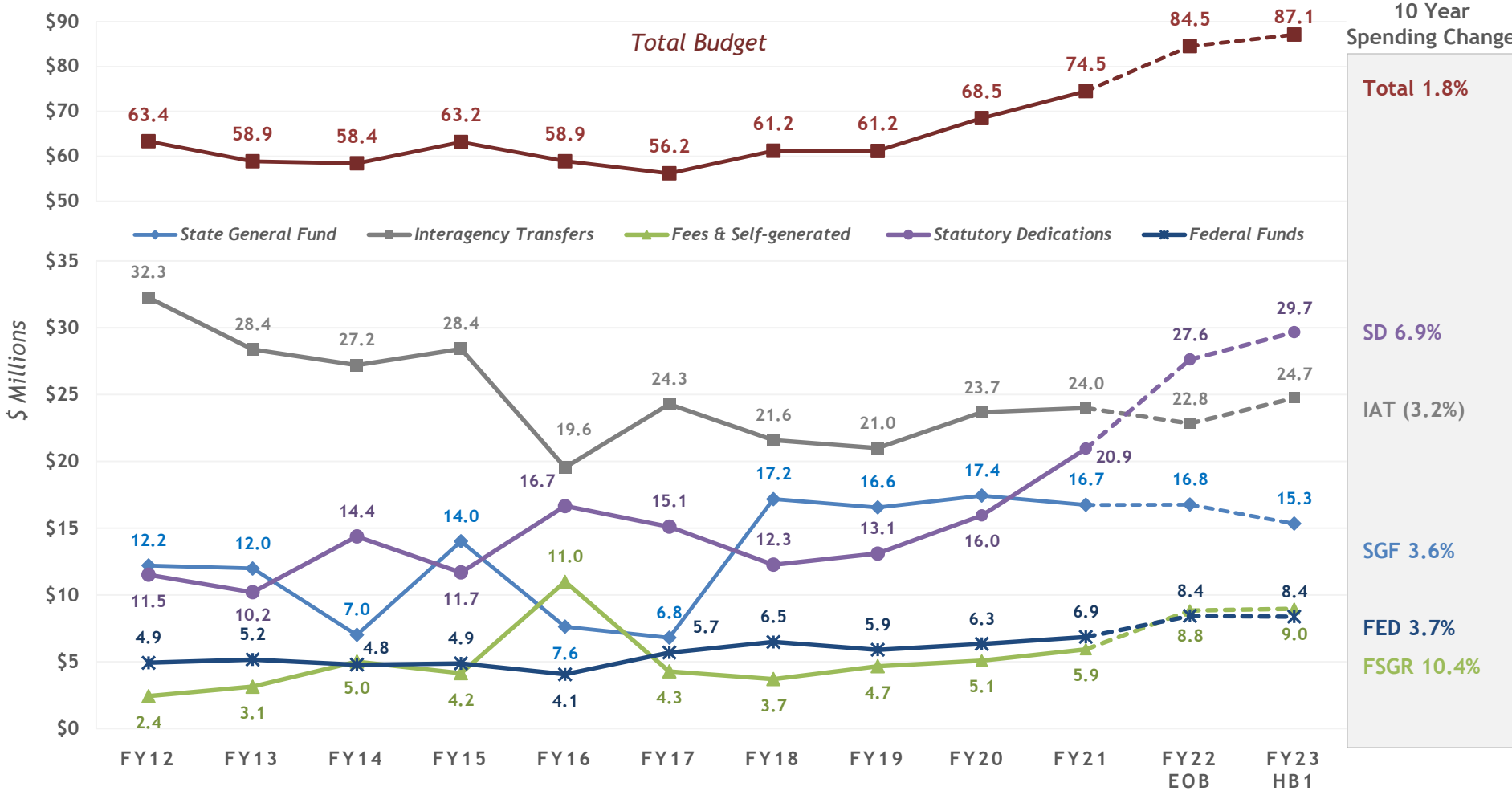
Expenditure Categories



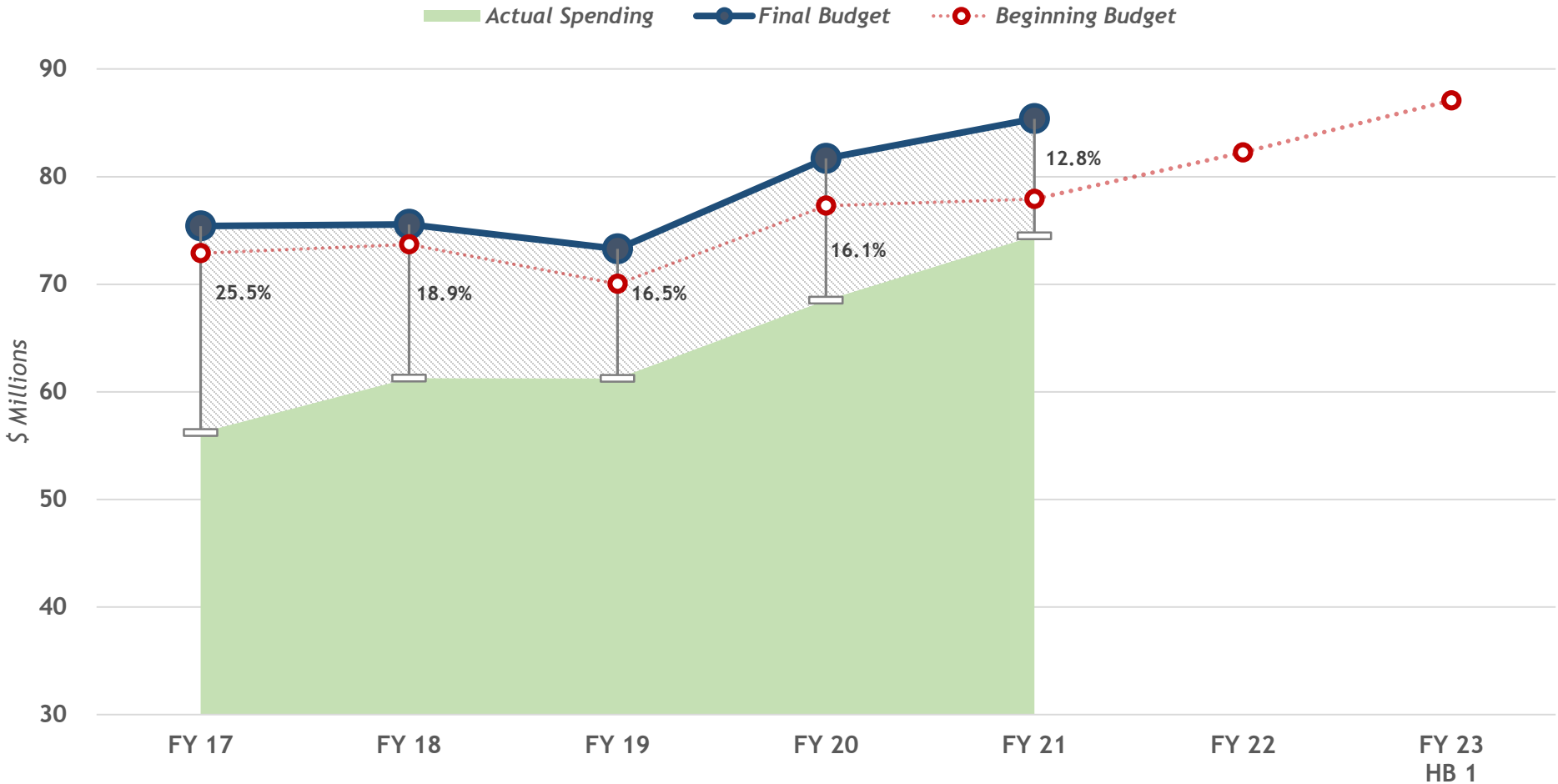
DEPARTMENT ORGANIZATION



HISTORICAL SPENDING



HISTORICAL BUDGET



PRIOR YEAR ACTUALS FY 21

Means of Finance	Final Budget <i>(w/o FY22 carryfwd)</i>	Amount Spent	Unspent Authority	Unspent Authority %	Unspent % by MOF
General Fund	\$ 16,761,179	\$ 16,740,820	\$ 20,359	0.1%	0.2%
Interagency Transfers	24,881,432	23,998,422	883,010	3.5%	10.2%
Self-generated	7,028,304	5,938,263	1,090,041	15.5%	12.6%
Statutory Dedications	26,008,971	20,945,465	5,063,506	19.5%	58.4%
Federal	8,471,504	6,857,494	1,614,010	19.1%	18.6%
FY21 Total	\$ 83,151,390	\$ 74,480,464	\$ 8,670,926	10.4%	100.0%

<i>Historical Total Unspent Budget Authority</i>	Final Budget	Amount Spent	Unspent Authority	Unspent %	
	FY20 Total	\$ 78,392,389	\$ 68,513,675	\$ 9,878,714	12.6%
	FY19 Total	69,298,032	61,224,187	\$ 8,073,845	11.7%
	FY18 Total	73,625,820	61,247,637	\$ 12,378,183	16.8%
	3 Year Avg.	\$ 73,772,080	\$ 63,661,833	\$ 10,110,247	13.7%

PRIOR YEAR ACTUALS FY 21

Were projected revenues collected?

	Final Budget <i>(w/o FY22 carryfwd)</i>	Revenue Collections	Difference
SGF	\$ 16,761,179	\$ 16,740,820	\$ (20,359)
IAT	24,881,432	23,998,424	(883,008)
FSGR	7,028,304	5,938,268	(1,090,036)
SD	26,008,971	20,945,465	(5,063,506)
FED	8,471,504	6,857,495	(1,614,009)
Total	\$ 83,151,390	\$ 74,480,472	\$ (8,670,918)

The department collected \$8.7 million less than the FY21 budget. The majority of excess budget authority over collections was statutory dedications, fees and self-generated revenue and federal funds. Under collected statutory dedications primarily include the Louisiana Fund and the DOJ Debt Collection Fund, but were under collected across all funds.

Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 16,740,820	\$ 16,740,820	\$ 0
IAT	23,998,424	23,998,422	(2)
FSGR	5,938,268	5,938,263	(5)
SD	20,945,465	20,945,465	0
FED	6,857,495	6,857,494	(1)
Total	\$ 74,480,472	\$ 74,480,464	\$ (8)

The department spent all funds collected.

EXISTING OPERATING BUDGET FY 22

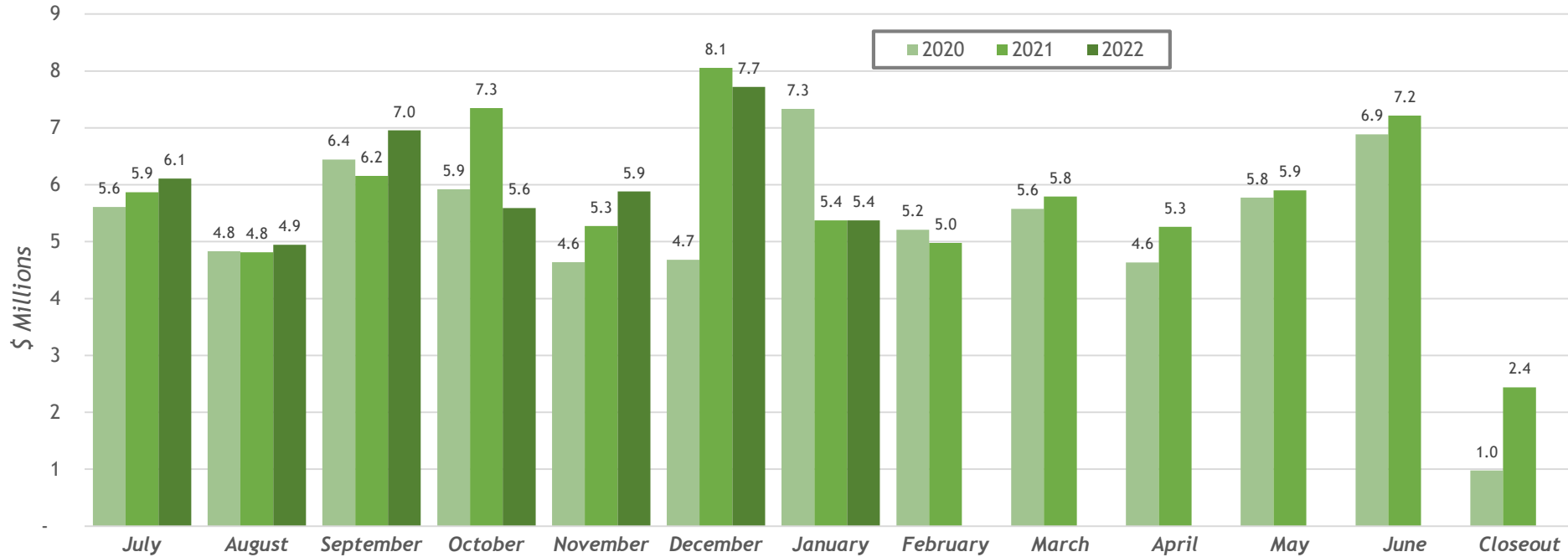
The FY 2021-22 Existing Operating Budget (EOB) was frozen on December 1, 2021. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
General Fund	\$ 16,702,705	\$ 57,271	\$ 16,759,976
Interagency Transfers	22,442,354	393,971	22,836,325
Self-generated Revenue	7,876,174	965,799	8,841,973
Statutory Dedications	26,876,787	750,894	27,627,681
Federal	8,371,332	62,591	8,433,923
Total	\$ 82,269,352	\$ 2,230,526	\$ 84,499,878

Budget Adjustments From Appropriation to EOB

July	August	September	October	November
No change	\$2,230,526 Moves funds into FY 22 for professional services contracts and acquisitions purchased in FY 21 that were not liquidated prior to the end of the year	No change	No change	No change

MONTHLY SPENDING TREND

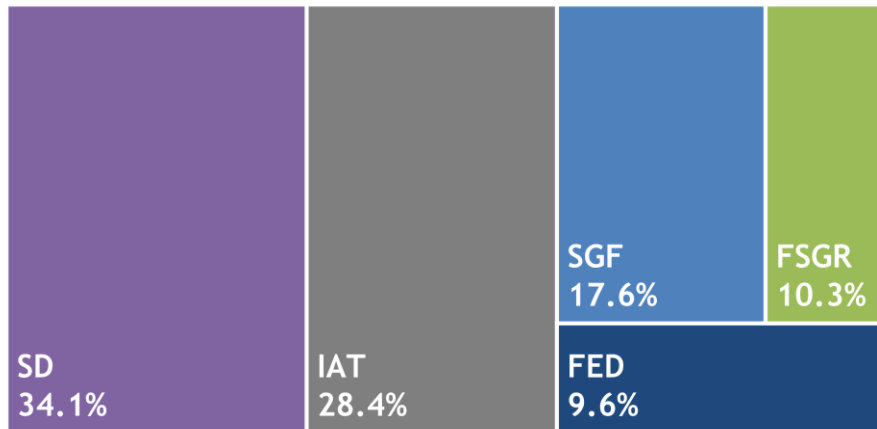


FYTD 2020	5,608,735	10,442,604	16,885,948	22,806,041	27,445,244	32,126,184	39,459,943	44,667,628	50,242,480	54,875,471	60,649,602	67,537,475	68,513,676
FYTD 2021	5,869,443	10,681,506	16,839,969	24,189,336	29,463,693	37,517,817	42,891,200	47,868,246	53,663,507	58,924,056	64,825,270	72,040,587	74,480,471
\$ Change PY	260,708	238,901	(45,979)	1,383,295	2,018,449	5,391,633	3,431,258	3,200,618	3,421,027	4,048,585	4,175,667	4,503,111	5,966,795
% Change PY	4.6%	2.3%	(0.3%)	6.1%	7.4%	16.8%	8.7%	7.2%	6.8%	7.4%	6.9%	6.7%	8.7%
FYTD 2022	6,108,204	11,052,149	18,010,378	23,601,576	29,485,183	37,204,794	42,577,559						
\$ Change PY	238,760	370,643	1,170,410	(587,759)	21,490	(313,023)	(313,641)						
% Change PY	4.1%	3.5%	7.0%	(2.4%)	0.1%	(0.8%)	(0.7%)						

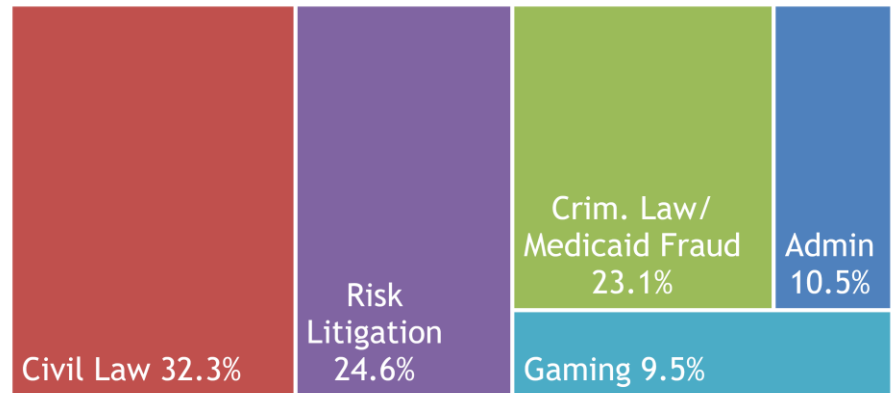
FUNDING RECOMMENDATION FY 23

Total Funding = \$87,092,148

Means of Finance		
State General Fund	\$	15,332,745
Interagency Transfers		24,739,738
Fees & Self-generated		8,975,268
Statutory Dedications		29,665,328
Federal Funds		8,379,069
Total	\$	87,092,148



Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Administrative	\$	9,112,123	63
Civil Law		28,154,382	77
Crim. Law/Medicaid Fraud		20,106,640	140
Risk Litigation		21,418,539	170
Gaming		8,300,464	54
Total	\$	87,092,148	504



SOURCES OF FUNDING

<p style="text-align: center;">State General Fund</p> <p style="text-align: center;">\$15.2 M</p>	<p style="text-align: center;">Interagency Transfers</p> <p style="text-align: center;">\$24.7 M</p>	<p style="text-align: center;">Self-generated Revenue</p> <p style="text-align: center;">\$9.0 M</p>	<p style="text-align: center;">Federal Funds</p> <p style="text-align: center;">\$8.4 M</p>
<ul style="list-style-type: none"> • The chief operating fund of the State recognized by the Revenue Estimating Conference from various taxes, licenses, fees, and other revenue sources except for those identified as other means of financing 	<ul style="list-style-type: none"> • Office of Risk Management and LSU for all tort claims seeking damages • Transfers from agencies for legal services 	<ul style="list-style-type: none"> • Fees charged to other agencies for investigative and legal services for quasi-state agencies • Participation in the US DOJ Federal Forfeiture program and the Pre-trial Intervention program • Louisiana Lottery Corporation • Insurance Fraud Investigation Dedicated Fund Account- fee on insurance premiums for the Criminal Law Unit 	<ul style="list-style-type: none"> • From the Department of Health and Human Services Medicaid Fraud Unit • From the Department of Housing and Urban Development (HUD) for the administration and enforcement of the Louisiana open housing laws • U.S. Department of Justice (DOJ)

STATUTORY DEDICATIONS

Fund Name	Source	Usage	FY 22 EOB	FY 23 HB 1
DOJ Legal Support Fund	A portion of court settlement proceeds recovered by the Attorney General on behalf of the state	Defray the costs of expert witnesses, consultants, contract legal counsel, technology, specialized employee training and education, and public education initiatives; also to defray the expense of employees hired to represent the state	\$10,398,736	\$10,104,287
DOJ Debt Collection Fund	The monies are from 25% of the total monies recovered through debt collection	For support of debt collection activities and general operating expenses, and to supplement the department's budget and shall not be used to displace, replace, or supplant appropriations from the state general fund	\$4,606,373	\$7,053,635
Video Draw Poker Device Fund	Fees, fines, and penalties on video poker devices	Regulatory, administrative, investigative, enforcement, legal, and such other expenses as may be necessary for activities associated with enforcement of laws and regulations governing video draw poker devices	\$3,508,294	\$4,365,141
Riverboat Gaming Enforcement Fund	Riverboat gaming fees and fines	Regulatory, administrative, investigative, enforcement, and legal expenses for the Gaming Unit	\$2,206,841	\$2,252,500
Medical Assistance Programs Fraud Detection Fund	Funds received by the state from a civil award or settlement, except for the amount to make the medical assistance programs whole	Used as state match for federal funds for the detection, investigation, and prosecution of Medicaid fraud	\$2,078,793	\$2,081,372
Pari-mutuel Live Racing Facility Gaming Fund	Slot machine proceeds. Fees, fines, taxes, other	Expenses related to the Gaming Unit	\$874,423	\$891,107
Tobacco Settlement Enforcement Fund	\$400,000 transferred from SGF, other appropriations, donations, and grants	Enforcement of the Master Settlement	\$400,000	\$400,000
Tobacco Control Special Fund	Violations related to tobacco product manufacturers	Tobacco enforcement and control matters	\$15,000	\$15,000
Louisiana Fund (Constitutional Fund)	Tobacco Settlement funds	Enforcement of the requirements of the Master Settlement	\$2,572,074	\$2,169,373
			Total	\$27,627,681
				\$29,665,328

FUNDING COMPARISON

Means of Finance	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 16,740,820	\$ 16,759,976	\$ 15,332,745	\$ (1,427,231)	(8.5%)	\$ (1,408,075)	(8.4%)
IAT	23,998,422	22,836,325	24,739,738	1,903,413	8.3%	741,316	3.1%
FSGR	5,938,263	8,841,973	8,975,268	133,295	1.5%	3,037,005	51.1%
Stat Ded	20,945,465	27,627,681	29,665,328	2,037,647	7.4%	8,719,863	41.6%
Federal	6,857,494	8,433,923	8,379,069	(54,854)	(0.7%)	1,521,575	22.2%
Total	\$ 74,480,464	\$ 84,499,878	\$ 87,092,148	\$ 2,592,270	3.1%	\$ 12,611,684	16.9%

Significant funding changes compared to the FY 22 Existing Operating Budget

State General Fund

(\$1.4 million) - decrease due to reductions in statewide standard adjustments

Interagency Transfers

\$1.2 million - increase in statewide standard adjustments from the Office of Risk Management

\$369,040 - increase in agreements with state agencies for legal representation

\$334,197 - increase in funding to the Risk Litigation Program for acquisitions

Fees & Self-generated

\$133,295 - net increase due to the reclassification of the statutory dedication Insurance Fraud Investigation Fund to a self-generated fund account in accordance with Act 114 of the 2021 R.S.

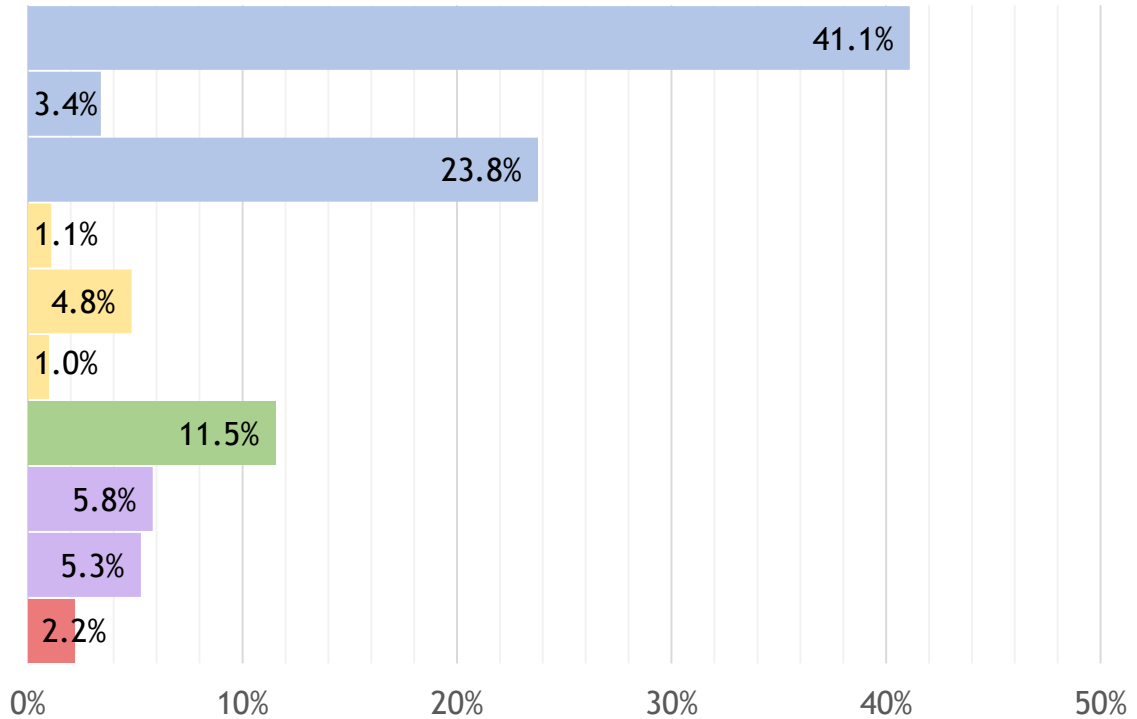
Statutory Dedications

\$2,037,647 - increase in funding from various statutory dedications per the most recent Revenue Estimating Conference forecast and the Louisiana Sports Wagering Enforcement Fund created by Act 80 of the 2021 R.S.

EXPENDITURE RECOMMENDATION FY 23

Total Budget = \$87,092,148

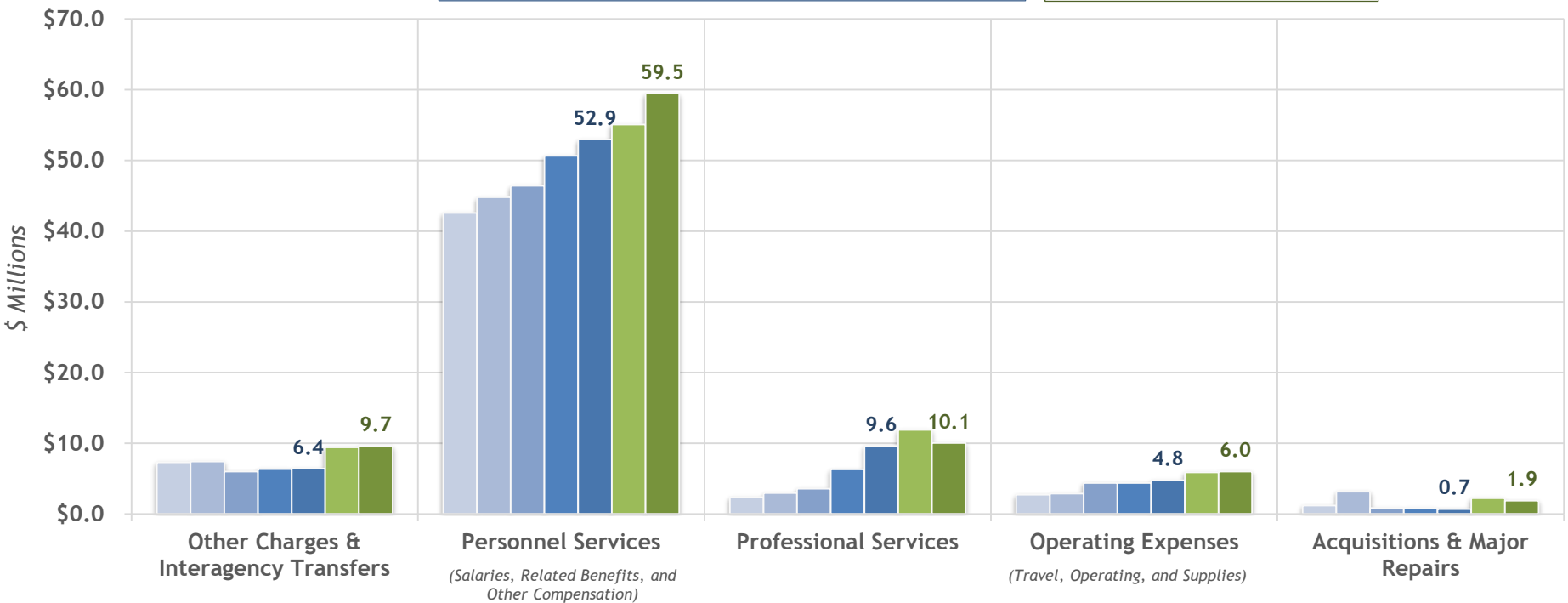
Expenditure Category		
Salaries	\$	35,802,317
Other Compensation		2,956,689
Related Benefits		20,706,305
Travel		949,715
Operating Services		4,212,776
Supplies		859,965
Professional Services		10,056,427
Other Charges		5,070,931
Interagency Transfers		4,582,530
Acquisitions/Repairs		1,894,493
Total	\$	87,092,148



EXPENDITURE HISTORY

Fiscal Year: Actual Expenditures Budgeted Amount

2017 2018 2019 2020 2021 2022 EOB 2023 HB1



5 Year Average Spending per Expenditure Category

\$6.7 M : 10.4%	\$47.5 M : 73.8%	\$5 M : 7.7%	\$3.8 M : 6.0%	\$1.3 M : 2.1%
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EXPENDITURE COMPARISON

Expenditure Category	FY21 Actual Expenditures	FY22 Existing Operating Budget 12/1/21	FY23 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 32,406,844	\$ 33,076,469	\$ 35,802,317	\$ 2,725,848	8.2%	\$ 3,395,473	10.5%
Other Compensation	2,266,883	2,956,689	2,956,689	0	0.0%	689,806	30.4%
Related Benefits	18,262,419	19,025,561	20,706,305	1,680,744	8.8%	2,443,886	13.4%
Travel	344,278	926,715	949,715	23,000	2.5%	605,437	175.9%
Operating Services	4,104,347	4,092,347	4,212,776	120,429	2.9%	108,429	2.6%
Supplies	330,391	858,465	859,965	1,500	0.2%	529,574	160.3%
Professional Services	9,619,128	11,884,753	10,056,427	(1,828,326)	(15.4%)	437,299	4.5%
Other Charges	1,083,787	5,003,882	5,070,931	67,049	1.3%	3,987,144	367.9%
Interagency Transfers	5,351,194	4,427,957	4,582,530	154,573	3.5%	(768,664)	(14.4%)
Acquisitions/Repairs	711,193	2,247,040	1,894,493	(352,547)	(15.7%)	1,183,300	166.4%
Total	\$ 74,480,464	\$ 84,499,878	\$ 87,092,148	\$ 2,592,270	3.1%	\$ 12,611,684	16.9%

SIGNIFICANT EXPENDITURE CHANGES FY 23

Compared to the FY 22 Existing Operating Budget

Personnel Services	Professional Services	Acquisitions/Repairs
<p>\$2 million - increase to account for the 27th pay period</p> <p>\$2.7 million - increase in salaries and related benefits including retirement, and group insurance</p> <p>\$298,857 - increase of 3 authorized positions for the expansion of work due to the addition of sports wagering to the gaming program per Act 440 of the 2021 R.S.</p> <p>(\$604,034) - decrease of 6 authorized TO positions due to being vacant for more than one year</p>	<p>(\$1.8 million) - decrease for legal contracts in FY 21 that were not liquidated until FY 22; some examples are:</p> <ul style="list-style-type: none">• \$933,043 for legal services• \$604,802 for professional IT services• \$297,651 for management consulting services	<p>\$1.1 million - increase for acquisitions throughout the department such as the replacement of computers, printers, software and law books</p> <p>\$857,513 - increase for the purchase of 33 vehicles</p> <p>(\$2.2 million) - decrease to remove funding for acquisitions purchased in FY 22</p>

OTHER CHARGES/INTERAGENCY TRANSFERS

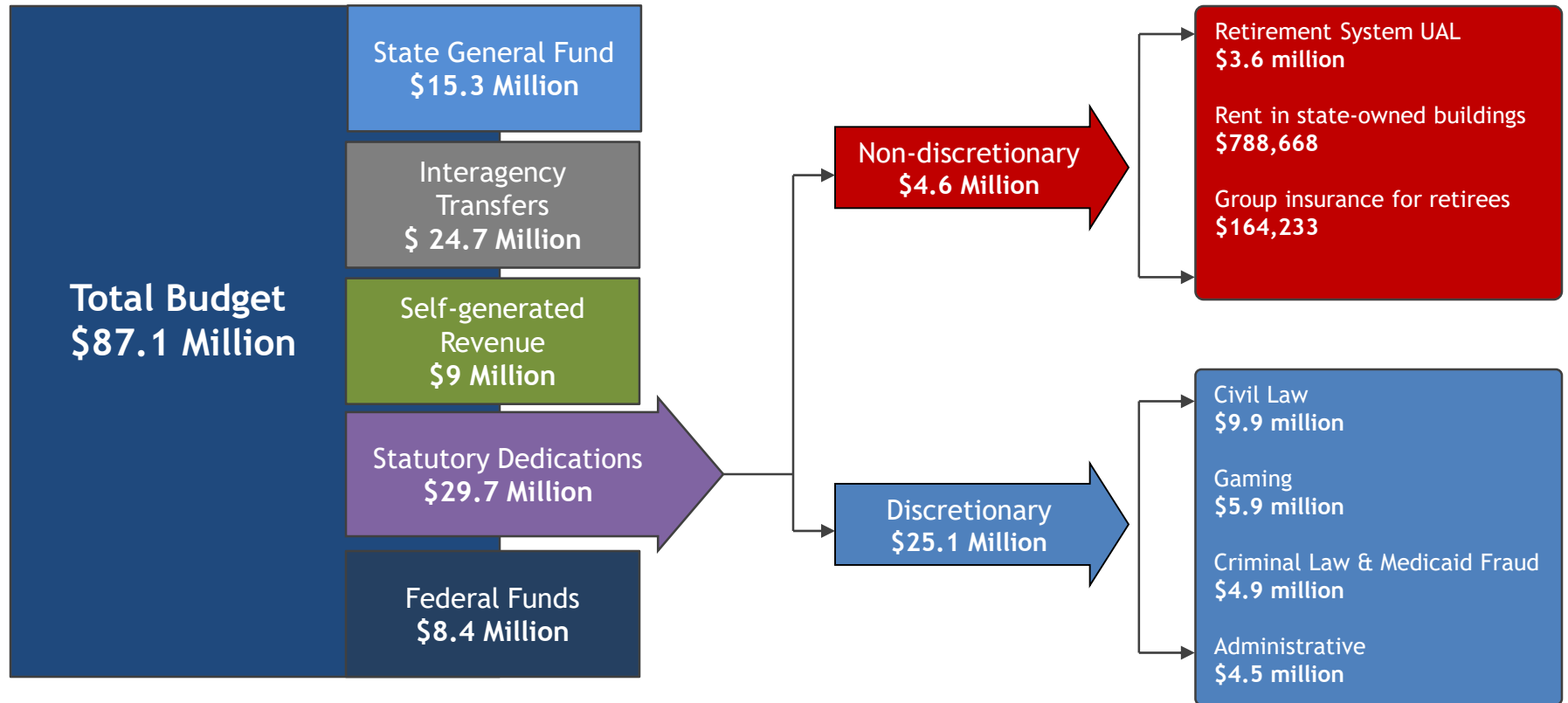
Other Charges

Amount	Description
\$ 3,632,777	Consumer Enforcement Fund expenses
498,489	Sex Offender Registry Technology Fund Account residual monies to be distributed to the sheriff of each parish, based on the population of convicted sex offenders, sexually violent predators, and child predators who reside in the parish
344,897	Expenses associated with expert witnesses, contract legal services, court transcripts, records, depositions, and filing fees
257,338	Medicaid Fraud Control Unit expense
179,017	Cyber Crimes Unit expenses
112,561	U.S. Dept. of Housing and Urban Development
30,852	LDH Ombudsman
15,000	Tobacco Control Special Fund expenses
\$ 5,070,931	Total Other Charges

Interagency Transfers

Amount	Description
\$ 1,814,523	Rent in state-owned buildings
809,589	Office of Technology Services- Printing and Communications
779,128	Office of Risk Management
614,723	Benson Towers rent
229,004	Office of Technology Services
143,041	Capitol Park Security fees
63,182	Maintenance in state owned buildings
62,690	Legislative Auditor fees
36,674	Office of State Procurement
29,976	Uniform Payroll System (UPS) fees
\$ 4,582,530	Total Interagency Transfers

DISCRETIONARY EXPENSES FY 23

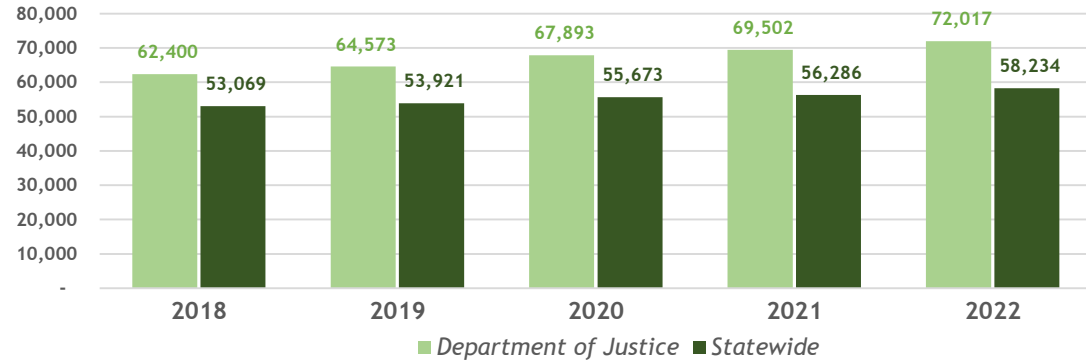


PERSONNEL INFORMATION

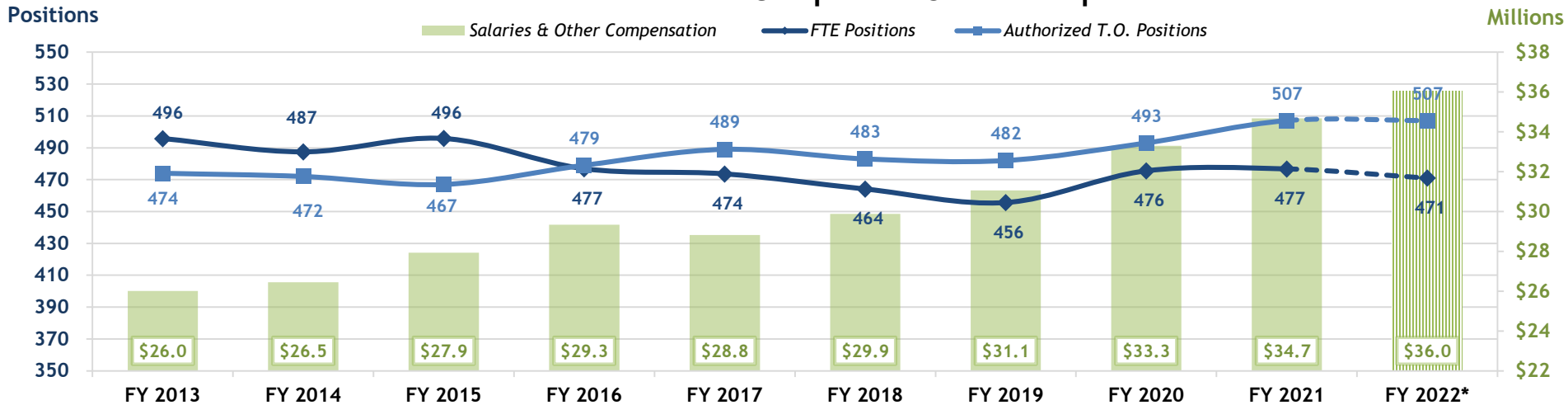
FY 2023 Recommended Positions

504	Total Authorized T.O. Positions (14 Classified, 490 Unclassified)
1	Authorized Other Charges Positions
46	Non-T.O. FTE Positions
48	Vacant Positions (January 3, 2022)
(6)	Positions Removed

Historical Average Salary



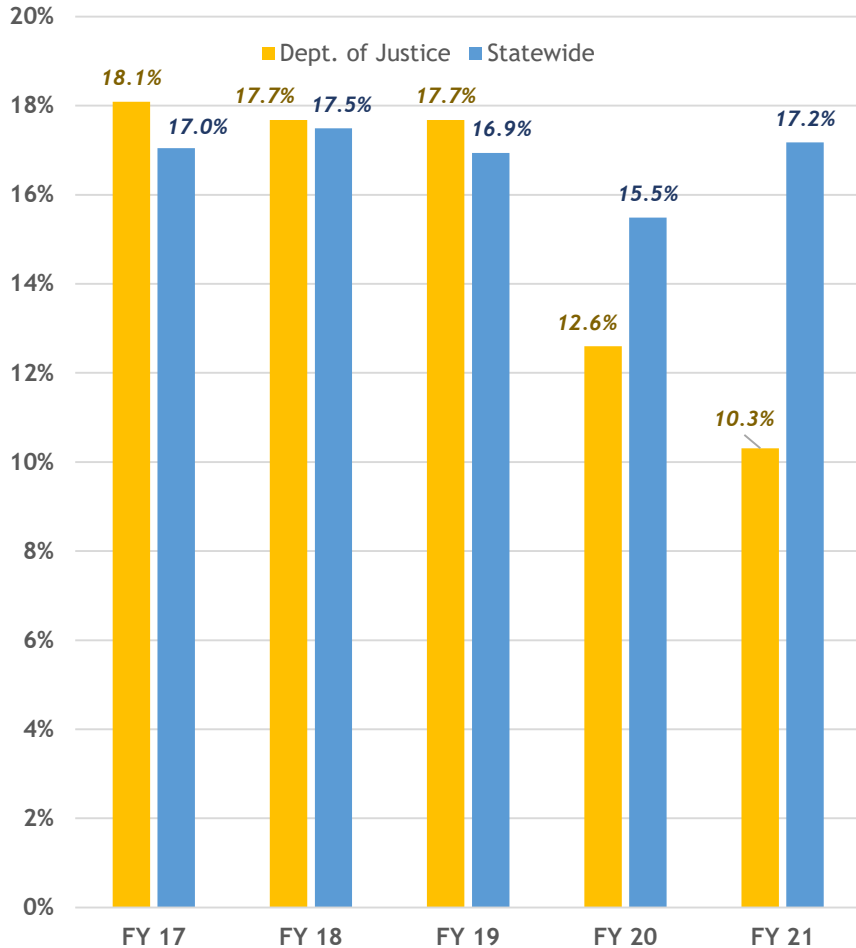
Historical Positions¹ Compare to Salaries Expended



¹ FTE Source: Dept. of Civil Service Weekly Report on State Employment

* Existing Operating Budget on 12/1/21

TURNOVER HISTORY



Top Positions Vacated FY 2021

Position	Number of Employees	Separations	Turnover Rate
Asst. Attorney General	123	23	19%
Investigator/Spec. Agent	70	5	7%
Secretary	45	3	7%
Executive Secretary	10	2	20%
Accountant	2	1	50%

MEDICAID FRAUD CONTROL UNIT

Purpose

- State Medicaid Fraud Control Units (MFCU's) are mandated by federal law for states that participate in the Medicaid Program
- The unit's function is to operate a statewide program for the detection, investigation and prosecution, both criminally and civilly, of fraud in the Medication Program. The unit also investigates and prosecutes complaints involving patient abuse and neglect against Medicaid recipients and those residing in board and care facilities, regardless of Medicaid participation.

Funding- Federal grant program with a 25% state match, traditionally funded through the Medical Assistance Programs Fraud Detection Fund, which is funded through a portion of the recoveries obtained

Partnerships

- Disability Rights Louisiana and the Office of Elderly Affairs- to receive information regarding abuse or exploitation of individuals in residential settings
- LDH- Health Standards to review every incident entered into the Statewide Incident Management System, approximately 4,000- 7,000 per year
- LDH Program Integrity Section and Louisiana Legislative Auditor to cooperatively develop systems to investigate and prosecute fraud in the Medicaid Program, along with federal authorities
- Maintain relationships with the provider community and local law enforcement to provide presentations educating them about functions of the Unit and the capabilities to protect Louisiana's citizens

Performance Indicator	FY 17	FY 18	FY 19	FY 20	FY 21
# Investigations Opened	362	402	479	427	283
Outreach training programs provided	65	59	45	138	14
Civil Penalties collected	\$2,558,264	\$3,151,034	\$6,674,953	\$8,002,912	\$4,139,713
Investigator & Prosecution costs collected	\$106,024	\$139,991	\$154,874	\$153,468	\$5,862,855

INTERNET CRIMES AGAINST CHILDREN TASK FORCE

- Began in 2003 as a grant from the U.S.D.O.J to the Office of the Attorney General
- Interagency, multi-jurisdictional task force with the purpose of sharing information, resources, and expertise in the investigation, prosecution, and deterrence of technology-facilitated sexual exploitation of children
- Part of the Cybercrimes Unit of the AG's office and has 23 positions including:
 - 1 commander
 - 8 special agents
 - 11 computer forensic examiners
 - 1 grant manager
 - 1 analyst
 - 1 case coordinator

Year	# Cyber tips reported to ICAC	# Cases generated	# of Arrests by LA DOJ CCU
2011	547	254	5
2012	788	38	20
2013	809	101	53
2014	1,017	713	77
2015	1,221	1,147	128
2016	863	913	81
2017	1,1396	971	113
2018	1,938	1,166	92
2019	2,308	1,396	169
2020	3,260	1,917	130
2021	3,815	2,925	148

DEPARTMENT CONTACTS



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DEPARTMENT OVERVIEW

Administrative

- Contains the Executive Office and Administrative Services
- Collections Section collects defaulted student loans and assists 28 boards, agencies, and commission on collections

Criminal Law and Medicaid Fraud

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

Gaming

Provides representation to the La. Gaming Control Board, the La. Lottery Corporation, the State Racing Commission, state police and the Dept. of Revenue

Civil Law

- Contains the Civil Division and the Public Protection Division
- Includes attorneys assigned to various state department for the defense of state agencies in civil claims
- Writes legal opinions
- Enforcement of the Tobacco Master Settlement agreement

Risk Litigation

Provides legal representation for the state in civil rights, general liability, medical malpractice, road hazards, workers' compensation, and transportation