

Louisiana Senate Finance Committee



FY18 Executive Budget

04-141 – Department of Justice

May 2017

Sen. John A. Alario, Jr., President

Sen. Eric LaFleur, Chairman



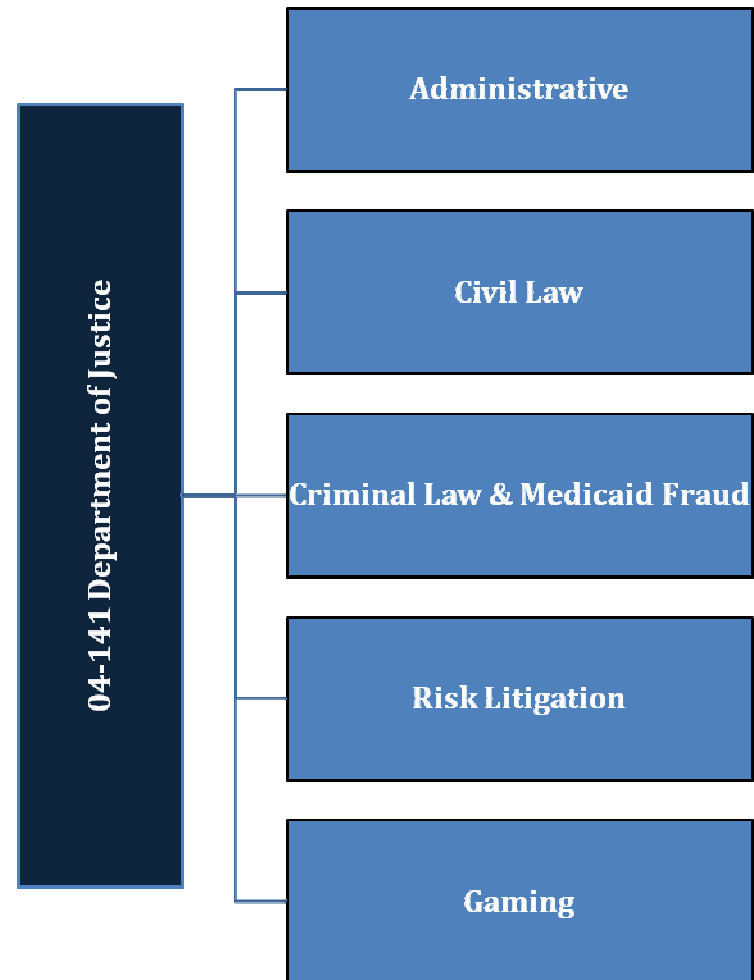
Kari Couvillon



FY18 Executive Budget

Schedule 04-141 — Department of Justice

Departmental mission — The mission of the Office of the Attorney General is 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 of Justice

FY16, FY17, and FY18 Comparison

Total Funding — All Means of Finance

Total Funding	FY16 Actual	FY17 Enacted	FY17 EOB as of 12-1-16	FY18 Recommended	FY18 Re-engrossed HB1	Difference FY18 Re-engrossed HB1 vs. FY17 EOB as of 12-1-16
Preamble	\$ -	\$ -	\$ -	\$ -	\$ (2,567,486)	\$ (2,567,486)
Administrative	\$ 6,505,738	\$ 6,345,106	\$ 6,465,894	\$ 6,114,291	\$ 6,114,291	\$ (351,603)
Civil Law	\$ 16,664,687	\$ 29,106,467	\$ 30,834,269	\$ 28,240,041	\$ 28,240,041	\$ (2,594,228)
Crim. Law & Medicaid Fraud	\$ 13,408,635	\$ 13,226,507	\$ 15,607,693	\$ 17,300,533	\$ 17,300,533	\$ 1,692,840
Risk Litigation	\$ 16,987,212	\$ 18,270,110	\$ 18,270,110	\$ 18,080,758	\$ 18,080,758	\$ (189,352)
Gaming	\$ 5,354,063	\$ 5,938,149	\$ 5,938,149	\$ 6,292,713	\$ 6,292,713	\$ 354,564
TOTAL	\$ 58,920,335	\$ 72,886,339	\$ 77,116,115	\$ 76,028,336	\$ 73,460,850	\$ (3,655,265)
Total Authorized FTEs	479	479	489	470	489	-

EOB March 2017	FY18 Re-engrossed HB1	Difference
\$ 75,171,585	\$ 73,460,850	\$ (1,710,735)
489	489	-

Total State Effort — State General Fund, Dedicated Funds, and Fees and Self-generated Revenue

FY17 EOB as of 12-1-16	FY17 EOB as of March 2017 (Includes Attrition Adjustment)	Difference	FY18 Recommended	Difference	FY18 Re-engrossed HB1	Difference	Difference
TOTAL STATE EFFORT	TOTAL STATE EFFORT	EOB 12-1-16 vs. EOB March 2017	TOTAL STATE EFFORT	EOB March 2017 vs. FY18 Recommended	TOTAL STATE EFFORT	EOB March 2017 vs. FY18 Re-engrossed	FY18 Recommended vs. FY18 Re-engrossed
\$ 37,603,087	\$ 35,658,557	\$ (1,944,530)	\$ 38,119,035	\$ 2,460,478	\$ 35,551,549	\$ (107,008)	\$ (2,567,486)

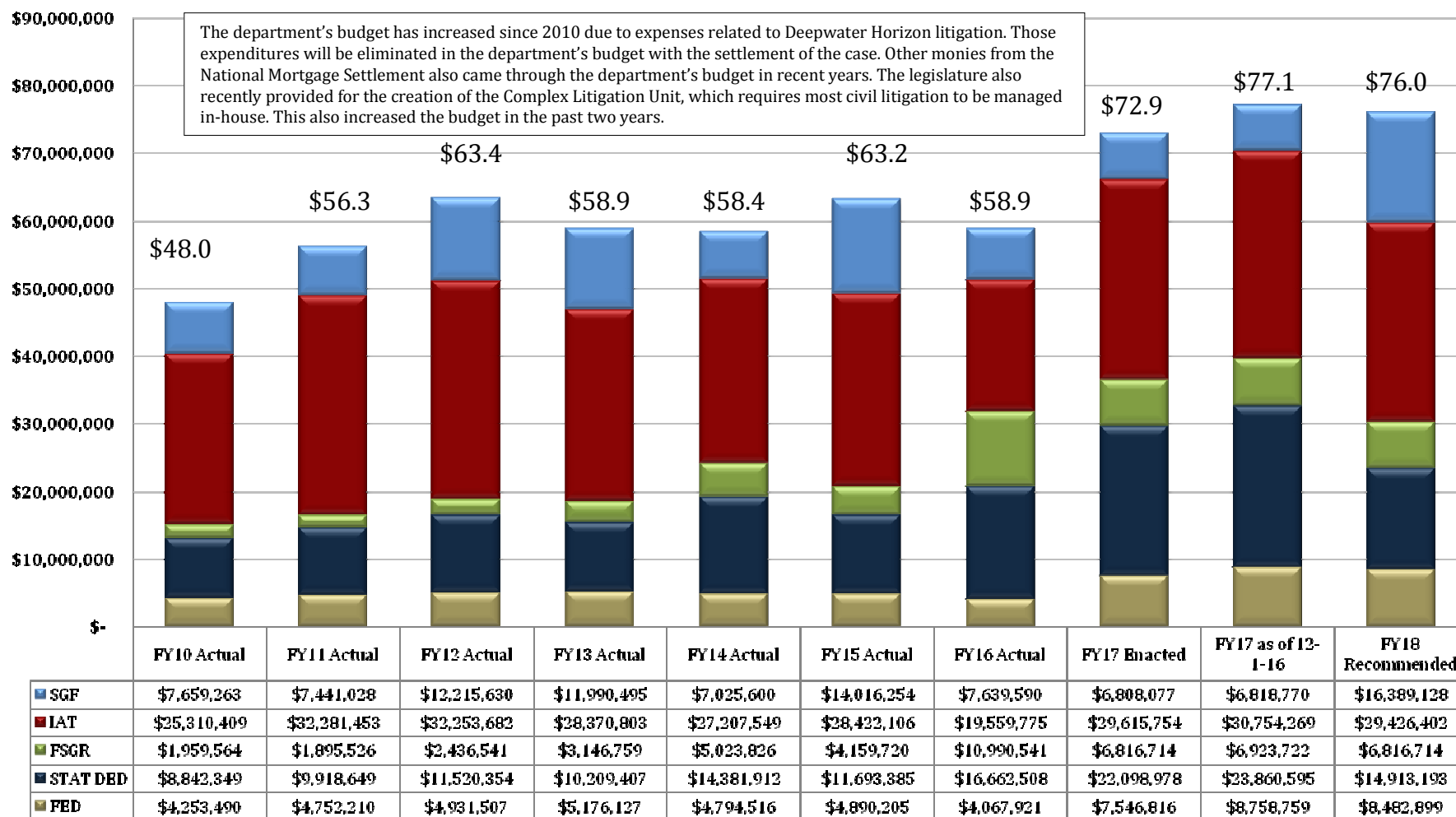


Department of Justice

Changes in Funding since FY10

Total Budget by Fiscal Year and Means of Finance (in \$ millions)

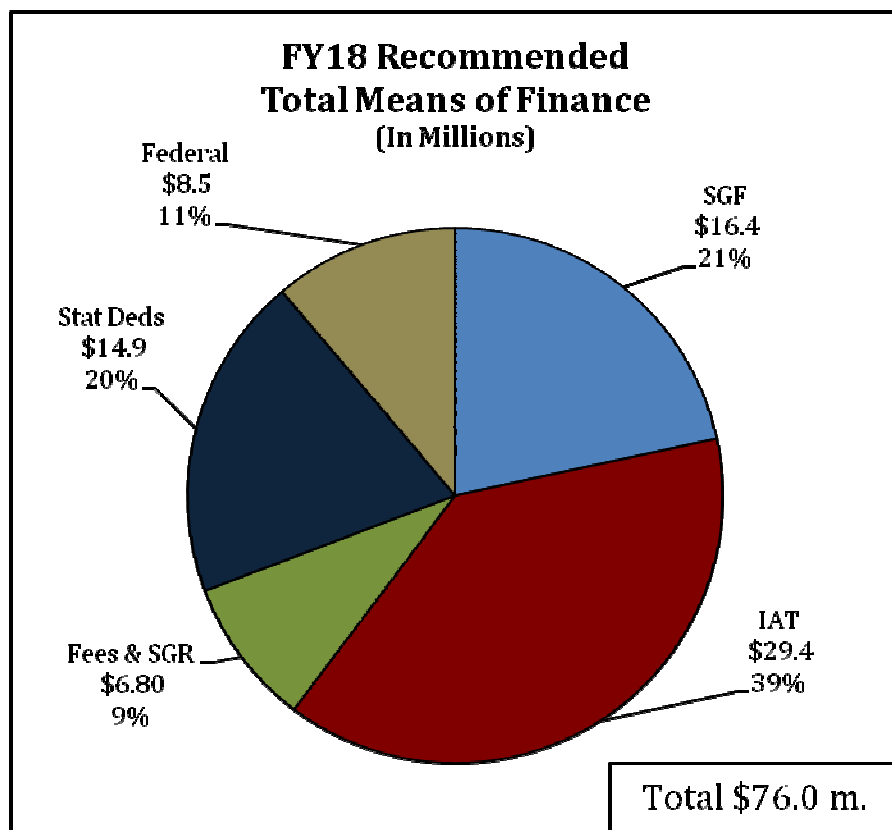
Change from FY10 to FY18 is +58.3%.





Department of Justice

FY18 Recommended Means of Finance



Non-SGF Sources of Funding:

Statutory Dedications are from the Department of Justice Legal Support Fund (S), Department of Justice Debt Collection Fund (S), Tobacco Settlement Enforcement Fund (S), the Tobacco Control Special Fund (S), the Louisiana Fund (C), Insurance Fraud Investigation Fund (S), the Sex Offender Registry Technology Fund (S), the Medical Assistance Program Fraud Detection Fund (S), the Riverboat Gaming Enforcement Fund (S), Pari-Mutuel Live Racing Facility Gaming Control Fund (S), and the Video Draw Poker Device Fund (S).

Interagency transfers are derived from various state agencies for legal services. Interagency transfers are provided from the Louisiana Commission on Law Enforcement to provide educational programming, domestic violence training, and a comprehensive approach to ensuring safe schools and from the Department of Public Safety for participation in the "U Drink U Drive U Walk" project. The department also receives Interagency Transfers from the Office of Risk Management and from gaming control agencies for investigative and legal services.

Fees and Self-generated revenues are derived from fees charged for the legal services associated with collection of delinquent student loans and from other quasi-state agencies for legal services. Fees and Self-generated Revenues are also derived from the Louisiana Lottery Commission and from participation in the U.S. Department of Justice Federal Forfeiture program.

Federal Funds are derived from the Department of Housing and Urban Development for the Administration and Enforcement of the Louisiana open housing law and from the Department of Health and Human Services Medicaid Fraud Unit.



Department of Justice Dedicated Funds

FY16, FY17, and FY18

Dedicated Funds	Source of Funding	FY16 Actual	FY17 Enacted	FY18 Recommended
Dept. of Justice Debt Collection Fund	Portion of collected debt	\$2,417,806	\$2,391,328	\$2,456,328
Dept. of Justice Legal Support Fund	Settlements & judgments	\$4,796,101	\$8,466,897	\$1,600,000
Insurance Fraud Investigation Fund	Premium taxes	\$662,171	\$712,664	\$740,065
Louisiana Fund	Tobacco settlement funds	\$396,058	\$2,148,200	\$1,048,200
Medical Assistance Programs Fraud Detection Fund	Settlements & judgments from fraud abuse cases	\$1,411,901	\$1,426,608	\$1,755,869
Pari-mutuel Live Racing Fac. Gaming Control Fund	Gaming taxes	\$819,217	\$834,658	\$834,658
Riverboat Gaming Enforcement Fund	Gaming taxes	\$1,958,231	\$1,869,475	\$1,869,475
Sex Offender Registry Technology Fund	Fees on sex offenders	\$450,000	\$826,057	\$1,015,943
Tobacco Control Special Fund	Fees on stamping agents	\$15,704	\$200,000	\$15,000
Tobacco Settlement Enforcement Fund	State general fund for enforcement of the Tobacco Settlement	\$399,940	\$400,000	\$400,000
Video Draw Poker Device Fund	Gaming taxes	\$3,335,379	\$2,823,091	\$3,177,655
TOTALS		\$16,662,508	\$22,098,978	\$14,913,193



Department of Justice Dedicated Funds FY16, FY17, and FY18

Dedicated Funds used to solve FY17 Mid-Year Deficits — Includes December and February Adjustments

Dedicated Fund	Amount
Video Draw Poker Device Fund (February)	(\$141,154)
Riverboat Gaming Enforcement Fund (February)	(\$93,473)
Pari-mutuel Live Racing Gaming Control Fund (February)	(\$41,732)
Medical Assistance Programs Fraud Detection Fund (February) (Backfilled)	(\$88,988)
Insurance Fraud Investigation Fund (February)	(\$35,633)
Dept. of Justice Legal Support Fund (February)	(\$450,661)
Dept. of Justice Debt Collection Fund (February) (Backfilled)	(\$119,566)
Tobacco Settlement Enforcement Fund (February) (Backfilled)	(\$20,002)
Sex Offender Registry Technology Fund (February)	(\$81,877)
Louisiana Fund (February)	(\$1,100,000)



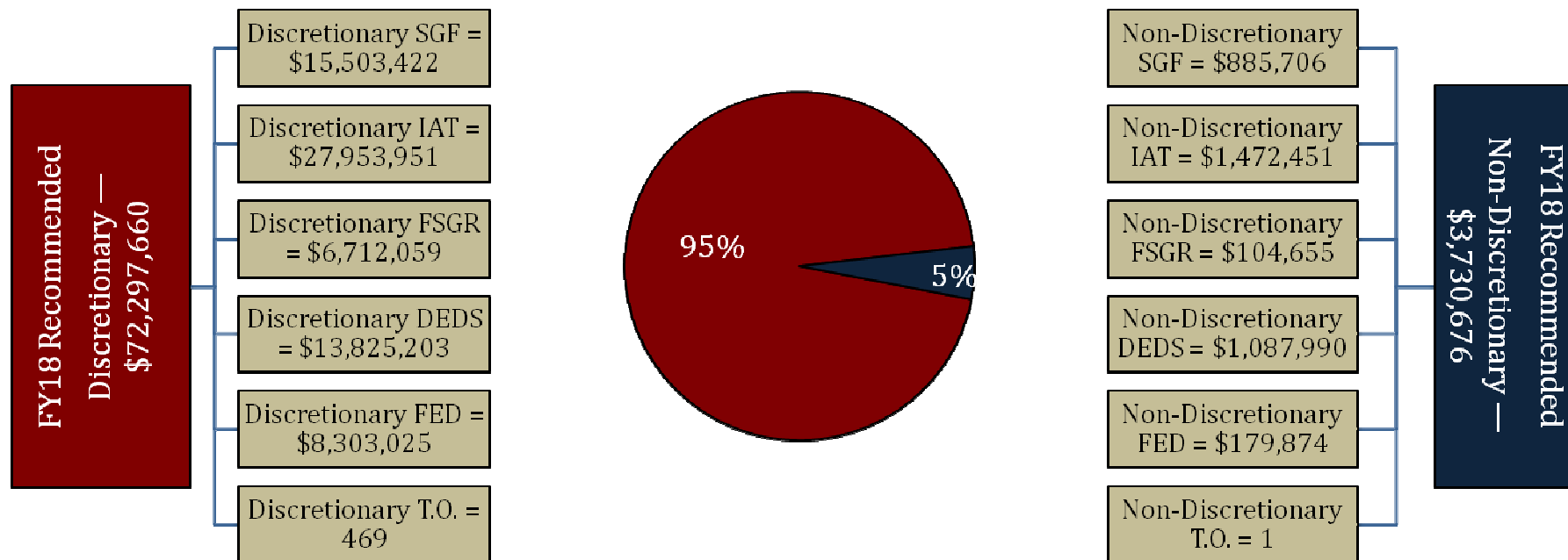
Department of Justice Expenditures FY16, FY17, and FY18

Expenditure Category	FY16 Actual	FY17 Enacted	FY18 Recommended	Percent Change FY17 Enacted vs. FY18 Recommended
Personal Services:	\$42,640,691	\$38,564,875	\$42,828,697	11.1
Salaries	\$26,671,401	\$24,234,731	\$26,328,157	8.6
Other Compensation	\$2,670,660	\$2,368,781	\$2,354,735	(0.6)
Related Benefits	\$13,298,630	\$11,961,363	\$14,145,805	18.3
Operating Expenses:	\$2,592,218	\$3,342,560	\$3,725,965	11.5
Travel	\$487,509	\$1,044,726	\$1,102,871	5.6
Operating Services	\$1,698,684	\$1,688,332	\$1,903,439	12.7
Supplies	\$406,025	\$609,502	\$719,655	18.1
Professional Services	\$5,040,436	\$6,998,170	\$5,908,169	(15.6)
Other Charges:	\$7,783,694	\$22,942,694	\$22,658,699	(1.2)
Other Charges	\$3,425,063	\$19,000,191	\$17,628,859	(7.2)
Debt Service	\$0	\$0	\$0	-
Interagency Transfers	\$4,358,631	\$3,942,503	\$5,029,840	27.6
Acquisitions & Major Repairs:	\$863,296	\$1,038,040	\$906,806	(12.6)
Acquisitions	\$863,296	\$1,038,040	\$906,806	(12.6)
Major Repairs	\$0	\$0	\$0	-
Total Expenditures	\$58,920,335	\$72,886,339	\$76,028,336	4.3



Department of Justice

FY18 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Administrative	\$ 5,683,670	8%
Civil Law	\$ 27,366,618	38%
Criminal Law & Medicaid Fraud	\$ 16,903,246	23%
Risk Litigation	\$ 16,608,307	23%
Gaming	\$ 5,735,819	8%
Total Discretionary	\$ 72,297,660	100%

Total Non-Discretionary Funding by Type		
Needed for Debt Service	\$ 2,912,654	78%
Constitutional Requirements	\$ 162,888	4%
Unavoidable Obligations	\$ 655,134	18%
Total Non-Discretionary	\$ 3,730,676	100%

Debt Service = Rent in State-owned Buildings

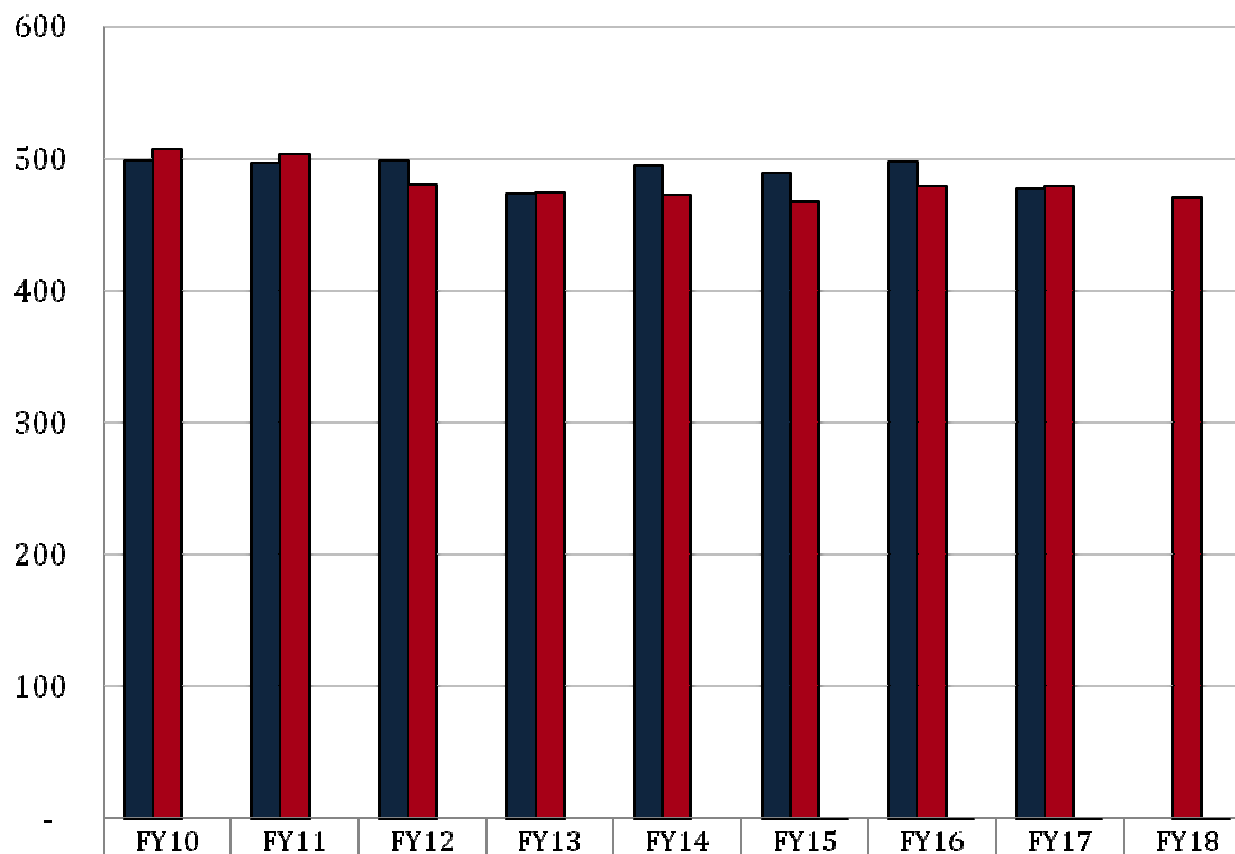
Unavoidable Obligations = Retirees Group Insurance; Maintenance in State-owned Buildings; and Legislative Auditor Fees.

Constitutional Requirements = Salary and related benefits of the Attorney General.



Department of Justice

FTEs, Authorized Positions, and Other Charges Positions



■ Total FTEs (as of July 1 of each fiscal year)	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
■ Total Authorized Positions (Enacted)	498	496	498	473	494	488	497	477	-
■ Authorized Other Charges Positions	507	503	480	474	472	467	479	479	470
	-	-	-	-	-	1	1	1	1

Notes:

Data for Total FTEs uses the first weekly employment report published by State Civil Service in July at the start of the named fiscal year.

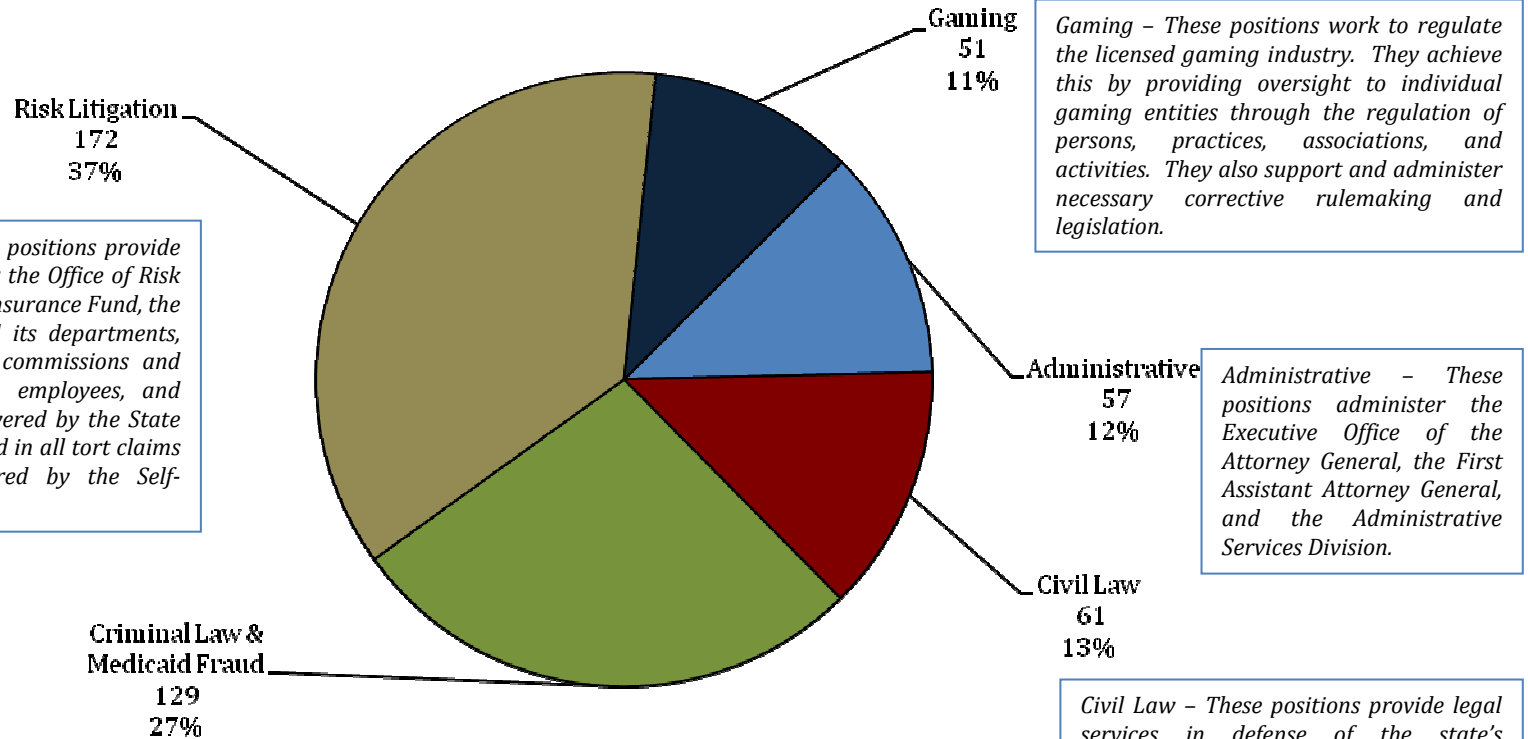
Data for Total Authorized Positions uses fiscal year enacted levels, except for FY18 Recommended.

Data for Other Charges Positions are reflected in the Executive Budget per Act 377 of the 2013 Regular Legislative Session (beginning in FY15).



Department of Justice

FY18 Recommended Total Authorized Positions by Agency



Risk Litigation - These positions provide legal representation for the Office of Risk Management, the Self-Insurance Fund, the State of Louisiana and its departments, agencies, boards, and commissions and their officers, officials, employees, and agents in all claims covered by the State Self-Insurance Fund, and in all tort claims whether or not covered by the Self-Insurance Fund.

Criminal Law & Medicaid Fraud - These positions engage in prosecution of criminal cases, investigate violations of criminal laws, including Medicaid fraud, and protect the integrity of the state's gaming industry.

Gaming - These positions work to regulate the licensed gaming industry. They achieve this by providing oversight to individual gaming entities through the regulation of persons, practices, associations, and activities. They also support and administer necessary corrective rulemaking and legislation.

Administrative - These positions administer the Executive Office of the Attorney General, the First Assistant Attorney General, and the Administrative Services Division.

Civil Law - These positions provide legal services in defense of the state's constitution and statutory laws, as well as advocate on behalf of the citizens and businesses of Louisiana against unfair trade practices and fraud.

Department of Justice	
Administrative	57
Civil Law	61
Criminal Law & Medicaid Fraud	129
Risk Litigation	172
Gaming	51



Department of Justice

Total Statewide Adjustments for FY18

04B_AG Office of the Attorney General ADJUSTMENTS TO EXISTING OPERATING BUDGET Recommended								
GEN. FUND	I.A.T.	SELF-GEN.	STAT. DED.	I.E.B.	FEDERAL	TOTAL	T.O.	DESCRIPTION
\$6,818,770	\$30,754,269	\$6,923,722	\$23,860,595	\$0	\$8,758,759	\$77,116,115	489	Existing Oper Budget as of 12/01/16
A. STATEWIDE STANDARDS								
(\$334,471)	\$0	\$0	\$0	\$0	\$0	(\$334,471)	0	State General Fund (SGF) reduction in accordance with the Louisiana Constitution, Article VII, Section 11(A).
\$1,440,004	\$163,911	\$0	\$12,857	\$0	\$0	\$1,616,772	0	Related Benefits Base Adjustment
\$306,148	\$211,159	\$0	\$65,445	\$0	\$0	\$582,752	0	Retirement Rate Adjustment
\$1,503,363	\$190,232	\$0	\$224,952	\$0	\$0	\$1,918,547	0	Salary Base Adjustment
(\$420,432)	(\$804,880)	\$0	(\$100,397)	\$0	\$0	(\$1,325,709)	0	Attrition Adjustment
\$0	\$0	\$0	\$0	\$0	\$0	\$0	(19)	Personnel Reductions
\$0	\$143,354	\$68,511	\$400,850	\$0	\$294,091	\$906,806	0	Acquisitions & Major Repairs
(\$195,000)	(\$143,354)	(\$68,511)	(\$432,198)	\$0	(\$460,761)	(\$1,299,824)	0	Non-Recurring Acquisitions & Major Repairs
(\$10,693)	(\$1,138,515)	(\$107,008)	(\$678,244)	\$0	(\$396,292)	(\$2,330,752)	0	Non-recurring Carryforwards
\$54,625	\$50,226	\$0	\$20,176	\$0	\$0	\$125,027	0	Risk Management
\$22,240	\$0	\$0	\$0	\$0	\$0	\$22,240	0	Legislative Auditor Fees
\$493,064	\$0	\$0	\$0	\$0	\$0	\$493,064	0	Rent in State-Owned Buildings
(\$3,720)	\$0	\$0	\$0	\$0	\$0	(\$3,720)	0	Maintenance in State-Owned Buildings
(\$172)	\$0	\$0	\$0	\$0	\$0	(\$172)	0	Capitol Park Security
\$311	\$0	\$0	\$0	\$0	\$0	\$311	0	Capitol Police
\$948	\$0	\$0	\$0	\$0	\$0	\$948	0	UPS Fees
\$50,244	\$0	\$0	\$0	\$0	\$0	\$50,244	0	Office of Technology Services (OTS)
\$13,959	\$0	\$0	\$0	\$0	\$0	\$13,959	0	Office of State Procurement
\$6,649,940	\$0	\$0	(\$6,649,940)	\$0	\$0	\$0	0	TOTAL MEANS OF FINANCING SUB ADJUSTMENT



Department of Justice

Total Statewide Adjustments for FY18

04B_AG
Office of the Attorney General
ADJUSTMENTS TO EXISTING OPERATING BUDGET
Recommended

GEN. FUND	I.A.T.	SELF-GEN.	STAT. DED.	I.E.B.	FEDERAL	TOTAL	T.O.	DESCRIPTION
A. STATEWIDE STANDARDS								
\$0	\$0	\$0	(\$1,906,603)	\$0	\$0	(\$1,906,603)	0	TOTAL OTHER ADJUSTMENTS ADJUSTMENT
\$0	\$0	\$0	\$95,700	\$0	\$287,102	\$382,802	0	TOTAL OTHER ANNUALIZATIONS ADJUSTMENT
\$16,389,128	\$29,426,402	\$6,816,714	\$14,913,193	\$0	\$8,482,899	\$76,028,336	470	Total Budget
\$9,570,358	(\$1,327,867)	(\$107,008)	(\$8,947,402)	\$0	(\$275,860)	(\$1,087,779)	(19)	Total Adjustments



Department of Justice Significant Increases for FY18

Increase	Source	T.O.	Agency	Description
\$95,700	Medical Assistance Programs Fraud Detection Fund	0	Criminal Law & Medicaid Fraud	Increase for the annualization of a BA-7 approved on October 28, 2016, to increase the Medicaid Fraud Control Unit by 10 positions. The increase comes from 25% statutory dedications out of the Medical Assistance Programs Fraud Detection Fund in the amount of \$95,700 and 75% matching federal funds in the amount of \$287,102.
\$287,102	Federal	0	Criminal Law & Medicaid Fraud	Increase for the annualization of a BA-7 approved on October 28, 2016, to increase the Medicaid Fraud Control Unit by 10 positions. The increase comes from 25% statutory dedications out of the Medical Assistance Programs Fraud Detection Fund in the amount of \$95,700 and 75% matching federal funds in the amount of \$287,102.



Department of Justice Significant Decreases for FY18

Decrease	Source	T.O.	Agency	Description
(\$334,471)	State General Fund	0	Dept. of Justice	Reduction in accordance with Louisiana Constitution, Article VII, Section 11(A).
(\$1,100,000)	Louisiana Fund	0	Dept. of Justice	Decrease in budget authority out of the Louisiana Fund based on historical actual expenditures from the fund.
\$0	N/A	(18)	Civil Law	Elimination of unfunded vacancies.
\$0	N/A	(1)	Criminal Law & Medicaid Fraud	Elimination of unfunded vacancies.



Department of Justice

Significant Means of Financing Substitutions for FY18

MOF Swap	Source	T.O.	Agency	Description
(\$6,600,000)	Dept. of Justice Legal Support Fund	0	Dept. of Justice	A means of financing substitution replacing \$6.6 million of the Department of Justice Legal Support Fund with State General Fund due to a reduction in revenue for the Legal Support Fund recognized by the Revenue Estimating Conference.
\$6,600,000	State General Fund	0	Dept. of Justice	A means of financing substitution replacing \$6.6 million of the Department of Justice Legal Support Fund with State General Fund due to a reduction in revenue for the Legal Support Fund recognized by the Revenue Estimating Conference.



Department of Justice

Changes from FY18 Recommended to FY18 Re-engrossed

Changes from FY18 Recommended to FY18 Re-engrossed	Source	T.O.	Agency	Description
(\$2,567,486)	State General Fund	0	Department of Justice	House Committee Amendments direct the Commissioner of Administration to reduce the State General Fund Appropriation.
\$0	N/A	0	Department of Justice	House Committee Amendments eliminate the Administrative Program, Civil Law Program, and Gaming Program. Amendments retain the Risk Litigation Program and create the Attorney General Operations Program.
\$0	N/A	0	Department of Justice	House Committee Amendments allow the department to use Interagency Transfers and Fees and Self-generated revenues from current and prior year collections.