



Louisiana Senate Finance Committee



FY19 Executive Budget

04-141 – Department of Justice

April 2018

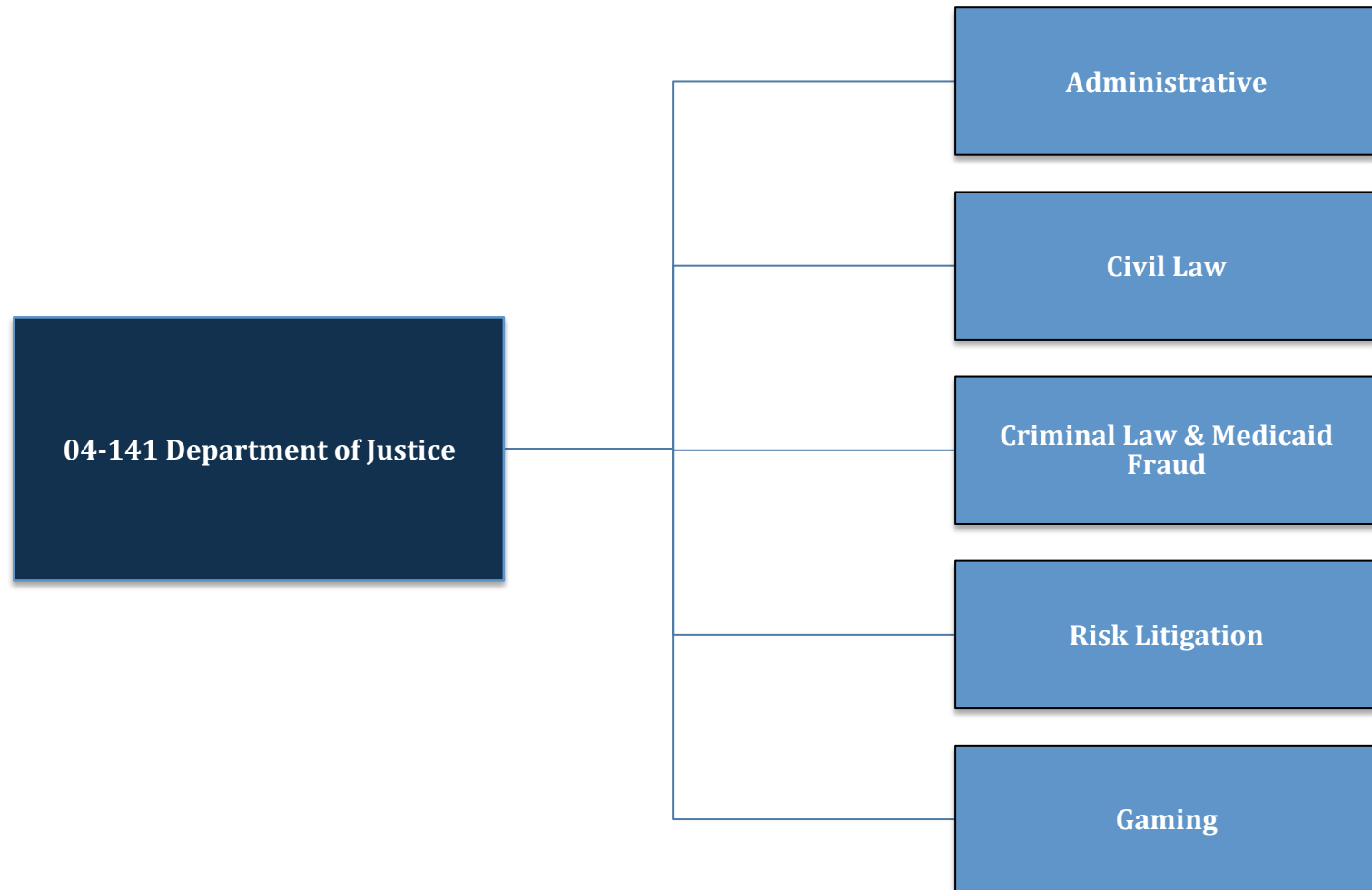
Sen. John A. Alario, President
Sen. Eric LaFleur, Chairman



FY19 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

FY17, FY18, and FY19 Comparison

Total Funding — All Means of Finance

Total Funding	FY17 Actual	FY18 Enacted	FY18 EOB as of 12-1-17	FY19 Recommended	Difference FY18 EOB HB1 vs. FY19 Recommended
Administrative	\$ 4,856,658	\$ 6,114,291	\$ 6,451,172	\$ 7,859,277	\$ 1,408,105
Civil Law	\$ 13,787,320	\$ 26,872,555	\$ 27,787,670	\$ 20,726,048	\$ (7,061,622)
Crim. Law & Medicaid Fraud	\$ 13,775,130	\$ 16,100,533	\$ 16,510,580	\$ 15,231,295	\$ (1,279,285)
Risk Litigation	\$ 18,221,464	\$ 18,315,758	\$ 18,479,083	\$ 18,358,948	\$ (120,135)
Gaming	\$ 5,567,990	\$ 6,292,713	\$ 6,327,150	\$ 6,581,644	\$ 254,494
TOTAL	\$ 56,208,562	\$ 73,695,850	\$ 75,555,655	\$ 68,757,212	\$ (6,798,443)
Total Authorized FTEs	489	483	483	482	(1)



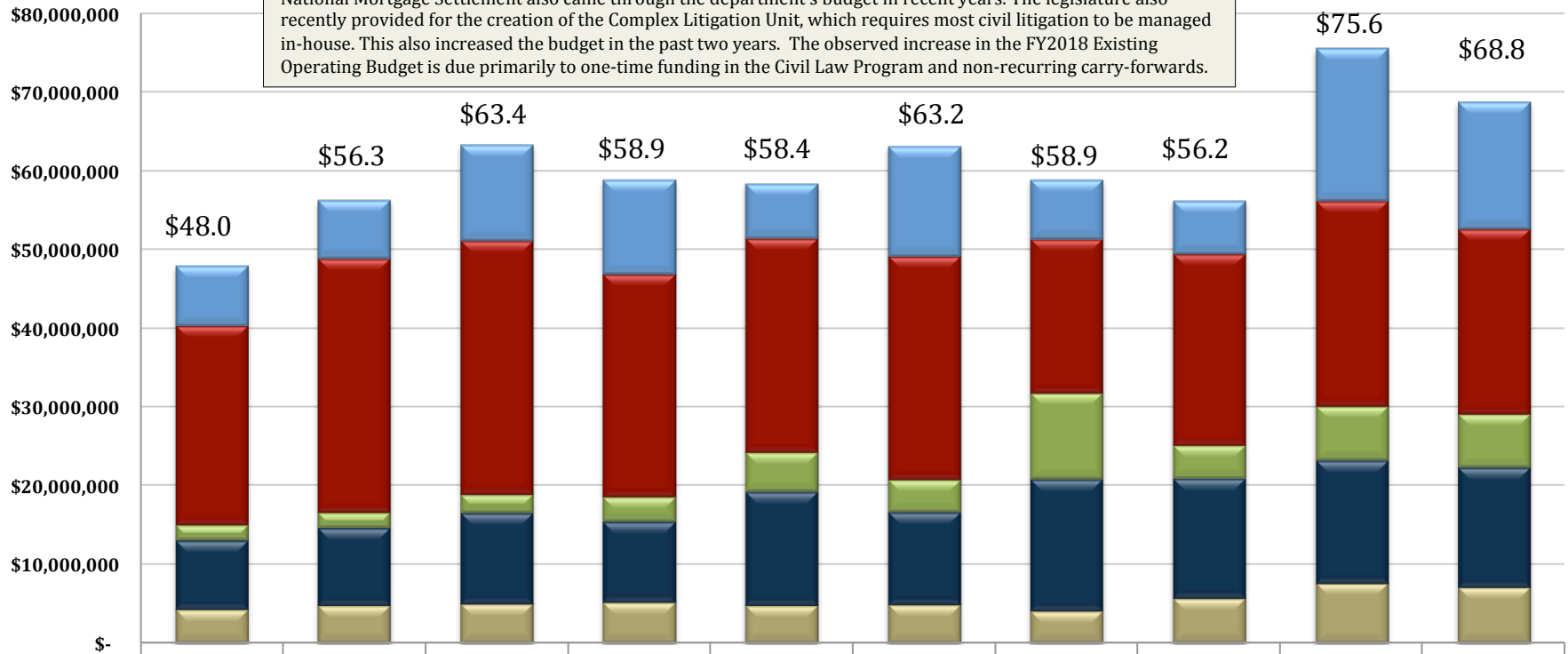
Department of Justice

Changes in Funding since FY10

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

Change from FY10 to FY19 is +58.3%.

The department's budget has increased since 2010 due to expenses related to Deepwater Horizon litigation. Those expenditures will be eliminated in the department's budget with the settlement of the case. Other monies from the National Mortgage Settlement also came through the department's budget in recent years. The legislature also recently provided for the creation of the Complex Litigation Unit, which requires most civil litigation to be managed in-house. This also increased the budget in the past two years. The observed increase in the FY2018 Existing Operating Budget is due primarily to one-time funding in the Civil Law Program and non-recurring carry-forwards.

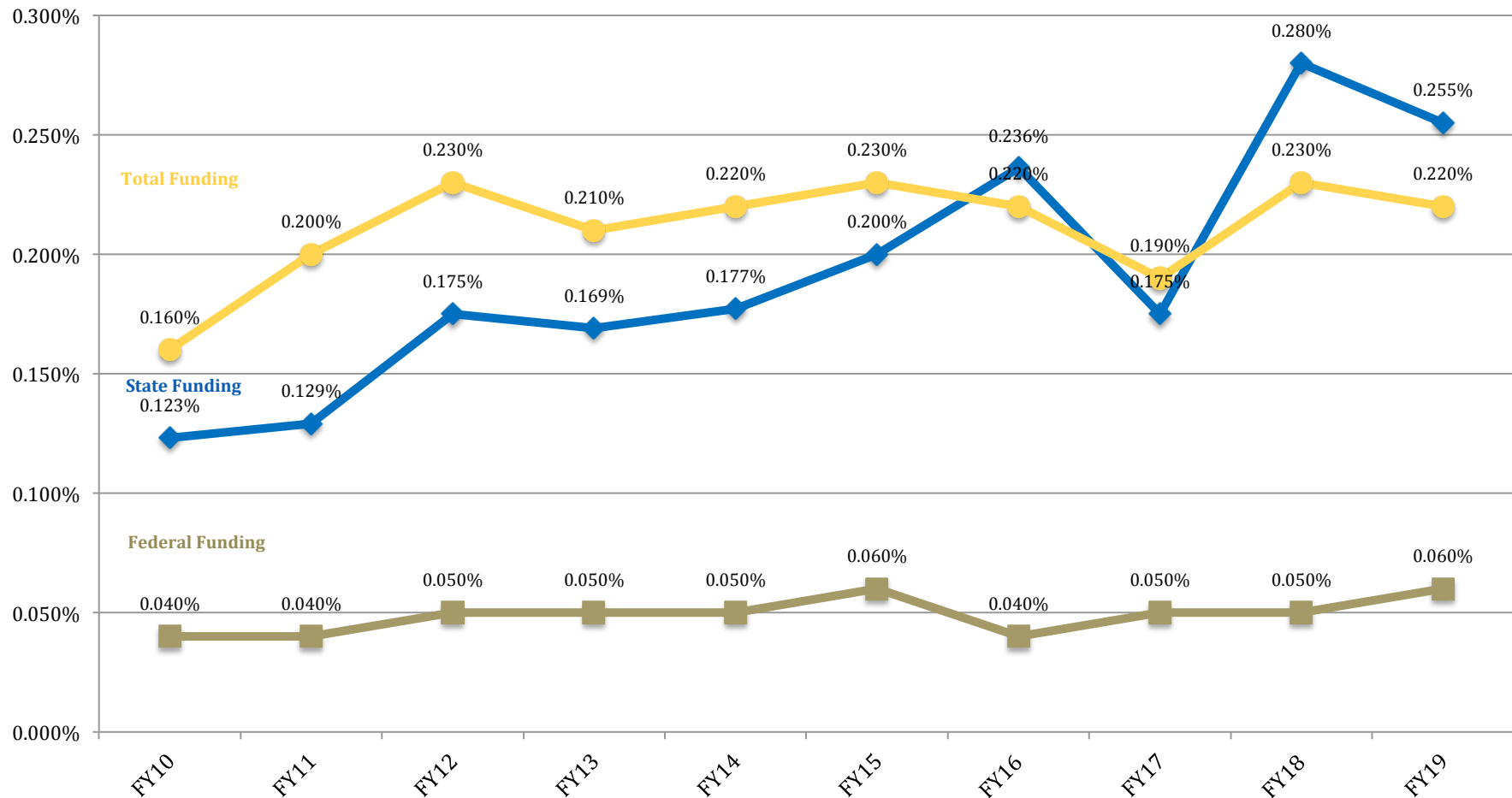


	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 EOB as of 12-1-17	FY19 Recommended
SGF	\$7,659,263	\$7,441,028	\$12,215,630	\$11,990,495	\$7,025,600	\$14,016,254	\$7,639,590	\$6,813,770	\$19,387,540	\$16,210,485
IAT	\$25,310,409	\$32,281,453	\$32,253,682	\$28,370,803	\$27,207,549	\$28,422,106	\$19,559,775	\$24,287,009	\$26,167,329	\$23,500,587
FSGR	\$1,959,564	\$1,895,526	\$2,436,541	\$3,146,759	\$5,023,826	\$4,159,720	\$10,990,541	\$4,294,420	\$6,866,714	\$6,816,714
STAT DED	\$8,842,349	\$9,918,649	\$11,520,354	\$10,209,407	\$14,381,912	\$11,693,385	\$16,662,508	\$15,114,346	\$15,618,642	\$15,154,405
FED	\$4,253,490	\$4,752,210	\$4,931,507	\$5,176,127	\$4,794,516	\$4,890,205	\$4,067,921	\$5,699,017	\$7,515,430	\$7,075,021



Dept. of Justice Changes in Funding since FY10

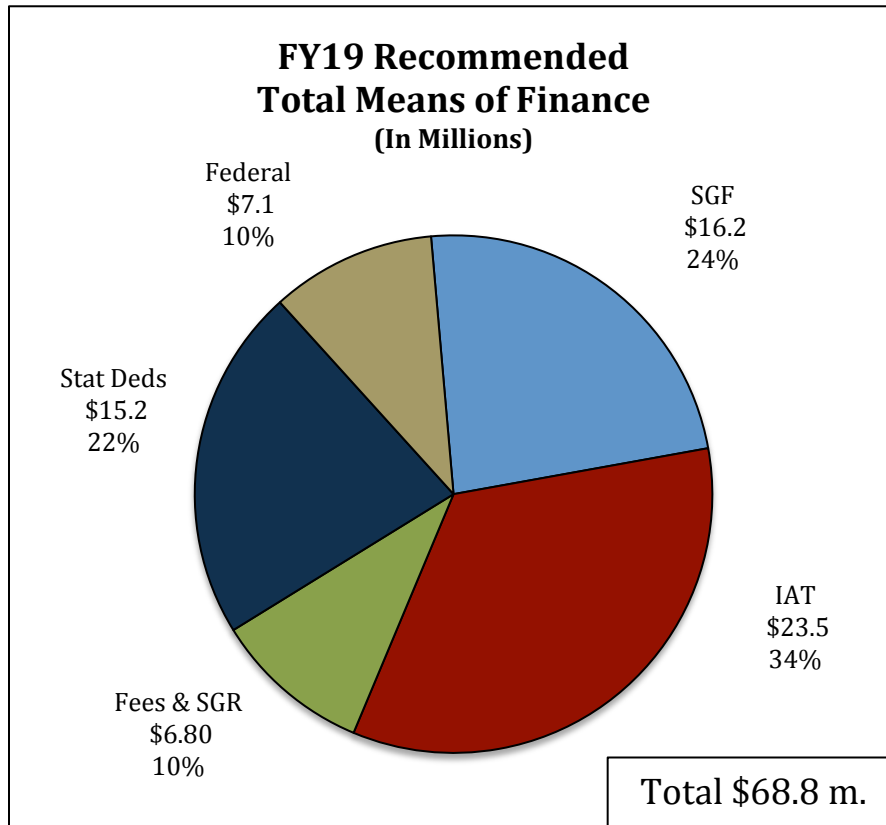
Dept. of Justice's Budget as a Portion of the Total State Budget





Department of Justice

FY19 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 crime victims assistance. The department also receives Interagency Transfers from the Office of Risk Management and from gaming control agencies for legal services.

Fees and Self-generated revenues are derived from the Louisiana Lottery Commission, from participation in the U.S. Department of Justice Federal Forfeiture program, and also from legal services for boards and commissions.

Federal Funds are derived from the Department of Housing and Urban Development for the Administration and Enforcement of the Louisiana open housing law, from the Department of Health and Human Services Medicaid Fraud Unit, and from the U.S. Department of Justice for internet crimes against children initiatives.



Department of Justice Dedicated Funds FY17, FY18, and FY19

Dedicated Funds	Source of Funding	FY17 Actual	FY18 EOB	FY19 Recommended
Dept. of Justice Debt Collection Fund	Portion of collected debt	\$2,061,245	\$2,671,913	\$2,492,347
Dept. of Justice Legal Support Fund	Settlements & judgments	\$3,460,634	\$1,962,617	\$1,600,000
Insurance Fraud Investigation Fund	Premium taxes	\$609,752	\$740,065	\$740,065
Louisiana Fund	Tobacco settlement funds	\$420,934	\$1,101,277	\$1,048,200
Medical Assistance Programs Fraud Detection Fund	Settlements & judgments from fraud abuse cases	\$1,467,760	\$1,830,039	\$1,760,225
Pari-mutuel Live Racing Fac. Gaming Control Fund	Gaming taxes	\$792,926	\$834,658	\$834,658
Riverboat Gaming Enforcement Fund	Gaming taxes	\$1,776,002	\$1,869,475	\$2,158,833
Sex Offender Registry Technology Fund	Fees on sex offenders	\$1,496,922	\$1,015,943	\$927,781
Tobacco Control Special Fund	Fees on stamping agents	\$0	\$15,000	\$15,000
Tobacco Settlement Enforcement Fund	State general fund for enforcement of the Tobacco Settlement	\$400,052	\$400,000	\$400,000
Video Draw Poker Device Fund	Gaming taxes	\$2,628,119	\$3,177,655	\$3,177,296
TOTALS		\$15,114,346	\$15,618,642	\$15,154,405

Dedicated Fund Review Subcommittee recommendation:

Dept. of Justice Legal Support Fund = No change

Insurance Fraud Investigation Fund = No change

Medical Assistance Programs Fraud Detection Fund = No change

Pari-mutuel Live Racing Facility Gaming Control Fund = No change

Riverboat Gaming Enforcement Fund = No change

Sex Offender Registry Technology Fund = Reclassify as Fees and Self-generated Revenues

Tobacco Settlement Enforcement Fund = No change

Video Draw Poker Device Fund = No change



Department of Justice Expenditures

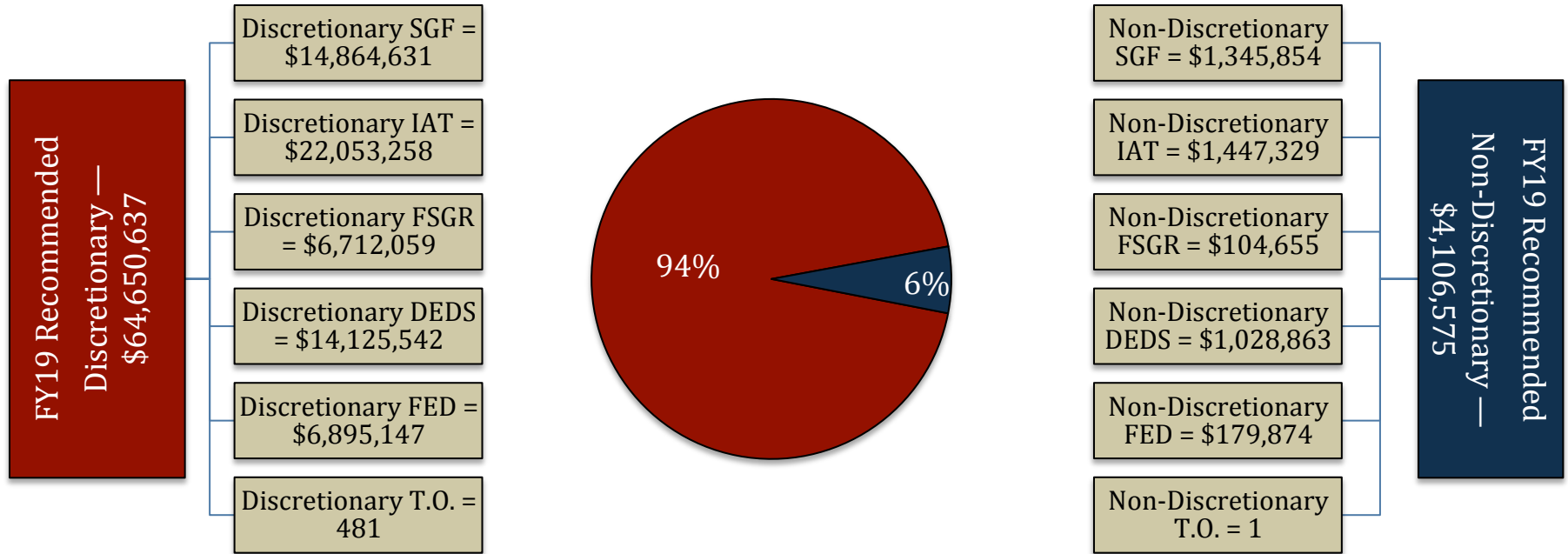
FY17, FY18, and FY19

Expenditure Category	FY17 Actual	FY18 EOB	FY19 Recommended	Percent Change FY18 EOB vs. FY19 Recommended
Personal Services:	\$42,577,833	\$46,491,966	\$45,535,066	(2.1)
Salaries	\$26,944,858	\$28,878,156	\$28,093,780	(2.7)
Other Compensation	\$1,870,447	\$2,281,689	\$2,281,689	-
Related Benefits	\$13,762,528	\$15,332,121	\$15,159,597	(1.1)
Operating Expenses:	\$2,753,495	\$3,871,099	\$3,860,187	(0.3)
Travel	\$643,070	\$1,200,056	\$1,197,056	(0.2)
Operating Services	\$1,601,903	\$1,901,408	\$1,900,958	(0.0)
Supplies	\$508,522	\$769,635	\$762,173	(1.0)
Professional Services	\$2,390,476	\$7,056,790	\$5,018,292	(28.9)
Other Charges:	\$7,306,798	\$16,266,133	\$13,366,473	(17.8)
Other Charges	\$2,848,112	\$11,165,877	\$8,211,176	(26.5)
Debt Service	\$0	\$0	\$0	-
Interagency Transfers	\$4,458,686	\$5,100,256	\$5,155,297	1.1
Acquisitions & Major Repairs:	\$1,179,960	\$1,869,667	\$977,194	(47.7)
Acquisitions	\$1,179,960	\$1,869,667	\$977,194	(47.7)
Major Repairs	\$0	\$0	\$0	-
Total Expenditures	\$56,208,562	\$75,555,655	\$68,757,212	(9.0)



Department of Justice

FY19 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Administrative	\$ 7,108,983	11%
Civil Law	\$ 19,942,528	31%
Criminal Law & Medicaid Fraud	\$ 14,687,400	23%
Risk Litigation	\$ 16,911,619	26%
Gaming	\$ 6,000,107	9%
Total Discretionary	\$ 64,650,637	100%

Total Non-Discretionary Funding by Type		
Needed for Debt Service	\$ 2,811,166	68%
Constitutional Requirements	\$ 164,269	4%
Unavoidable Obligations	\$ 1,131,140	28%
Total Non-Discretionary	\$ 4,106,575	100%

Debt Service = Rent in State-owned Buildings

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

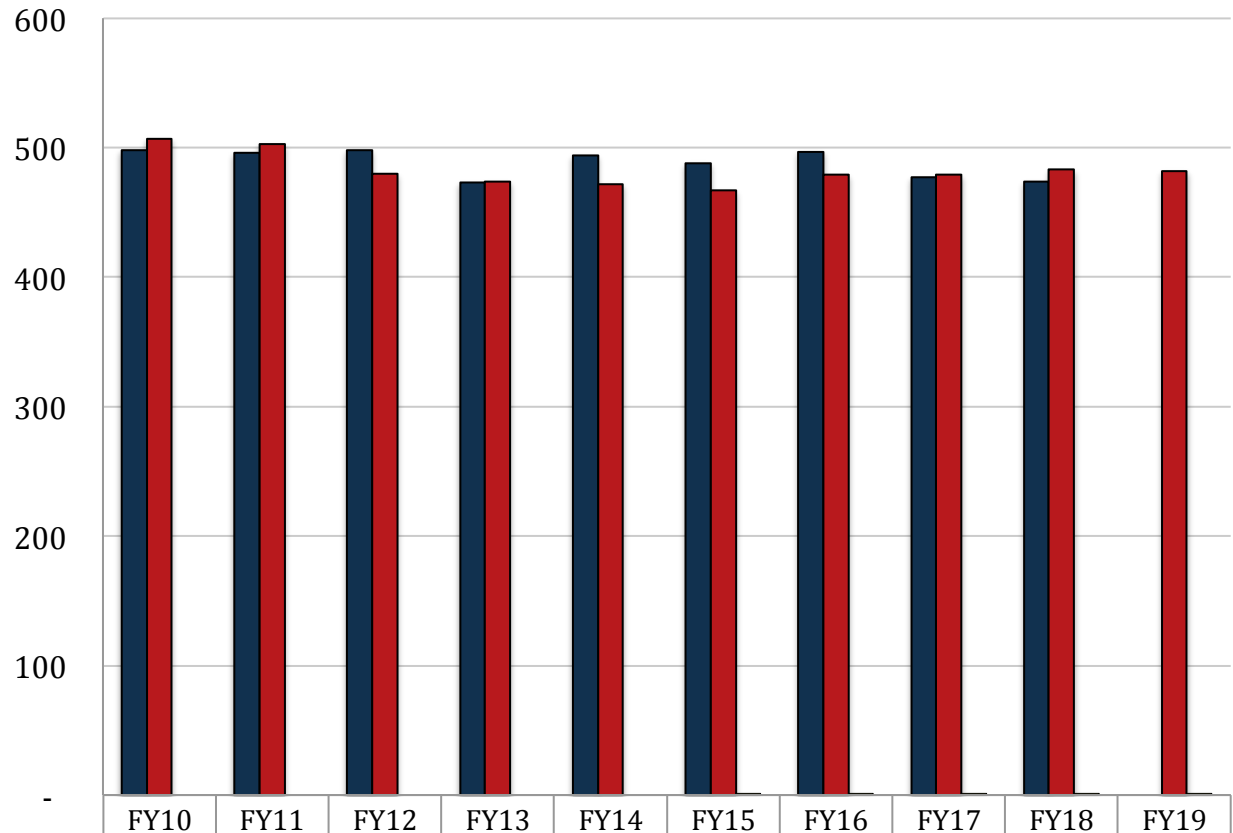
Constitutional Requirements = Salary and related benefits of the Attorney General.



Department of Justice

FTEs, Authorized Positions, and Other Charges Positions

Total FY19
Recommended
Authorized
Positions of 482 are
1.45% of Total State
FY19 Recommended
Authorized
Positions of 33,301.



	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
■ Total FTEs (as of July 1 of each fiscal year)	498	496	498	473	494	488	497	477	474	-
■ Total Authorized Positions (Enacted)	507	503	480	474	472	467	479	479	483	482
■ Authorized Other Charges Positions	-	-	-	-	-	1	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

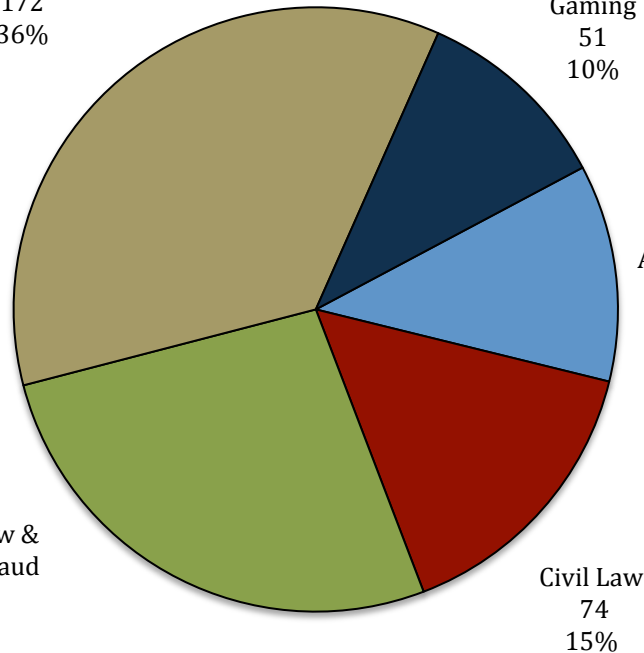
FY19 Recommended Total Authorized Positions by Agency

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.

Risk Litigation
172
36%

Criminal Law &
Medicaid Fraud
129
27%



Gaming
51
10%

Administrative
56
12%

Civil Law
74
15%

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	56
Civil Law	74
Criminal Law & Medicaid Fraud	129
Risk Litigation	172
Gaming	51



Department of Justice

Total Statewide Adjustments for FY19

<div>04B_AG</div> <div>Office of the Attorney General</div> <div>ADJUSTMENTS TO EXISTING OPERATING BUDGET</div> <div>Recommended</div>								
GEN. FUND	I.A.T.	SELF-GEN.	STAT. DED.	I.E.B.	FEDERAL	TOTAL	T.O.	DESCRIPTION
\$19,387,540	\$26,167,329	\$6,866,714	\$15,618,642	\$0	\$7,515,430	\$75,555,655	483	Existing Oper Budget as of 12/01/17
A. STATEWIDE STANDARDS								
\$254,408	\$130,452	\$0	\$40,576	\$0	\$0	\$425,436	0	2% General Increase Annualization Unclassified
\$642,754	(\$7,688)	\$0	\$152,521	\$0	\$0	\$787,587	0	Related Benefits Base Adjustment
\$4,333	\$333	\$0	\$978	\$0	\$0	\$5,644	0	Retirement Rate Adjustment
\$730,719	\$159,544	\$0	\$223,324	\$0	\$0	\$1,113,587	0	Salary Base Adjustment
(\$786,637)	(\$538,052)	\$0	(\$178,442)	\$0	\$0	(\$1,503,131)	0	Attrition Adjustment
(\$117,564)	\$0	\$0	\$0	\$0	\$0	(\$117,564)	(1)	Personnel Reductions
\$0	\$125,128	\$68,511	\$564,466	\$0	\$219,089	\$977,194	0	Acquisitions & Major Repairs
(\$245,363)	(\$158,590)	(\$68,511)	(\$524,450)	\$0	(\$347,271)	(\$1,344,185)	0	Non-Recurring Acquisitions & Major Repairs
(\$5,000)	(\$505,927)	(\$50,000)	(\$705,449)	\$0	(\$232,531)	(\$1,498,907)	0	Non-recurring Carryforwards
\$49,545	\$45,365	\$0	\$15,964	\$0	\$0	\$110,874	0	Risk Management
\$19,533	\$0	\$0	\$0	\$0	\$0	\$19,533	0	Legislative Auditor Fees
(\$12,128)	\$0	\$0	\$0	\$0	\$0	(\$12,128)	0	Rent in State-Owned Buildings
(\$2,034)	\$0	\$0	\$0	\$0	\$0	(\$2,034)	0	Maintenance in State-Owned Buildings
\$4,503	\$0	\$0	\$0	\$0	\$0	\$4,503	0	Capitol Park Security
(\$660)	\$0	\$0	\$0	\$0	\$0	(\$660)	0	Capitol Police
(\$2,181)	\$0	\$0	\$0	\$0	\$0	(\$2,181)	0	UPS Fees
(\$35,705)	\$0	\$0	\$0	\$0	\$0	(\$35,705)	0	Office of Technology Services (OTS)
(\$27,161)	\$0	\$0	\$0	\$0	\$0	(\$27,161)	0	Office of State Procurement
(\$146,254)	\$111,817	\$0	\$34,437	\$0	\$0	\$0	0	TOTAL MEANS OF FINANCING SUB ADJUSTMENT
(\$2,632,514)	(\$2,029,124)	\$0	\$0	\$0	(\$79,696)	(\$4,741,334)	0	TOTAL NON-RECURRING OTHER ADJUSTMENT
(\$869,649)	\$0	\$0	(\$88,162)	\$0	\$0	(\$957,811)	0	TOTAL OTHER ADJUSTMENTS ADJUSTMENT
\$16,210,485	\$23,500,587	\$6,816,714	\$15,154,405	\$0	\$7,075,021	\$68,757,212	482	Total Budget
(\$3,177,055)	(\$2,666,742)	(\$50,000)	(\$464,237)	\$0	(\$440,409)	(\$6,798,443)	(1)	Total Adjustments



Department of Justice Significant Increases for FY19

Increase	Source	T.O.	Agency	Description
\$0	NA	0	Department of Justice	There are no significant increases in this department.

Significant Decreases for FY19

Decrease	Source	T.O.	Agency	Description
(\$2.6M)	State General Fund	0	Dept. of Justice	Non-recurring one-time funding provided to the Civil Law Program.
(\$2M)	Interagency Transfers	0	Dept. of Justice	Decrease in IAT in the Civil Law Program due to a reduction in needed legal services for Deepwater Horizon litigation and by state agencies.
(\$869,649)	State General Fund	0	Department Justice	Overall 5% reduction in SGF expenditures.

Significant Means of Financing Substitutions for FY19

MOF Swap	Source	T.O.	Agency	Description
\$0	NA	0	Department of Justice	There are no means of financing substitutions in this department.



Department of Justice

FY19 Recommended

Major Initiatives:

Office of the Attorney General:

- \$1.76 million from the Medical Assistance Programs Fraud Detection Fund and \$5.28 million of matching federal funds are provided for the Medicaid Fraud Control Unit.
- \$2.5 million is provided from the Department of Justice Debt Collection Fund for the Office of the Attorney General's Collections Section.
- The section collected \$17.6 million overall in FY 2016-2017.