



# Louisiana Senate Finance Committee



## FY22 Executive Budget

**04-141 – Department of Justice**

March 2021

*Senator Patrick Page Cortez, President  
Senator Bodi White, Chairman*



# FY22 Recommended 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.



**04-141 Department of Justice**  
**Statewide Elected Official**  
**Attorney General Jeff Landry**





# Dept. of Justice Program Descriptions

04-141 — Department of Justice	
Agency	Program Description
Administrative	Administers the Executive Office of the Attorney General, the First Assistant Attorney General, and the Administrative Services Division. The program provides managerial and financial oversight for the department.
Civil Law	Provides professional 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.
Criminal Law & Medicaid Fraud	This program prosecutes criminal cases and other matters referred to the division; investigates violations of criminal laws, including cases of Medicaid Fraud, nursing home abuse, and other violations; maintains integrity in government through investigations of public corruption; assists and protects the state's gaming industry from corruption; and serves all other investigative needs of the department.
Risk Litigation	Provides 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.
Gaming	This program works 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.



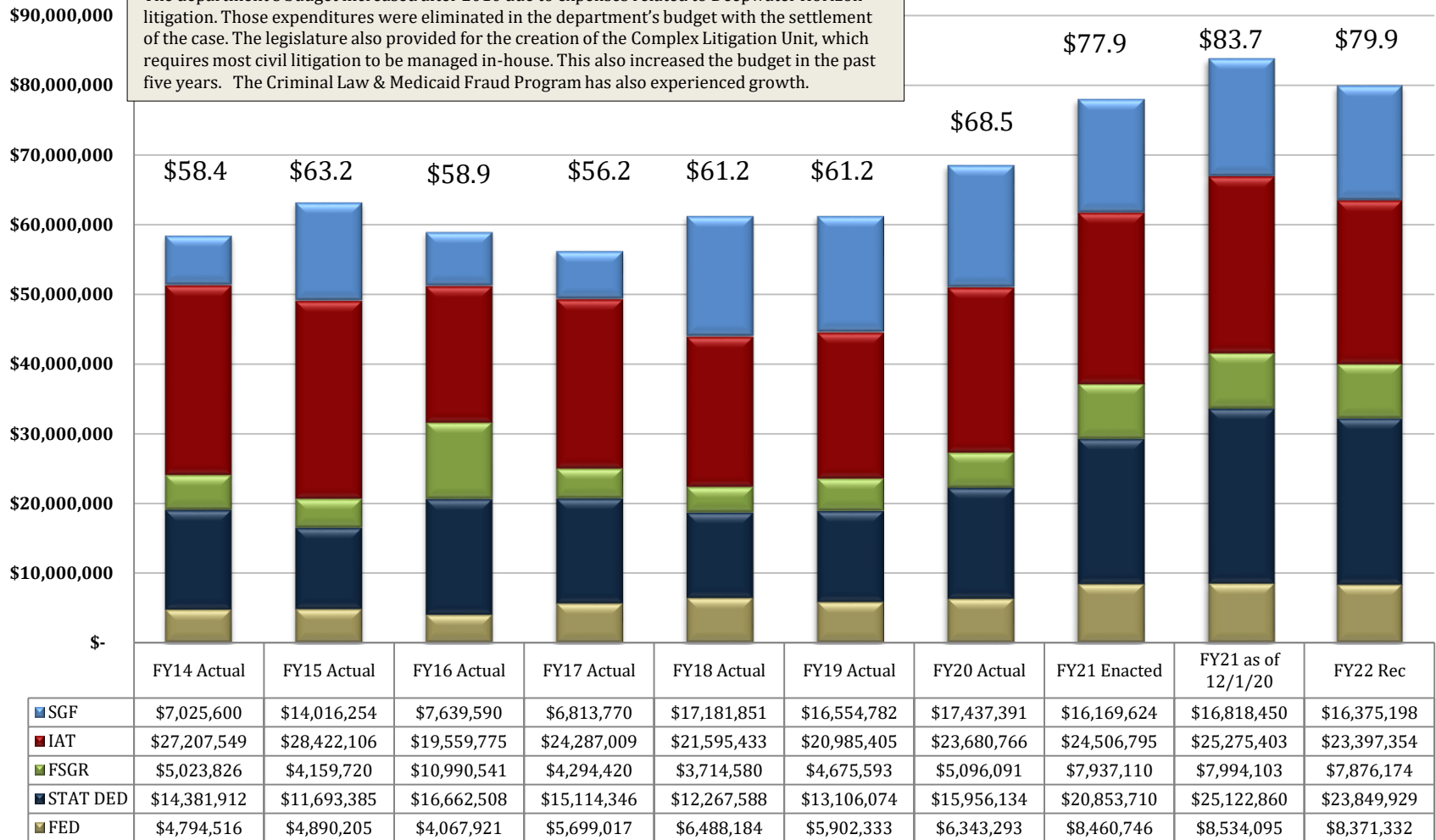
# Department of Justice

## Changes in Funding since FY14

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

Change from FY14 to FY22 is +36.8%.

The department's budget increased after 2010 due to expenses related to Deepwater Horizon litigation. Those expenditures were eliminated in the department's budget with the settlement of the case. The legislature also 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 five years. The Criminal Law & Medicaid Fraud Program has also experienced growth.





# Significant Budget Adjustments Proposed for FY22

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$16,818,450	\$25,275,403	\$7,994,103	\$25,122,860	\$8,534,095	\$83,744,911	507	FY21 Existing Operating Budget as of 12-1-20
\$429,903	\$327,123	\$0	\$140,000	\$0	\$897,026	0	Related Benefits Base Adjustment
(\$84,675)	(\$69,456)	\$0	(\$12,011)	\$0	(\$166,142)	0	Retirement Rate Adjustment
\$59,414	\$40,715	\$0	\$12,772	\$0	\$112,901	0	Group Insurance Rate Adjustment for Active Employees
\$20,153	\$11,844	\$0	\$4,252	\$0	\$36,249	0	Group Insurance Rate Adjustment for Retirees
\$867,999	\$436,720	\$0	\$145,996	\$0	\$1,450,715	0	Salary Base Adjustment
(\$850,658)	(\$1,262,213)	\$0	(\$113,573)	\$0	(\$2,226,444)	0	Attrition Adjustment
\$0	\$153,386	\$64,775	\$1,736,956	\$171,285	\$2,126,402	0	Acquisitions & Major Repairs
\$0	(\$152,664)	(\$30,182)	(\$1,023,987)	(\$158,230)	(\$1,365,063)	0	Non-recurring Acquisitions & Major Repairs
(\$648,826)	(\$768,608)	(\$56,993)	(\$1,755,177)	(\$73,349)	(\$3,302,953)	0	Non-recurring Carryforwards
(\$54,168)	(\$25,805)	\$0	(\$6,194)	\$0	(\$86,167)	0	Risk Management
(\$946)	\$0	\$0	\$0	\$0	(\$946)	0	Legislative Auditor Fees
(\$212,147)	(\$576,055)	(\$96,946)	(\$409,912)	(\$104,322)	(\$1,399,382)	0	Rent in State-owned Buildings
\$1,501	\$0	\$0	\$0	\$0	\$1,501	0	Maintenance in State-Owned Buildings
(\$6,365)	\$0	\$0	\$0	\$0	(\$6,365)	0	Capitol Park Security
(\$1,122)	\$0	\$0	\$0	\$0	(\$1,122)	0	Capitol Police
\$47	\$0	\$0	\$0	\$0	\$47	0	UPS Fees
\$34,473	\$0	\$0	\$0	\$0	\$34,473	0	Office of Technology Services (OTS)
\$2,165	\$0	\$0	\$0	\$0	\$2,165	0	Office of State Procurement
(\$443,252)	(\$1,885,013)	(\$119,346)	(\$1,280,878)	(\$164,616)	(\$3,893,105)	0	Total Statewide Adjustments
\$0	\$6,964	\$1,417	\$7,947	\$1,853	\$18,181	0	TOTAL OTHER ADJUSTMENTS ADJUSTMENT
\$16,375,198	\$23,397,354	\$7,876,174	\$23,849,929	\$8,371,332	\$79,869,987	507	Total FY22 Recommended Budget
(\$443,252)	(\$1,878,049)	(\$117,929)	(\$1,272,931)	(\$162,763)	(\$3,874,924)	0	Total Adjustments (Statewide and Agency-Specific)



# Department of Justice

## Non-Statewide Adjustments Recommended for FY22

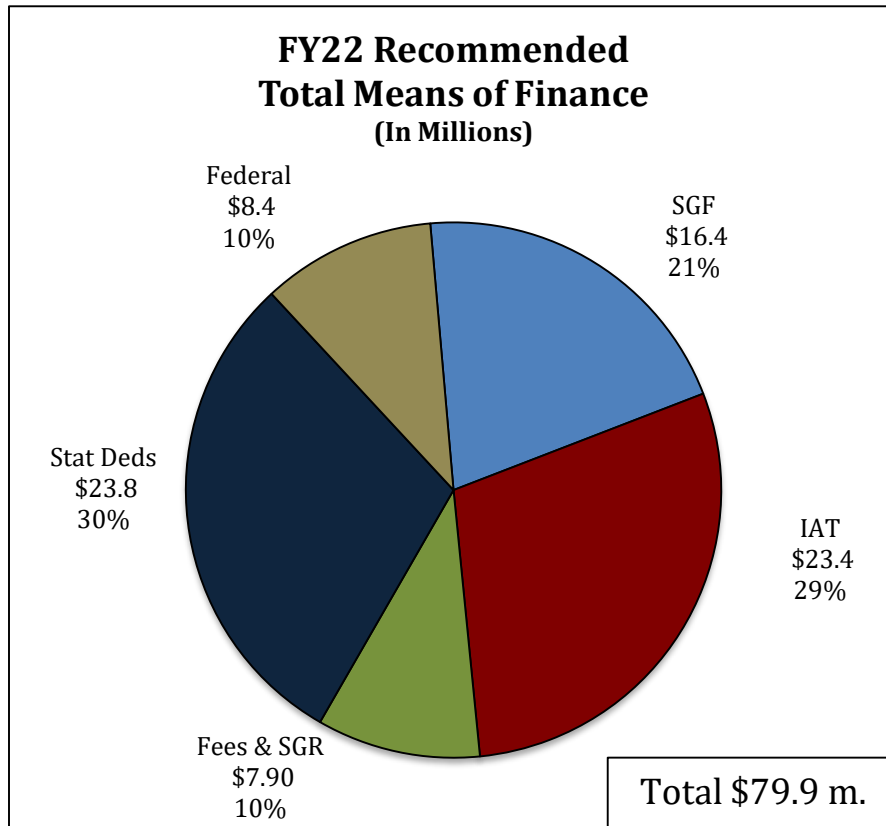
### Other Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$0	\$2,550	\$0	\$2,550	0	ADMINISTRATIVE -Increase in expenses for the Department of Justice information technology personnel to attend technical training on current software and systems. The funding from Statutory Dedications includes \$5,020 from the Department of Justice Debt Collection Fund, \$619 from the Medical Assistance Programs Fraud Detection Fund, and \$243 from the Insurance Fraud Investigation Fund.
\$0	\$0	\$1,417	\$0	\$0	\$1,417	0	CIVIL LAW -Increase in expenses for the Department of Justice information technology personnel to attend technical training on current software and systems. The funding from Statutory Dedications includes \$5,020 from the Department of Justice Debt Collection Fund, \$619 from the Medical Assistance Programs Fraud Detection Fund, and \$243 from the Insurance Fraud Investigation Fund.
\$0	\$0	\$0	\$3,332	\$1,853	\$5,185	0	CRIMINAL LAW/FRAUD -Increase in expenses for the Department of Justice information technology personnel to attend technical training on current software and systems. The funding from Statutory Dedications includes \$5,020 from the Department of Justice Debt Collection Fund, \$619 from the Medical Assistance Programs Fraud Detection Fund, and \$243 from the Insurance Fraud Investigation Fund.
\$0	\$6,964	\$0	\$0	\$0	\$6,964	0	RISK LITIGATION -Increase in expenses for the Department of Justice information technology personnel to attend technical training on current software and systems. The funding from Statutory Dedications includes \$5,020 from the Department of Justice Debt Collection Fund, \$619 from the Medical Assistance Programs Fraud Detection Fund, and \$243 from the Insurance Fraud Investigation Fund.
\$0	\$0	\$0	\$2,065	\$0	\$2,065	0	GAMING -Increase in expenses for the Department of Justice information technology personnel to attend technical training on current software and systems. The funding from Statutory Dedications includes \$5,020 from the Department of Justice Debt Collection Fund, \$619 from the Medical Assistance Programs Fraud Detection Fund, and \$243 from the Insurance Fraud Investigation Fund.
\$0	\$6,964	\$1,417	\$7,947	\$1,853	\$18,181	0	Total Other Adjustments



# Department of Justice

## FY22 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 FY20, FY21, and FY22

Dedicated Funds	Source of Funding	FY20 Actual	FY21 EOB	FY22 Recommended
Dept. of Justice Debt Collection Fund	Up to 25% of collected debt	\$2,806,134	\$3,895,474	\$4,514,193
Dept. of Justice Legal Support Fund	Settlements & judgments	\$2,641,807	\$7,588,226	\$6,973,142
Insurance Fraud Investigation Fund	Premium assessments	\$901,491	\$940,752	\$967,147
Louisiana Fund	Tobacco settlement funds	\$1,401,990	\$3,554,300	\$2,340,554
Medical Assistance Programs Fraud Detection Fund	Settlements & judgments from fraud abuse cases	\$1,704,953	\$2,126,128	\$2,078,793
Pari-mutuel Live Racing Fac. Gaming Control Fund	Gaming taxes	\$734,002	\$870,042	\$845,965
Riverboat Gaming Enforcement Fund	Gaming taxes	\$2,093,567	\$2,284,967	\$2,206,841
Sex Offender Registry Technology Fund	Fees on sex offenders	\$0	\$0	\$0
Tobacco Control Special Fund	Fees on stamping agents	\$1,398	\$15,000	\$15,000
Tobacco Settlement Enforcement Fund	State general fund for enforcement of the Tobacco Settlement	\$378,866	\$400,000	\$400,000
Video Draw Poker Device Fund	Gaming taxes	\$3,291,926	\$3,447,971	\$3,508,294
<b>TOTALS</b>		<b>\$15,956,134</b>	<b>\$25,122,860</b>	<b>\$23,849,929</b>





# Department of Justice

## FY20, FY21, and FY22 Comparison

### 04-141 — Department of Justice

#### FY22 Recommended Means of Financing by Agency

Total MOF by Agency for FY22	SGF	IAT	FSGR	Stat Deds	Federal	Total	FY21 Enacted Total	Difference FY21 Enacted to FY22 Recommended
Administrative	\$3,508,138	\$0	\$0	\$5,211,739	\$749,629	\$9,469,506	\$9,182,206	\$287,300
Civil Law	\$7,909,692	\$2,700,444	\$6,703,813	\$7,172,619	\$611,811	\$25,098,379	\$22,885,711	\$2,212,668
Crim. Law & Medicaid Fraud	\$4,957,368	\$851,072	\$1,060,255	\$4,904,471	\$7,009,892	\$18,783,058	\$18,203,784	\$579,274
Risk Litigation	\$0	\$19,514,123	\$0	\$0	\$0	\$19,514,123	\$20,627,890	(\$1,113,767)
Gaming	\$0	\$331,715	\$112,106	\$6,561,100	\$0	\$7,004,921	\$7,028,394	(\$23,473)
<b>Dept. of Justice</b>	<b>\$16,375,198</b>	<b>\$23,397,354</b>	<b>\$7,876,174</b>	<b>\$23,849,929</b>	<b>\$8,371,332</b>	<b>\$79,869,987</b>	<b>\$77,927,985</b>	<b>\$1,942,002</b>
<b>FY21 Enacted Total</b>	<b>\$16,169,624</b>	<b>\$24,506,795</b>	<b>\$7,937,110</b>	<b>\$20,853,710</b>	<b>\$8,460,746</b>	<b>\$77,927,985</b>		
<i>Difference FY21 Enacted to FY22 Recommended</i>	<i>\$205,574</i>	<i>(\$1,109,441)</i>	<i>(\$60,936)</i>	<i>\$2,996,219</i>	<i>(\$89,414)</i>	<i>\$1,942,002</i>		

The largest portions of the department's budget are comprised of IAT and statutory dedications.

Since FY21 Enacted, a number of changes have impacted the department's budget, including an increase out of the DOJ Legal Support Fund for continuing litigation in FY21, non-recurred carryforwards, increases in related benefits and salary base adjustments, and a reduction in rental payments. All of these have netted out to an increase when comparing the FY22 Recommended to the FY21 Enacted.



# Dept. of Justice Categorical Expenditures FY20, FY21, and FY22

Expenditure Category	FY20 Actual	FY21 EOB (as of 12-01-20)	FY22		Difference FY21 to FY22
			Recommended Budget	Category as Percent of Total	
<b>Personal Services:</b>	<b>\$50,633,287</b>	<b>\$53,926,907</b>	<b>\$54,731,212</b>	<b>68.53%</b>	<b>\$804,305</b>
Salaries	\$31,169,200	\$32,435,356	\$32,851,469	41.13%	\$416,113
Other Compensation	\$2,127,148	\$2,956,689	\$2,956,689	3.70%	\$0
Related Benefits	\$17,336,939	\$18,534,862	\$18,923,054	23.69%	\$388,192
<b>Operating Expenses:</b>	<b>\$4,384,261</b>	<b>\$4,997,758</b>	<b>\$5,103,527</b>	<b>6.39%</b>	<b>\$105,769</b>
Travel	\$638,825	\$1,064,534	\$1,082,715	1.36%	\$18,181
Operating Services	\$3,320,050	\$3,069,759	\$3,157,347	3.95%	\$87,588
Supplies	\$425,386	\$863,465	\$863,465	1.08%	\$0
<b>Professional Services</b>	<b>\$6,303,842</b>	<b>\$11,380,395</b>	<b>\$8,290,598</b>	<b>10.38%</b>	<b>(\$3,089,797)</b>
<b>Other Charges:</b>	<b>\$6,340,655</b>	<b>\$11,970,428</b>	<b>\$9,618,248</b>	<b>12.04%</b>	<b>(\$2,352,180)</b>
Other Charges	\$899,792	\$6,562,675	\$5,666,291	7.09%	(\$896,384)
Debt Service	\$0	\$0	\$0	0.00%	\$0
Interagency Transfers	\$5,440,863	\$5,407,753	\$3,951,957	4.95%	(\$1,455,796)
<b>Acquisitions &amp; Major Repairs:</b>	<b>\$851,630</b>	<b>\$1,469,423</b>	<b>\$2,126,402</b>	<b>2.66%</b>	<b>\$656,979</b>
Acquisitions	\$851,630	\$1,469,423	\$2,126,402	2.66%	\$656,979
Major Repairs	\$0	\$0	\$0	0.00%	\$0
<b>Total Expenditures</b>	<b>\$68,513,675</b>	<b>\$83,744,911</b>	<b>\$79,869,987</b>	<b>100.00%</b>	<b>(\$3,874,924)</b>



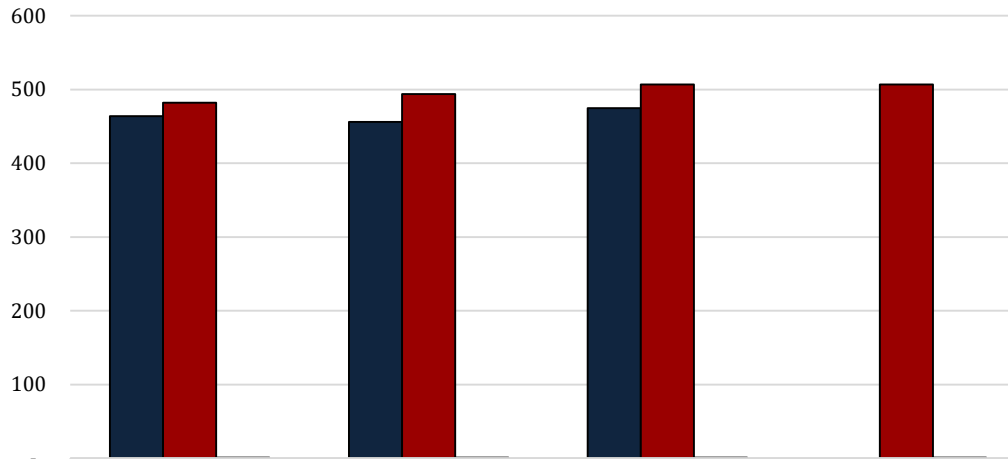
# 04-141 Department of Justice

## FTEs, Authorized, and Other Charges Positions and Related Employment Information

Number and Types of Positions

This Department Represents 1.5% Percent of Total State Positions of 34,081.

FY21 number of funded, but not filled, positions as of March 1 = 36



■ Total FTEs (1st July Report)	464	456	475	-
■ Authorized Positions	482	494	507	507
■ Other Charges Positions	1	1	1	1

\* Remaining Benefits include employer contribution to authorized positions' retirement, health, Medicare, FICA, Emoluments etc. The authorized positions include authorized T.O. positions and authorized other charges positions, both filled and vacant.

Personal Services	2019 Actual	2020 Actual	2021 Enacted	2022 Recommended
Salaries	\$28,454,300	\$31,169,200	\$32,435,356	\$32,851,469
Other Compensation	\$2,605,488	\$2,127,148	\$2,956,689	\$2,956,689
Related Benefits	\$15,364,164	\$17,336,939	\$18,534,862	\$18,923,054
<b>Total Personal Services</b>	<b>\$46,423,952</b>	<b>\$50,633,287</b>	<b>\$53,926,907</b>	<b>\$54,731,212</b>

Examples of Other Compensation include pay for WAE employees, part-time employees, student workers, etc.

Other Charges Benefits  
\$35,062

Related Benefits FY22 Recommended	Total Funding	%
Total Related Benefits	\$18,958,116	
UAL payments	\$11,655,298	61.5%
Retiree Health Benefits	\$1,208,434	
Remaining Benefits*	\$6,094,384	
Means of Finance	General Fund = 29%	Other = 71%

Average Salary = \$68,271



# Department of Justice

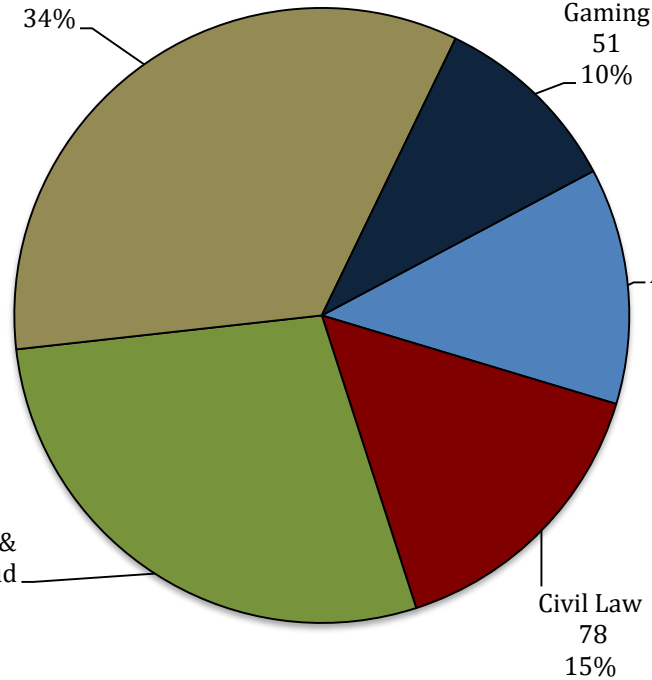
## FY22 Recommended Total Authorized Positions by Agency

**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  
34%

Criminal Law &  
Medicaid Fraud  
143  
28%



**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.

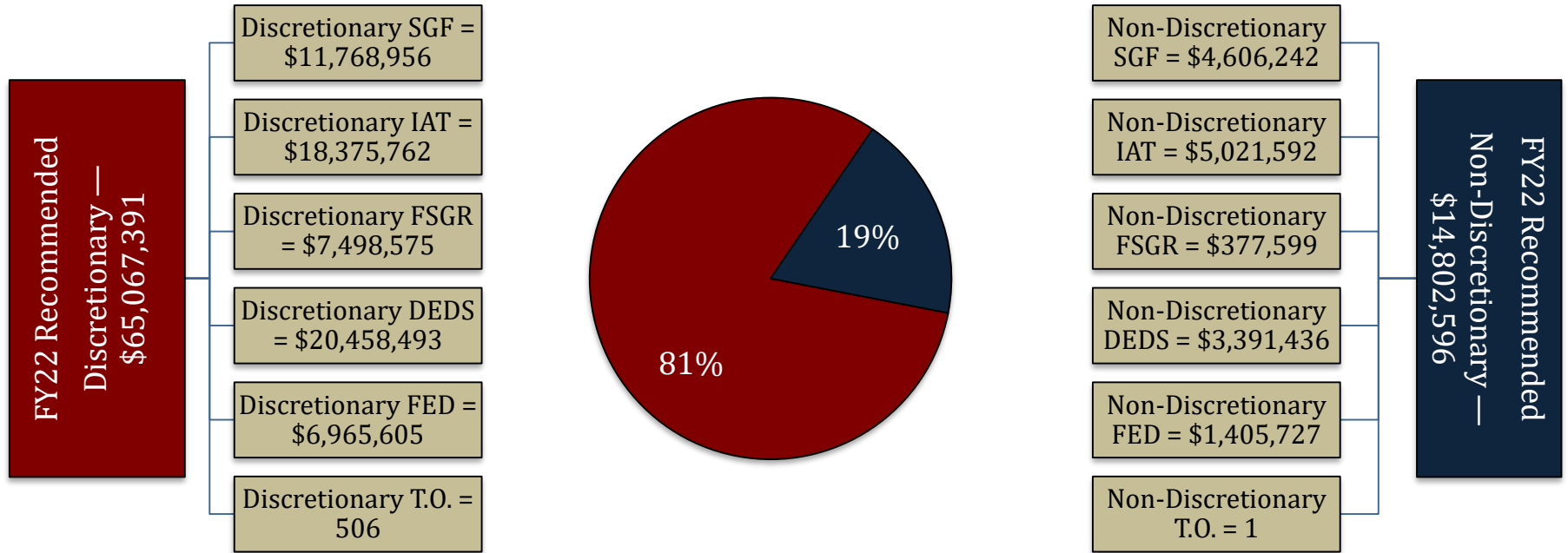
**Civil Law** - These positions provide legal services in defense of the state's constitution and statutory laws, as well as advocate on behalf of the citizens and businesses of Louisiana against unfair trade practices and fraud.

FY22 Recommended Department of Justice	
Administrative	63
Civil Law	78
Criminal Law & Medicaid Fraud	143
Risk Litigation	172
Gaming	51
TOTAL	507



# Department of Justice

## FY22 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Administrative	\$ 7,364,176	11%
Civil Law	\$ 22,139,008	34%
Criminal Law & Medicaid Fraud	\$ 15,418,428	24%
Risk Litigation	\$ 14,785,152	23%
Gaming	\$ 5,360,627	8%
<b>Total Discretionary</b>	<b>\$ 65,067,391</b>	<b>100%</b>

Total Non-Discretionary Funding by Type		
Needed for Debt Service	\$ 1,684,559	11%
Constitutional Requirements	\$ 11,821,790	80%
Unavoidable Obligations	\$ 1,296,247	9%
<b>Total Non-Discretionary</b>	<b>\$ 14,802,596</b>	<b>100%</b>

*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 and UAL contributions.*



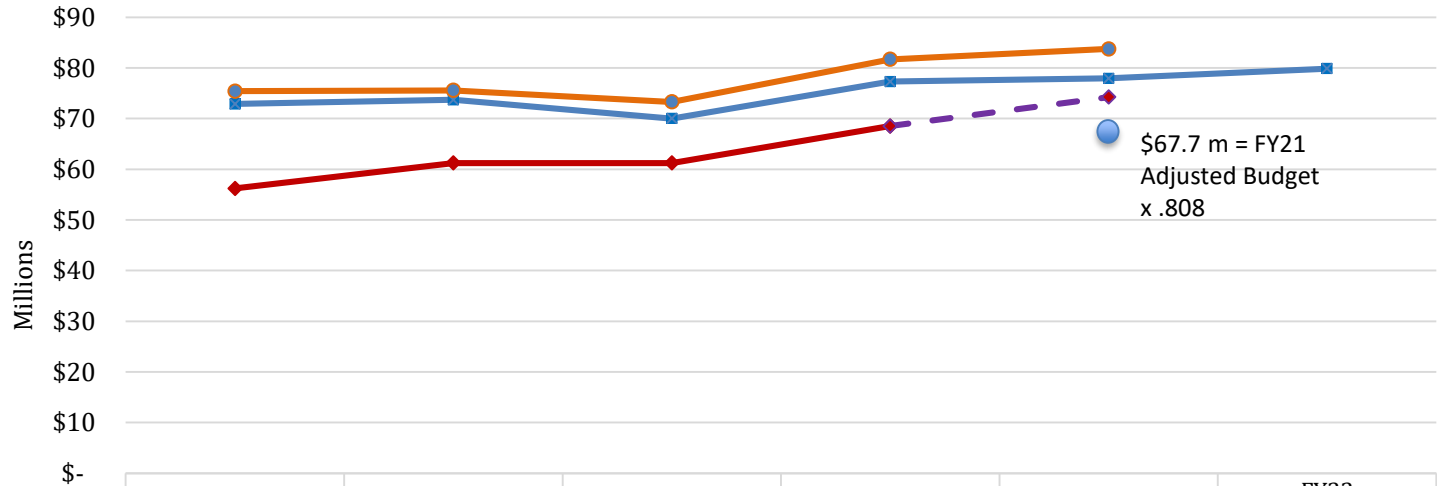
# Department of Justice

## Enacted & FYE Budget vs. Actual Expenditures FY17 to FY20

**FYE Budget = "Fiscal Year End" Budget** includes all in-house and regular BA-7s through June 30 of the fiscal year. For FY21, it is as of February.

**FY21 Known  
Supplemental Needs:**  
\$0

**FY20 General Fund  
Reversions:**  
\$36,497



	FY17	FY18	FY19	FY20	FY21 thru Feb.	FY22 Recommended
Enacted Budget	\$72,886,339	\$73,695,850	\$70,027,382	\$77,305,070	\$77,927,985	\$79,869,987
FYE Budget	\$75,406,585	\$75,555,655	\$73,283,304	\$81,695,342	\$83,744,911	
Actual Expenditures	\$56,208,562	\$61,247,637	\$61,224,187	\$68,513,675		
FY21 Expenditure Trend				\$68,513,675	\$74,244,380	

Monthly Budget Activity				
	FY21 Adjusted Budget	FY21 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
Jul-20	\$ 77,927,985	\$ 5,869,443	\$ 72,058,542	7.5%
Aug-20	\$ 81,230,938	\$ 10,681,422	\$ 70,549,516	13.1%
Sep-20	\$ 81,230,938	\$ 16,837,163	\$ 64,393,775	20.7%
Oct-20	\$ 81,230,938	\$ 24,184,200	\$ 57,046,738	29.8%
Nov-20	\$ 83,744,911	\$ 29,457,857	\$ 54,287,054	35.2%
Dec-20	\$ 83,744,911	\$ 37,511,981	\$ 46,232,930	44.8%
Jan-21	\$ 83,744,911	\$ 42,884,559	\$ 40,860,352	51.2%

Monthly Budget Activity				
	FY21 Adjusted Budget	FY21 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
Feb-21	\$ 83,744,911	\$ 47,861,253	\$ 35,883,658	57.2%
<i>(Trend based on average monthly expenditures to date)</i>				
Mar-21	\$ 83,744,911	\$ 54,457,035	\$ 29,287,876	65.0%
Apr-21	\$ 83,744,911	\$ 61,052,816	\$ 22,692,095	72.9%
May-21	\$ 83,744,911	\$ 67,648,598	\$ 16,096,313	80.8%
Jun-21	\$ 83,744,911	\$ 74,244,380	\$ 9,500,531	88.7%

Historical Year End Average

80.8%



# Department of Justice

## Significant Points of Interest for FY22

- \$8M - The proposed budget includes \$8 million for the Medicaid Fraud Control Unit. The Control Unit provides investigation services, initiates recovery of Medicaid overpayments, and provides outreach training.
- \$3.7M - The department receives \$3.7 million out of the Department of Justice Debt Collection Fund for the Collections Section. The department collected a total of \$28.9 million in FY20.
- Louisiana was recently part of the multi-state settlement with McKinsey & Company – resolving investigations into the consulting firm’s role in working for opioid companies, helping those companies promote their drugs, and profiting from the opioid epidemic. Louisiana’s portion of that will be \$6.9 million.





# Department of Justice

## Major Initiatives: Medicaid Fraud Control Unit

- The Medicaid Fraud Control Unit (MFCU) within the Office of the Attorney General has existed since 1978. The Unit investigates and prosecutes Medicaid fraud and nursing home abuse. It has been recognized three times as the top state MFCU in the nation.
- For FY22, the MFCU is funded with \$2 million from the Medical Assistance Programs Fraud Detection Fund and \$6 million of matching Federal Funds. The MFCU opens over 375 investigations of Medicaid fraud annually and provides training programs for law enforcement, health care providers, and professional and community organizations.
- **Medicaid Fraud** is the intentional submission of a false or fraudulent claim to the Louisiana Medicaid program. The most common types of Medicaid fraud include:
  1. Billing for services not rendered
  2. Billing for more expensive services than were actually performed
  3. Making illegal payments to third parties in exchange for business or referrals billed to Medicaid.
- Penalties for Medicaid fraud include imprisonment, fines, civil penalties, and exclusion from Medicaid.
- **Abuse and neglect of the elderly and disabled** residents of health care facilities falls into four general categories including:
  1. Physical abuse
  2. Financial abuse
  3. Sexual abuse
  4. Verbal abuse
- Penalties for abuse and neglect of the elderly and disabled include imprisonment, fines, and prohibition from working in a health care facility for a minimum of 5 years.