

Representative Jerome Zeringue
Chairman



Representative Francis Thompson
Vice Chairman

Fiscal Year 2024 Executive Budget Review

Department of Justice

House Committee on Appropriations
House Fiscal Division

March 28, 2023

Budget Analyst: Zion Wilson

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

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All data and figures were obtained from the governor's Fiscal Year 2023-2024 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 2023 Regular Session, unless otherwise noted.

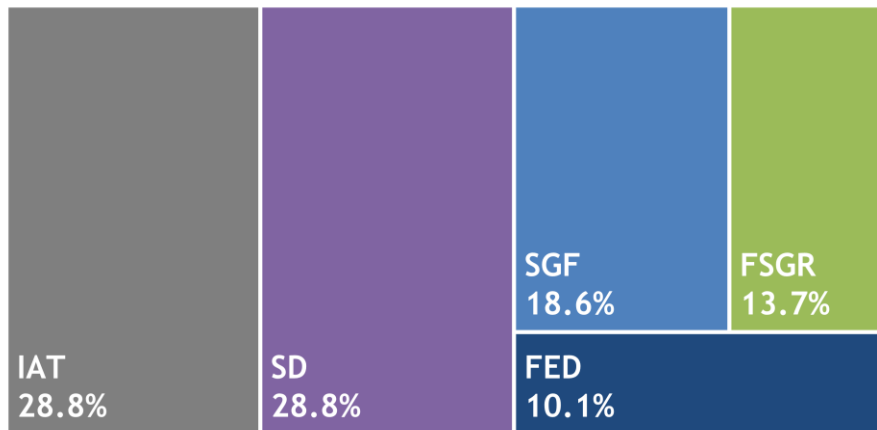
<https://www.doa.la.gov/doa/opb/budget-documents/>

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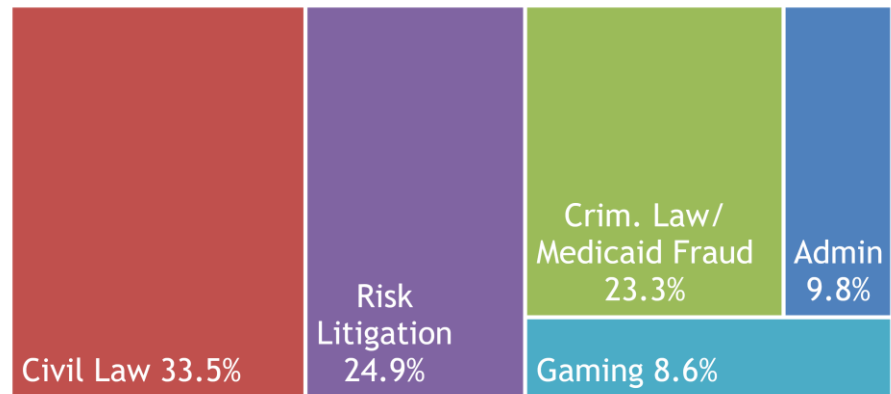
FY 24 BUDGET RECOMMENDATION

Total Funding = \$86,111,045

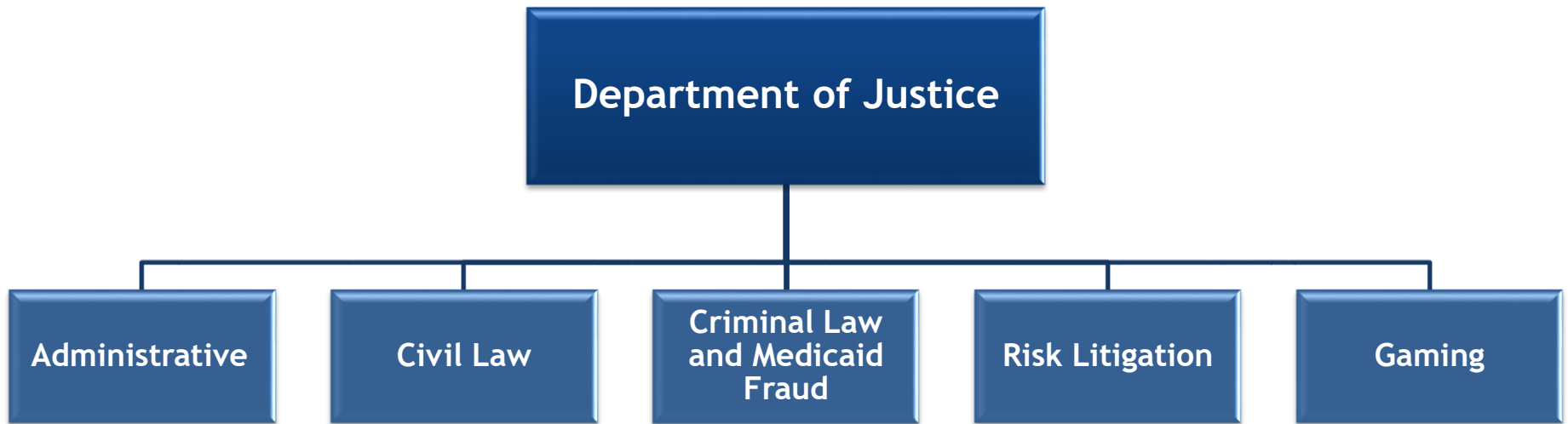
Means of Finance		
State General Fund	\$	16,029,913
Interagency Transfers		24,799,916
Fees & Self-generated		11,777,446
Statutory Dedications		24,793,450
Federal Funds		8,710,320
Total	\$	86,111,045



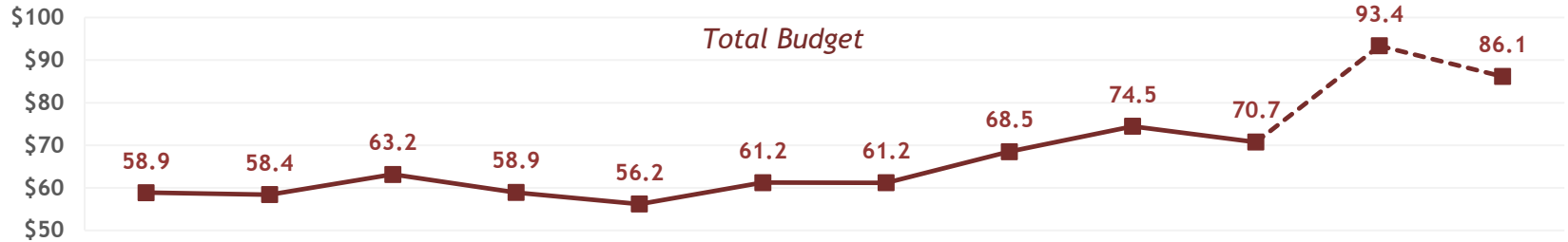
Program Funding & Authorized Positions			
		<i>Amount</i>	<i>Positions</i>
Administrative	\$	8,433,665	63
Civil Law		28,819,249	77
Crim. Law/Medicaid Fraud		20,047,973	143
Risk Litigation		21,431,309	171
Gaming		7,378,849	50
Total	\$	86,111,045	504



DEPARTMENT ORGANIZATION

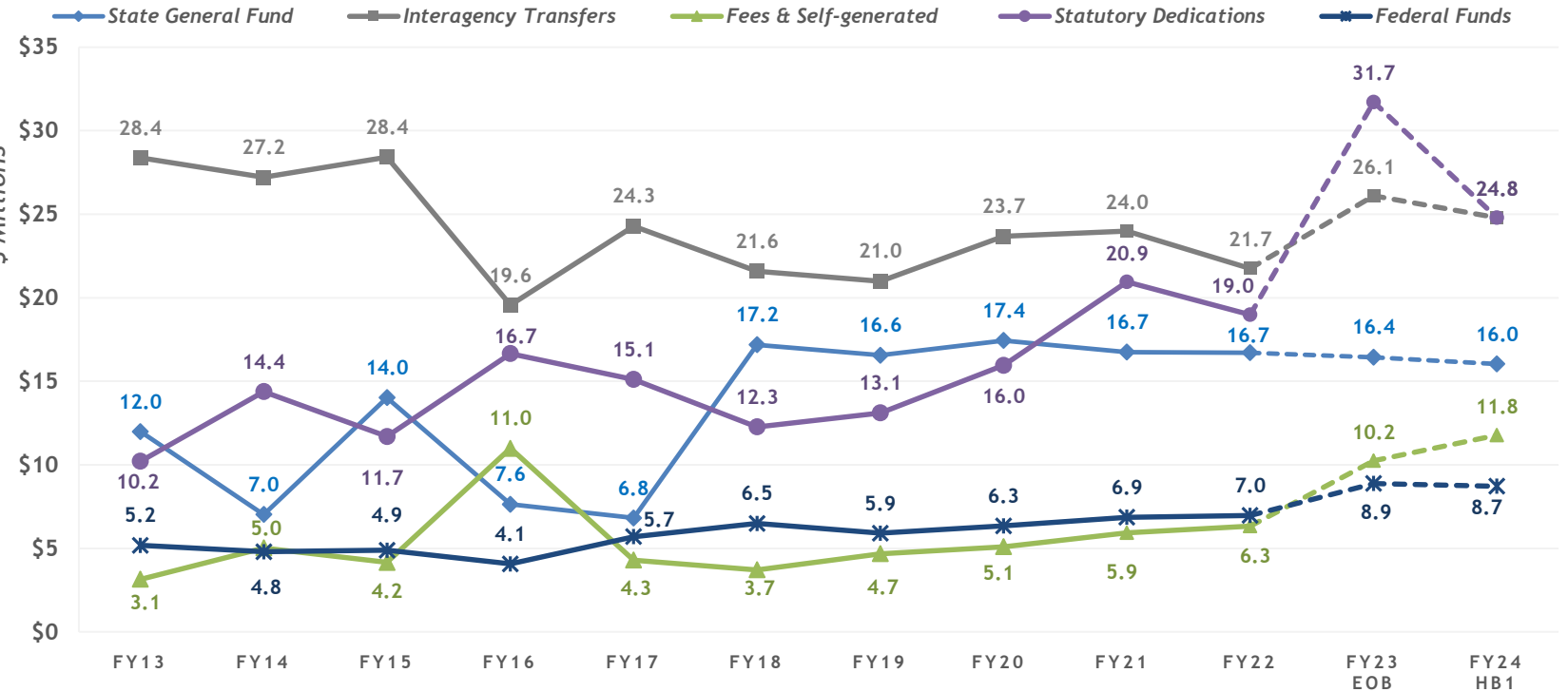


HISTORICAL SPENDING



10 Year
Spending Change

Total 2.1%



SD 7.1%
IAT (2.9%)

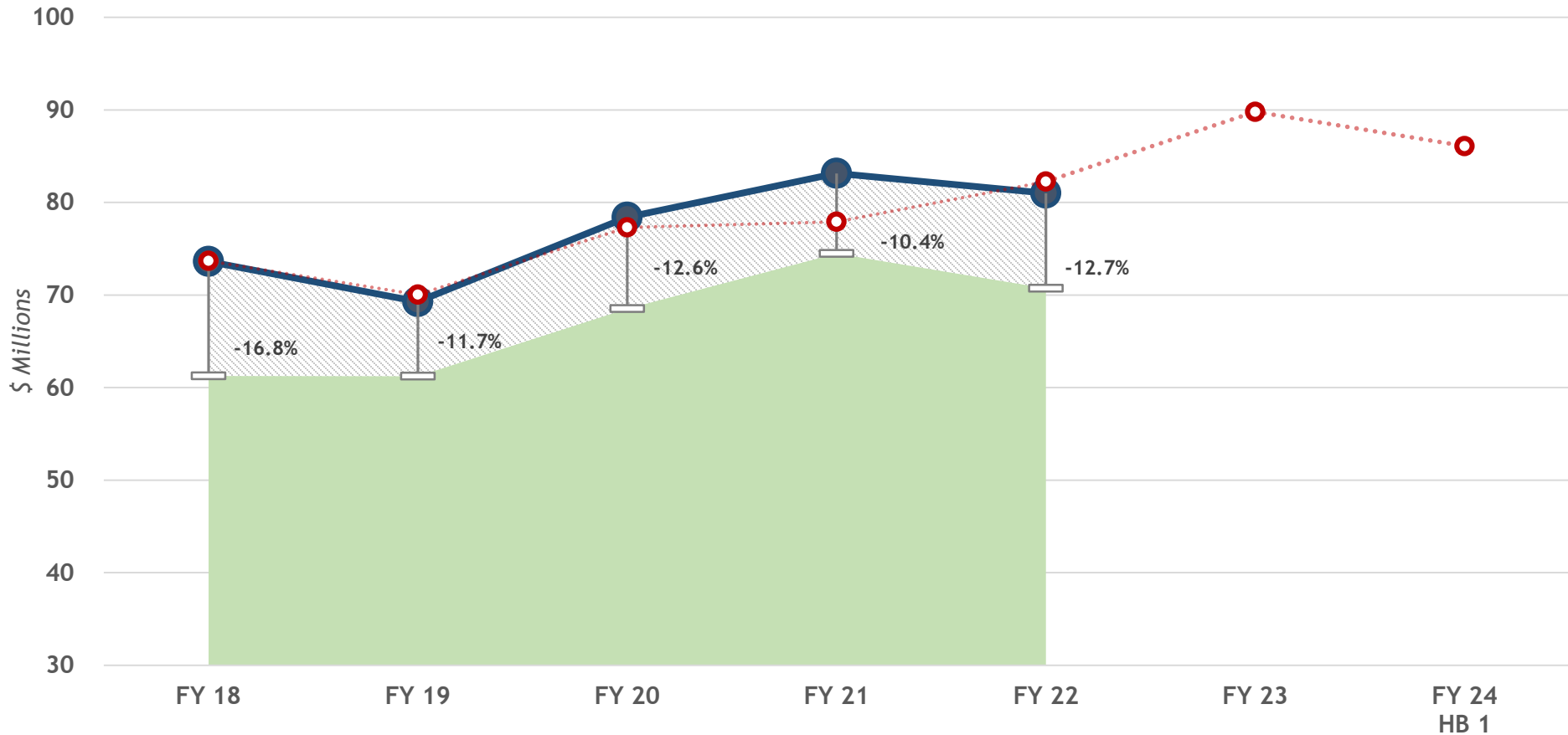
SGF 3.8%

FSGR 8.1%

FED 3.4%

HISTORICAL BUDGET

Actual Spending Final Budget Beginning Budget



PRIOR YEAR ACTUALS FY 22

Means of Finance	Final Budget <i>(w/o FY23 carryfwd)</i>	Amount Spent	Unspent Authority	Unspent Authority %	Unspent % by MOF
General Fund	\$ 16,759,976	\$ 16,704,554	\$ 55,422	0.3%	0.5%
Interagency Transfers	22,454,189	21,745,959	708,230	3.2%	6.9%
Self-generated	7,679,048	5,080,286	2,598,762	33.8%	25.3%
Statutory Dedications	25,807,972	20,221,388	5,586,584	21.6%	54.3%
Federal	8,299,788	6,965,758	1,334,030	16.1%	13.0%
FY22 Total	\$ 81,000,973	\$ 70,717,945	\$ 10,283,028	12.7%	100.0%

<i>Historical Total Unspent Budget Authority</i>	Final Budget	Amount Spent	Unspent Authority	Unspent %	
	FY21 Total	\$ 83,151,390	\$ 74,480,464	\$ 8,670,926	10.4%
	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%
	3 Year Avg.	\$ 76,947,270	\$ 68,072,775	\$ 8,874,495	11.5%

PRIOR YEAR ACTUALS FY 22

Were projected revenues collected?

	Final Budget <i>(w/o FY23 carryfwr)</i>	Revenue Collections	Difference
SGF	\$ 16,759,976	\$ 16,704,554	\$ (55,422)
IAT	22,454,189	23,025,527	571,338
FSGR	6,730,559	20,262,535	13,531,976
SD	26,756,461	20,221,388	(6,535,073)
FED	8,299,788	8,096,360	(203,428)
Total	\$ 81,000,973	\$ 88,310,364	\$ 7,309,391

The department collected \$7.3 M more than the FY 22 budget. The majority of excess revenue collections over budget authority were fees and self-generated revenue for settlements and fraudulent protection activities. Under collected statutory dedications are primarily from the Louisiana Fund due COVID-related instances that affected the timeline of the Master Settlement Agreement's software program that was completed in phases.

Were collected revenues spent?

	Revenue Collections	Expenditures	Difference
SGF	\$ 16,704,554	\$ 16,704,554	\$ 0
IAT	23,025,527	21,745,959	(1,279,568)
FSGR	20,262,535	5,080,286	(15,182,249)
SD	20,221,388	20,221,388	0
FED	8,096,360	6,965,758	(1,130,602)
Total	\$ 88,310,364	\$ 70,717,945	\$ (17,592,419)

The department collected \$17.6 M more than the FY 22 budget, with majority excess revenue collections deriving from fees and self-generated revenue. Collections over expenses from fees and self-generated are due to carryovers from the previous year pursuant to H.B. 1 for the purpose to securing settlements for state and citizen protection from fraudulent activity. Interagency transfers are pursuant to Act 14 of the 2016 2ND E.S. for reimbursements of legal expenses for state claims in the Deepwater Horizon litigation.

EXISTING OPERATING BUDGET FY 23

The FY 2022-23 Existing Operating Budget (EOB) was frozen on December 1, 2022. 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	\$ 16,434,798	\$ 0	\$ 16,434,798
Interagency Transfers	25,723,049	382,136	26,105,185
Self-generated Revenue	9,077,332	1,162,925	10,240,257
Statutory Dedications	29,834,530	1,871,822	31,706,352
Federal	8,736,411	134,135	8,870,546
Total	\$ 89,806,120	\$ 3,551,018	\$ 93,357,138

Budget Adjustments From Appropriation to EOB

July	August	September	October	November
No change	\$3.6 M Various means of finance carried over from FY 22 for professional services contracts and acquisitions that were not received by the end of the fiscal year	No change	No change	No change

SOURCES OF FUNDING

<p style="text-align: center;">State General Fund</p> <p style="text-align: center;">\$16.0 M</p>	<p style="text-align: center;">Interagency Transfers</p> <p style="text-align: center;">\$24.8 M</p>	<p style="text-align: center;">Self-generated Revenue</p> <p style="text-align: center;">\$11.8 M</p>	<p style="text-align: center;">Federal Funds</p> <p style="text-align: center;">\$8.7 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, investigative, and domestic violence training 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 HB1
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	\$11,346,526	\$10,000,000
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	\$7,470,281	\$5,259,265
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	\$4,365,141	\$3,485,761
Riverboat Gaming Enforcement Fund	Riverboat gaming fees and fines	Regulatory, administrative, investigative, enforcement, and legal expenses for the Gaming Unit	\$2,252,500	\$2,101,362
Pari-mutuel Live Racing Facility Gaming Fund	Slot machine proceeds. Fees, fines, taxes, other	Expenses related to the Gaming Unit	\$891,107	\$816,323
Tobacco Settlement Enforcement Fund	\$400,000 transferred from SGF, other appropriations, donations, and grants	Enforcement of the Master Settlement	\$400,000	\$400,000
DOJ Occupational Licensing Review Program Fund	Receives compensation from participation in occupational licensing boards	Supplements the department's budget of occupational licensing board regulatory review activities and general operating expenses	\$232,761	\$228,009
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	\$2,169,373	\$2,169,373
Department Total			Total \$31,706,352	\$24,793,450

FUNDING COMPARISON

Means of Finance	FY22 Actual Expenditures	FY23 Existing Operating Budget 12/1/22	FY24 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
SGF	\$ 16,704,554	\$ 16,434,798	\$ 16,029,913	\$ (404,885)	(2.5%)	\$ (674,641)	(4.0%)
IAT	21,745,959	26,105,185	\$ 24,799,916	(1,305,269)	(5.0%)	3,053,957	14.0%
FSGR	6,324,189	10,240,257	\$ 11,777,446	1,537,189	15.0%	5,453,257	86.2%
Stat Ded	18,977,485	31,706,352	\$ 24,793,450	(6,912,902)	(21.8%)	5,815,965	30.6%
Federal	6,965,758	8,870,546	\$ 8,710,320	(160,226)	(1.8%)	1,744,562	25.0%
Total	\$ 70,717,945	\$ 93,357,138	\$ 86,111,045	\$ (7,246,093)	(7.8%)	\$ 15,393,100	21.8%

Significant funding changes compared to the FY 23 Existing Operating Budget

Interagency Transfers

(\$1.3 M) net decrease for standard statewide adjustments, primarily for to factor in projected savings from vacant positions in FY24

Fees & Self-generated

\$1.5 M net increase primarily for a means of finance substitution that replaces statutory dedications with fees and self-generated revenues from the Medical Assistance Programs Fraud Detection Fund and the Department of Justice Legal Support Fund

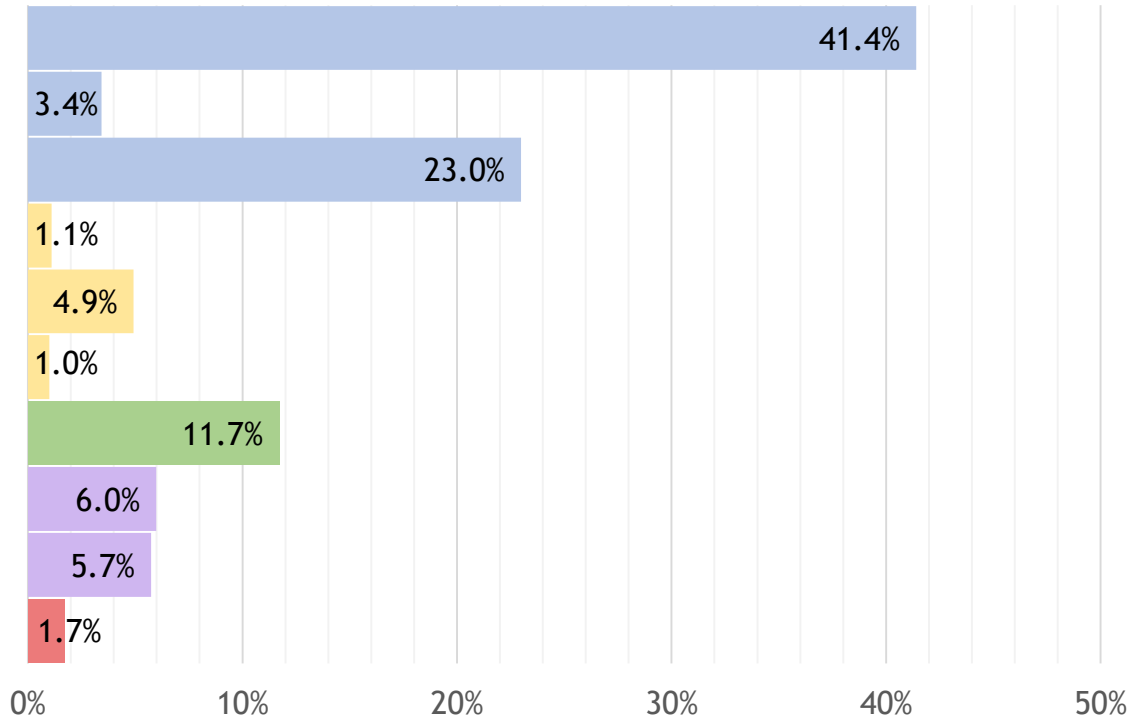
Statutory Dedications

(\$6.9 M) net decrease primarily associated with standard statewide adjustments and funds carried over into FY 23 for items that are no longer needed in FY 24

EXPENDITURE RECOMMENDATION FY 24

Total Budget = \$86,111,045

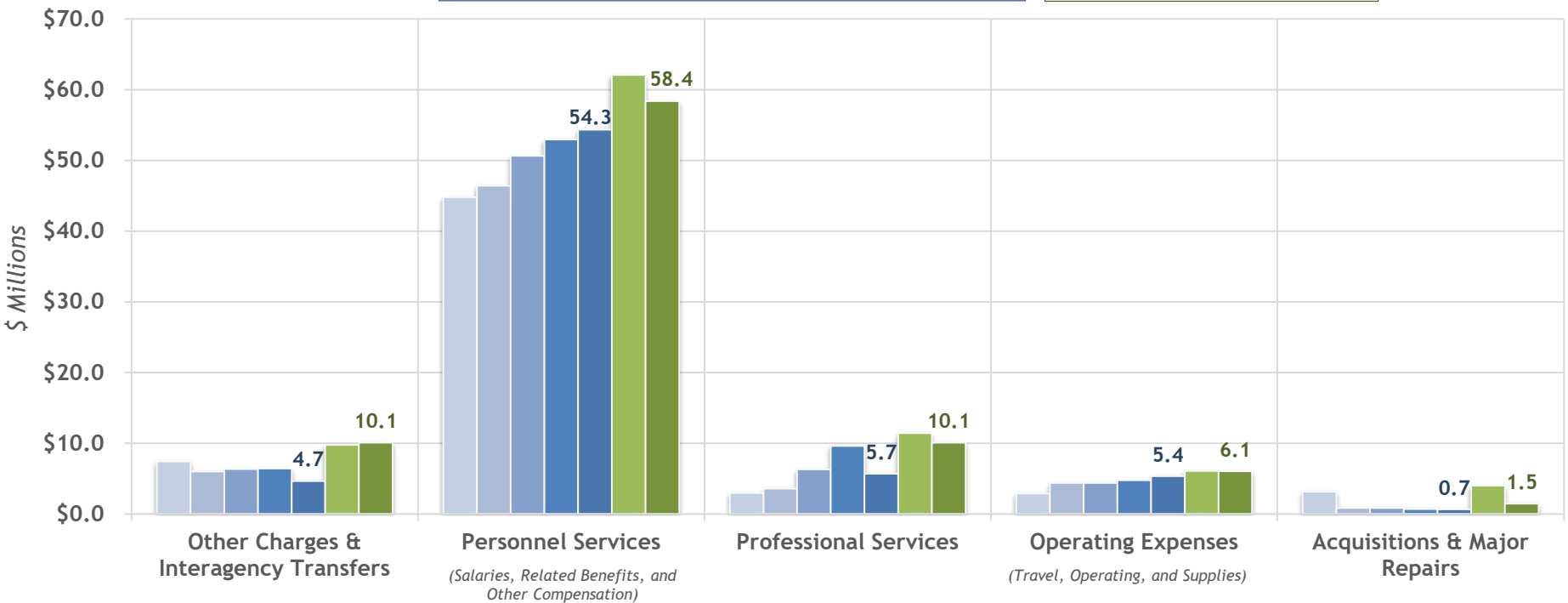
Expenditure Category		
Salaries	\$	35,650,111
Other Compensation		2,956,689
Related Benefits		19,793,140
Travel		955,715
Operating Services		4,242,776
Supplies		860,965
Professional Services		10,089,279
Other Charges		5,150,931
Interagency Transfers		4,940,594
Acquisitions/Repairs		1,470,845
Total	\$	86,111,045



EXPENDITURE HISTORY

Fiscal Year: Actual Expenditures Budgeted Amount

2018 2019 2020 2021 2022 2023 EOB 2024 HB1



5 Year Average Spending per Expenditure Category

\$6.2 M : 9.2%	\$49.8 M : 74.1%	\$5.6 M : 8.4%	\$4.4 M : 6.5%	\$1.2 M : 1.8%
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EXPENDITURE COMPARISON

Expenditure Category	FY22 Actual Expenditures	FY23 Existing Operating Budget 12/1/22	FY24 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
Salaries	\$ 33,521,609	\$ 37,564,821	\$ 35,650,111	\$ (1,914,710)	(5.1%)	\$ 2,128,502	6.3%
Other Compensation	2,183,384	\$ 2,956,689	\$ 2,956,689	0	0.0%	773,305	35.4%
Related Benefits	18,624,970	\$ 21,536,021	\$ 19,793,140	(1,742,881)	(8.1%)	1,168,170	6.3%
Travel	518,415	\$ 985,715	\$ 955,715	(30,000)	(3.0%)	437,300	84.4%
Operating Services	4,421,517	\$ 4,233,926	\$ 4,242,776	8,850	0.2%	(178,741)	(4.0%)
Supplies	415,873	\$ 876,741	\$ 860,965	(15,776)	(1.8%)	445,092	107.0%
Professional Services	5,693,907	\$ 11,420,997	\$ 10,089,279	(1,331,718)	(11.7%)	4,395,372	77.2%
Other Charges	804,921	\$ 5,185,749	\$ 5,150,931	(34,818)	(0.7%)	4,346,010	539.9%
Interagency Transfers	3,871,121	\$ 4,582,530	\$ 4,940,594	358,064	7.8%	1,069,473	27.6%
Acquisitions/Repairs	662,228	\$ 4,013,949	\$ 1,470,845	(2,543,104)	(63.4%)	808,617	122.1%
Total	\$ 70,717,945	\$ 93,357,138	\$ 86,111,045	\$ (7,246,093)	(7.8%)	\$ 15,393,100	21.8%

SIGNIFICANT EXPENDITURE CHANGES FY 24

Compared to the FY 23 Existing Operating Budget

Personnel Services	Professional Services	Acquisitions/Repairs
<p>(\$3.7 M) net decrease for standard statewide adjustments primarily associated with:</p> <ul style="list-style-type: none">• (\$2.4 M) to factor projected savings from vacant positions in FY 24• (\$2.0 M) for the removal of funding for the 27th Pay Period that is no longer needed in FY24• \$1.4 M to align salaries to projected FY 24 levels	<p>(\$1.4 M) decrease to remove funds that were carried into FY 23 that are no longer needed</p> <p>\$32,852 increase for the cost of the Offender Watch Program database that provides local law enforcement with interfaces for sex offender expenditures</p>	<p>(\$4.0 M) decrease to remove funding for acquisitions that were purchased in FY 23</p> <p>\$1.5 M increase for acquisitions throughout the department such as the replacement of computers, computer accessories, and legal software</p>

OTHER CHARGES/INTERAGENCY TRANSFERS

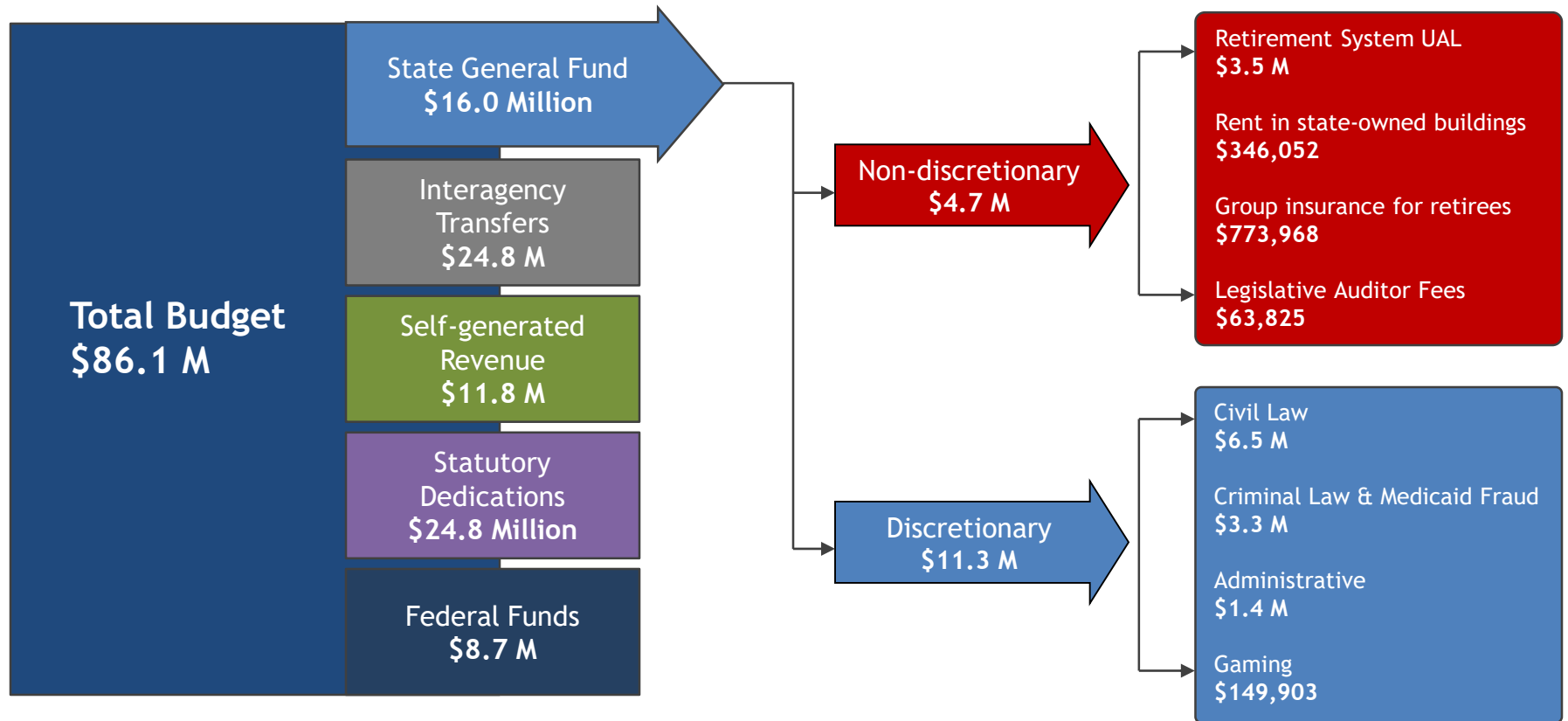
Other Charges

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
455,749	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
15,000	Tobacco Control Special Fund expenses
\$ 5,150,931	Total Other Charges

Interagency Transfers

Amount	Description
\$ 1,903,994	Rent in state-owned buildings
809,589	Office of Technology Services- Printing and Communications
999,157	Office of Risk Management
661,458	Benson Towers rent
239,102	Office of Technology Services
145,377	Capitol Park Security fees
63,825	Legislative Auditor fees
52,511	Maintenance in state owned buildings
34,276	Office of State Procurement
31,305	Uniform Payroll System (UPS) fees
\$ 4,940,594	Total Interagency Transfers

DISCRETIONARY EXPENSES FY 24



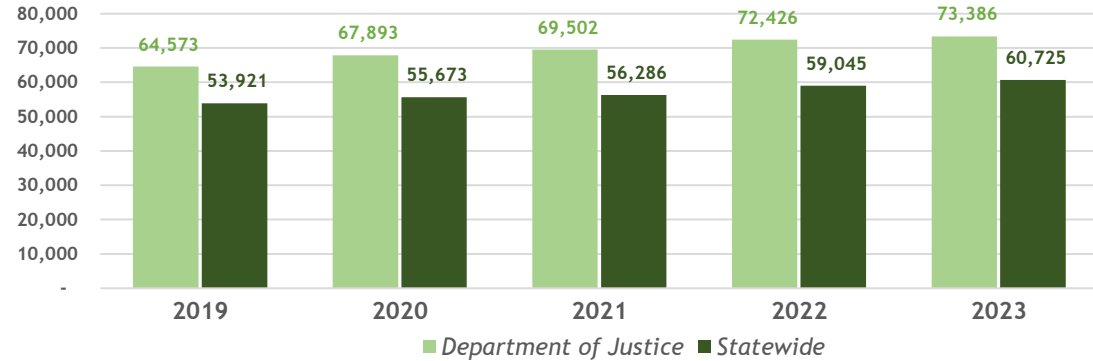
Figures may not add precisely due to rounding

PERSONNEL INFORMATION

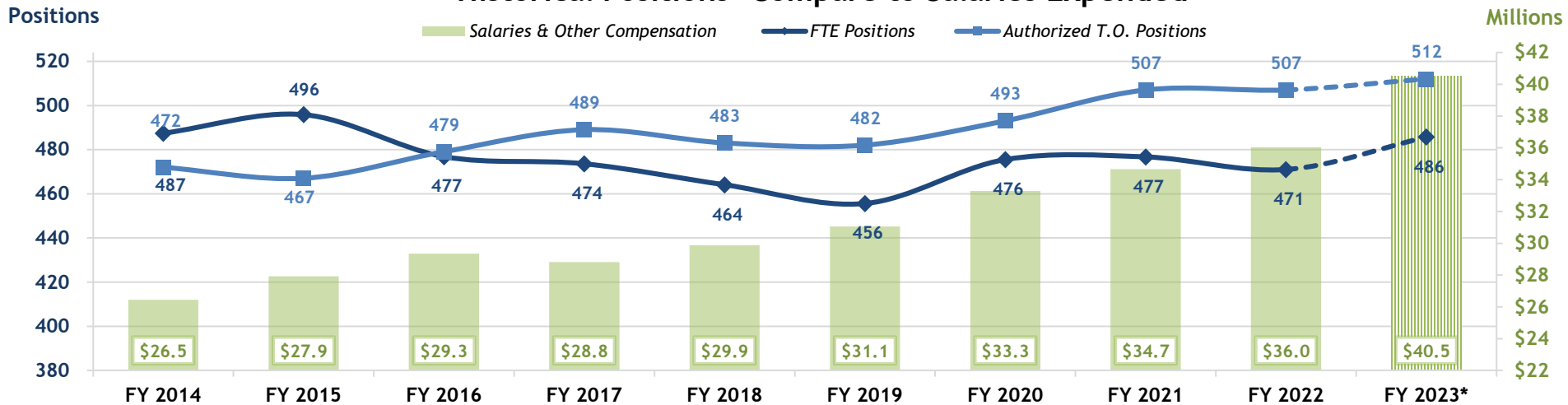
FY 2024 Recommended Positions

504	Total Authorized T.O. Positions (14 Classified, 490 Unclassified)
1	Authorized Other Charges Positions
46	Non-T.O. FTE Positions
46	Vacant Positions (January 30, 2023)

Historical Average Salary



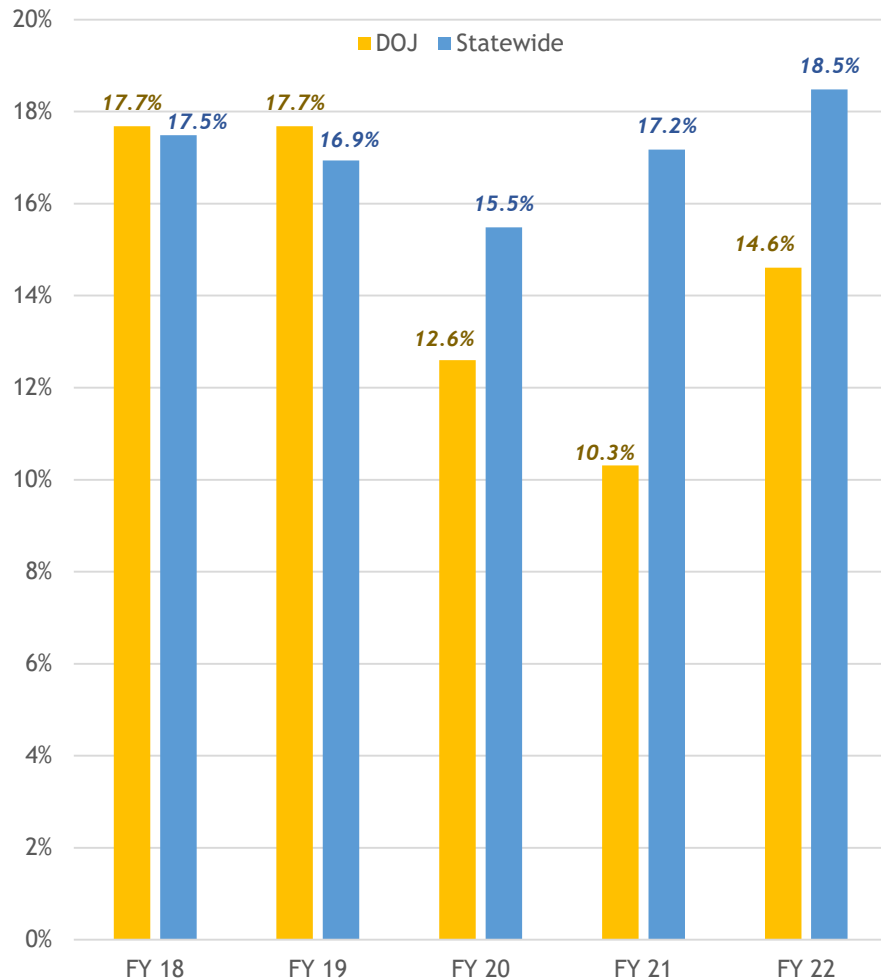
Historical Positions¹ Compare to Salaries Expended



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

* Existing Operating Budget on 12/1/22

TURNOVER HISTORY



Top Positions Vacated FY 2022

Position	Number of Employees	Separations	Turnover Rate
Assistant Attorney General	124	27	22%
Investigator/Special Agent	68	14	21%
Secretary	14	6	43%
Administrative Assistant	11	4	36%
Paralegal	26	2	8%

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- Traditionally funded through the Medical Assistance Programs Fraud Detection Fund, which is funded through a portion of the recoveries obtained. Due to a Means of Finance Substitution that decreases statutory dedications to fees and self-generated revenues, the Department will be reliant on fees and self-generated revenues to further match this grant in FY24

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 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 18	FY 19	FY 20	FY 21	FY 22
# Investigations Opened	402	479	427	283	305
Outreach training programs provided	59	45	138	14	27
Civil Penalties collected	\$3,151,034	\$6,674,953	\$8,002,912	\$4,139,713	\$11,548,688
Investigator & Prosecution costs collected	\$139,991	\$154,874	\$153,468	\$5,862,855	\$46,550

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 24 positions including:
 - 1 Commander
 - 8 Special Agents
 - 1 Cyber Tip Manager/Special Agent
 - 1 Forensic Lab Manager
 - 10 Digital Forensic Examiners
 - 1 Grant Manager
 - 1 Case Manager
 - 1 Evidence Custodian

Year	# Cyber tips reported to ICAC	# Cases generated	# of Arrests by LA DOJ CCU
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	4,807	2,925	148
2022	6,128	1,832	115

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