

**Representative Jack McFarland**  
**Chairman**



**Representative Jason Hughes**  
**Vice Chairman**

# **Fiscal Year 2025 Executive Budget Review**

# **OVERVIEW**

**House Committee on Appropriations**  
**House Fiscal Division**

March 4, 2024

# COMMITTEE JURISDICTION

**Matters relating to the following subjects are referred to the House Committee on Appropriations:**

1. Appropriation of state funds
2. Expenditure of funds
3. General appropriation bill
4. Deposit and investment of public monies, including the creation or modification of any special fund in the state treasury to which proceeds from state taxes, fees, or other charges are dedicated
5. Cash flow

# COMMITTEE JURISDICTION

6. Study of economy and efficiency in the operation of government at all levels
7. Budgetary requirements and procedures
8. Central purchasing
9. Fiscal controls
10. Comprehensive state capital budget, after initial consideration by the Committee on Ways and Means in accordance with House Rule 6.8(C)
11. Public procurement as provided in Chapter 17 of Title 39 of the Louisiana Revised Statutes of 1950

# COMMITTEE JURISDICTION

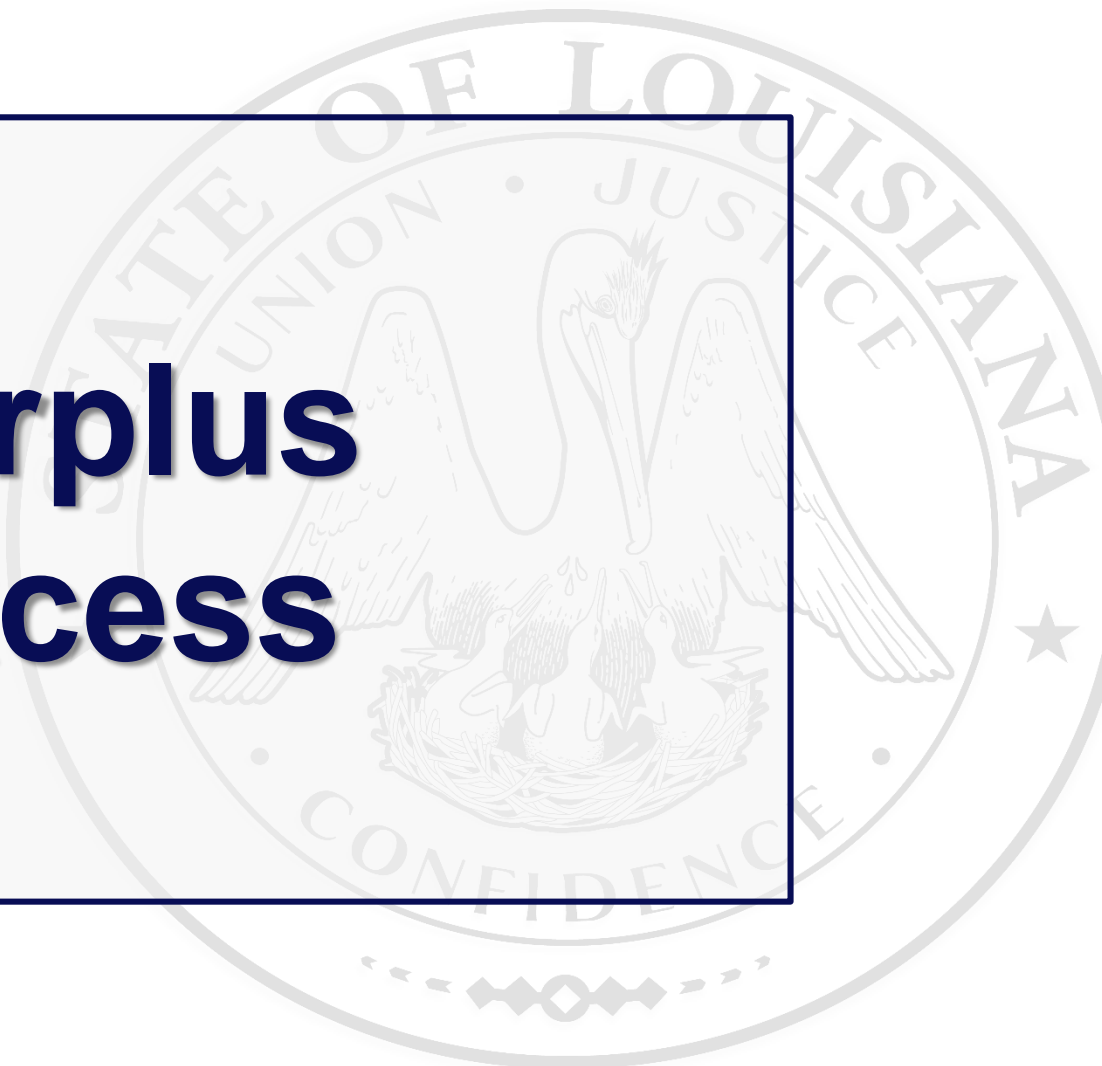
**House Rule 6.8 requires recommitment to the House Committee on Appropriations of the following instruments:**

1. Any concurrent resolution providing for the adoption of the formula for the allocation of minimum foundation funds to parish and city school systems
2. Any legislative instrument creating a special fund in the state treasury to which proceeds from taxes, fees, or other charges are dedicated and any legislative instrument amending provisions of law relative to such a special fund
3. Any legislative instrument with an estimated fiscal cost of \$100,000 or more of state general funds annually in any one of the three ensuing fiscal years as reflected in the fiscal note, or with a fiscal cost that, although not specified in the fiscal note, is indicated in the fiscal note as likely to equal or exceed \$100,000 of state general funds annually in any of the three ensuing fiscal years

The seal of the State of Louisiana is visible in the background, featuring an eagle with a shield on its chest, holding an olive branch and arrows, with a banner below it. The text "STATE OF LOUISIANA" is at the top, "UNION • JUSTICE" is on the sides, and "CONFIDENCE" is at the bottom.

# **Legislative Fiscal Office**

## ***Revenue Discussion***

The seal of the State of Louisiana is faintly visible in the background. It features a central figure of a pelican feeding its young in a nest, surrounded by the text "STATE OF LOUISIANA" and "UNION • JUSTICE".

# **FY 23 Surplus**

# **FY 24 Excess**

# SURPLUS VS EXCESS

## Surplus

- From prior fiscal year
- Amount of state general fund remaining once a fiscal year is over and all closeout activities are finished
- Non-recurring money
- Constitution limits use to six items

## Excess

- In current fiscal year
- Recurring money
- Constitution does not limit uses as with non-recurring money

# SURPLUS – USE OF NON-RECURRING FUNDS

**La. Const. Art. VII, Sec. 10: appropriations of money in the official forecast designated as non-recurring shall be made only for:**

1. Deposit into the Budget Stabilization Fund (**25% required**)
2. Payments against the state retirement systems' unfunded accrued liability (**10% currently required for IUAL**)
3. Retiring or the defeasance of bonds
4. Funding for capital outlay projects in the comprehensive state capital budget
5. New highway construction for which federal matching funds are available
6. Deposit into the Coastal Protection and Restoration Fund



# FY 23 SURPLUS - \$325.4 M

## **\$113.9 M required for two items:**

- \$81.4 M – Budget Stabilization Fund – 25% requirement
- \$32.5 M – TRSL and LASERS IUAL Payments – 10% requirement

## **Remaining \$211.5 M can be used on the six constitutional options**

- The presentation to JLCB on Feb. 8, 2024 for the governor's executive budget recommended using the remaining surplus on DOTD, CPRA, and capital outlay (deferred maintenance)

# FY 24 Excess - \$90.1 M

## \$90.1 M in remaining funds for FY 24

- The Nov. 2023 Fiscal Status Statement showed \$27 M in remaining state general fund revenue for FY 24
- The Revenue Estimating Conference met December 14, 2023 and revised the FY 24 state general fund forecast upward by \$64.5 M
- During the 2024 First Extraordinary Session the legislature appropriated \$1.4 M of SGF to the Dept. of State

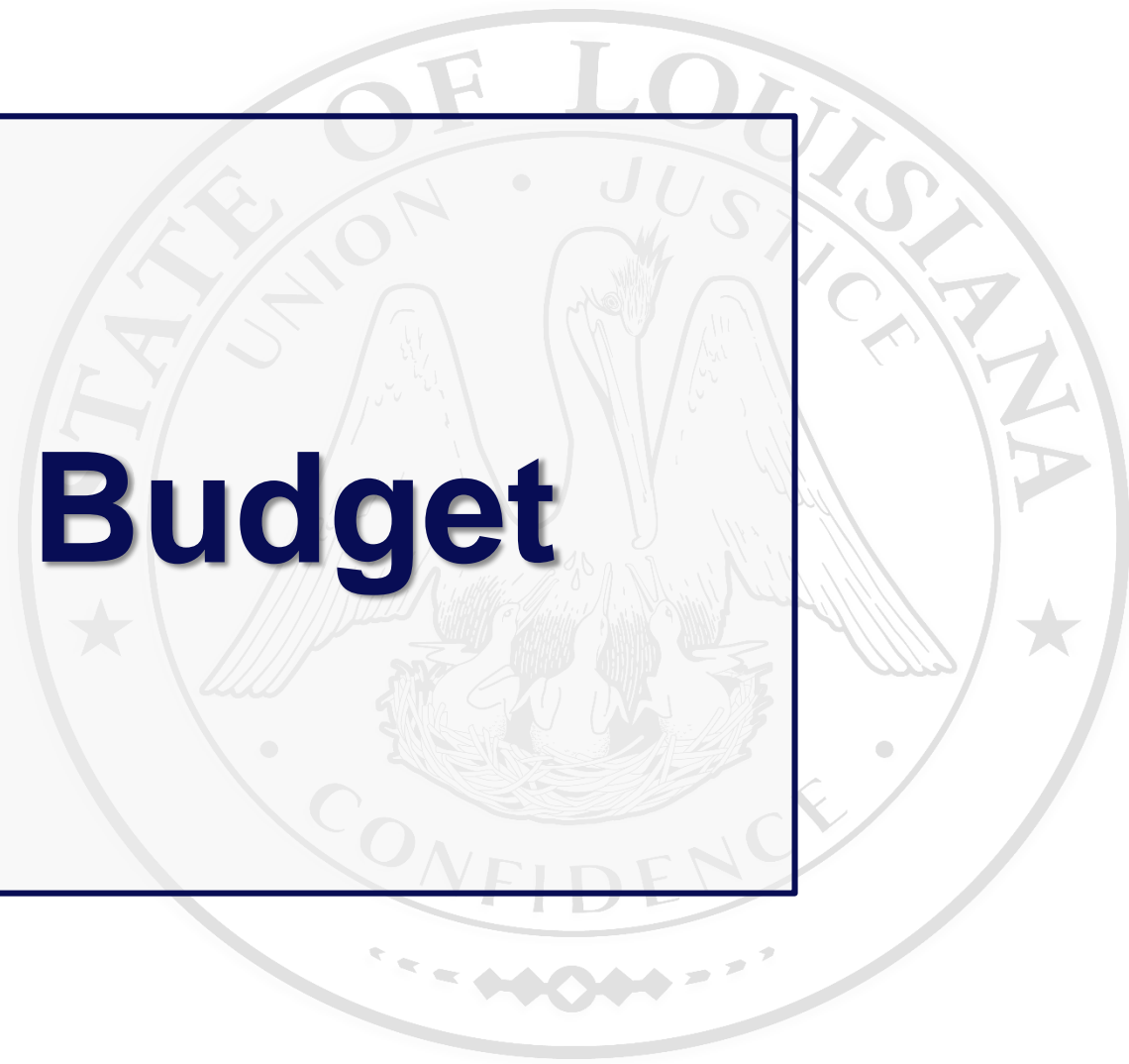
*Excess amount does not include appropriations made during the 2<sup>nd</sup> Extraordinary Session of 2024, which will further reduce the available excess*

# FY 24 EXCESS - \$90.1 M

The presentation to JLCB on Feb. 8, 2024 for the governor's executive budget contained recommendations for \$86.7 M:

- Appropriations (\$66.7 M)
  - \$9.7 M – State Police (Special Session)
  - \$11 M – Extra security for secure care facilities
  - \$15 M – Dept. of Agriculture and Forestry for wildfire expenses during state emergency
  - \$31 M – Dept. of Public Safety and Corrections for operating, overtime, food, and supplies
- Transfers (\$20 M)
  - \$10 M – Voting Technology Fund for new voting machines
  - \$10M – State Emergency Response Fund for future disasters

# FY 25 State Budget

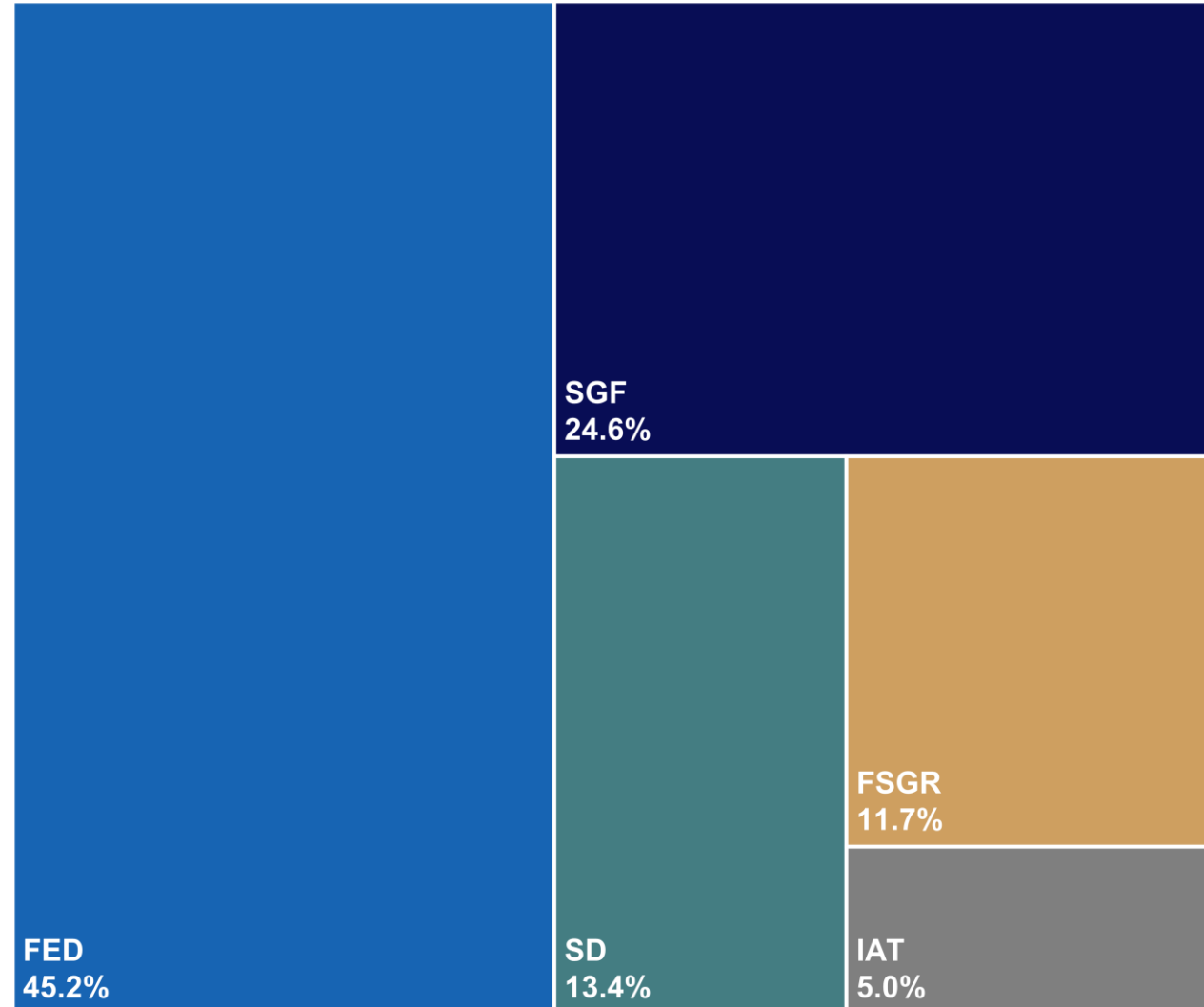


# FY 25 STATE BUDGET RECOMMENDATION

**Total Funding = \$48,718,787,820**

Means of Finance		
State General Fund	\$	11,991,300,000
Interagency Transfers		2,449,444,246
Fees & Self-generated		5,699,956,323
Statutory Dedications		6,541,836,339
Federal Funds		22,036,250,912
<b>Total</b>	<b>\$</b>	<b>48,718,787,820</b>

- **\$44.2 B** total budget without double counts
  - Two major components of the \$4.5 B in double counts are Interagency Transfers and Ancillary Bill (agencies) self-generated funds



# FUNDING COMPARISON

Means of Finance	FY 23 Actual Expenditures	FY 24 Existing Operating Budget 12/1/23	FY 25 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
<b>SGF</b>	\$ 11,880,229,942	\$ 12,221,503,626	\$ 11,991,300,000	\$ (230,203,626)	(1.9%)	\$ 111,070,058	0.9%
<b>IAT</b>	2,020,793,556	2,622,070,214	2,449,444,246	(172,625,968)	(6.6%)	428,650,690	21.2%
<b>FSGR</b>	5,103,274,496	5,736,155,170	5,699,956,323	(36,198,847)	(0.6%)	596,681,827	11.7%
<b>Stat Ded</b>	6,539,374,675	7,028,735,666	6,541,836,339	(486,899,327)	(6.9%)	2,461,664	0.0%
<b>Federal</b>	21,149,149,449	24,476,935,636	22,036,250,912	(2,440,684,724)	(10.0%)	887,101,463	4.2%
<b>Total</b>	\$ 46,692,822,118	\$ 52,085,400,312	\$ 48,718,787,820	\$ (3,366,612,492)	(6.5%)	\$ 2,025,965,702	4.3%

# EXISTING OPERATING BUDGET FY 24

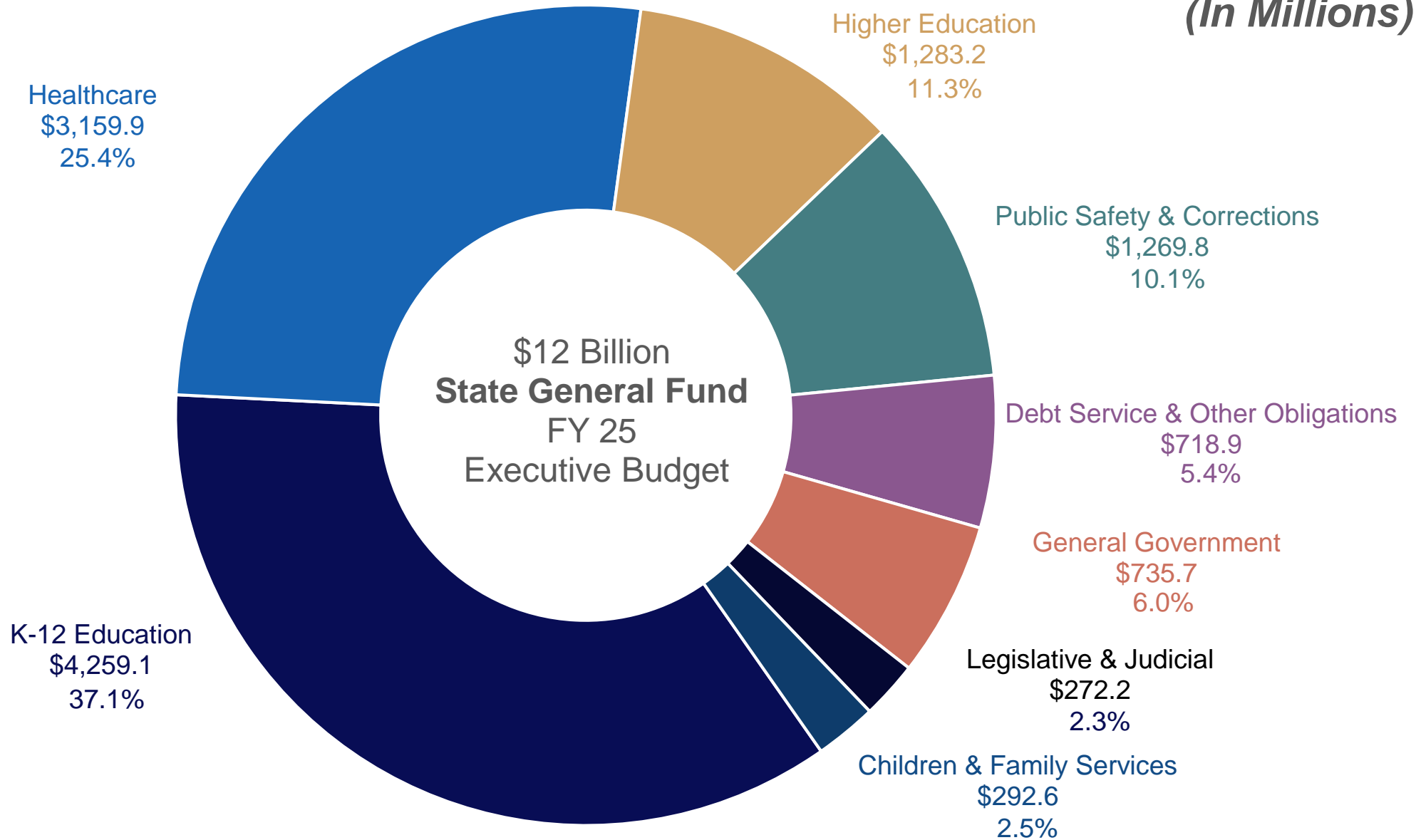
The FY 2023-24 Existing Operating Budget (EOB) was frozen on December 1, 2023. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
State General Fund	\$ 11,789,335,439	\$ 432,168,187	\$ 12,221,503,626
Interagency Transfers	2,488,634,453	133,435,761	2,622,070,214
Self-generated Revenue	5,659,172,886	76,982,284	5,736,155,170
Statutory Dedications	6,867,592,079	161,143,587	7,028,735,666
Federal	24,164,565,819	312,369,817	24,476,935,636
<b>Total</b>	<b>\$ 50,969,300,676</b>	<b>\$ 1,116,099,636</b>	<b>\$ 52,085,400,312</b>

<i>Mid-year Adjustments Summary</i>				
July	August	September	October	November
\$11.5 M IAT	\$ 456.5 M SGF 78.8 M IAT 64.7 M FSGR 146.9 M SD 300.0 M FED <hr/> \$ 1.05 B Total	\$ 5.9 M IAT 4.2 M FED <hr/> \$ 10.1 M Total	(\$ 24.3 M) SGF 35.9 M IAT 10.0 M FSGR 14.2 M SD 5.3 M FED <hr/> \$ 41.0 M Total	\$ 1.4 M IAT 2.8 M FSGR 2.9 M FED <hr/> \$ 7.1 M Total

# STATE GENERAL FUND BY CATEGORY

(In Millions)





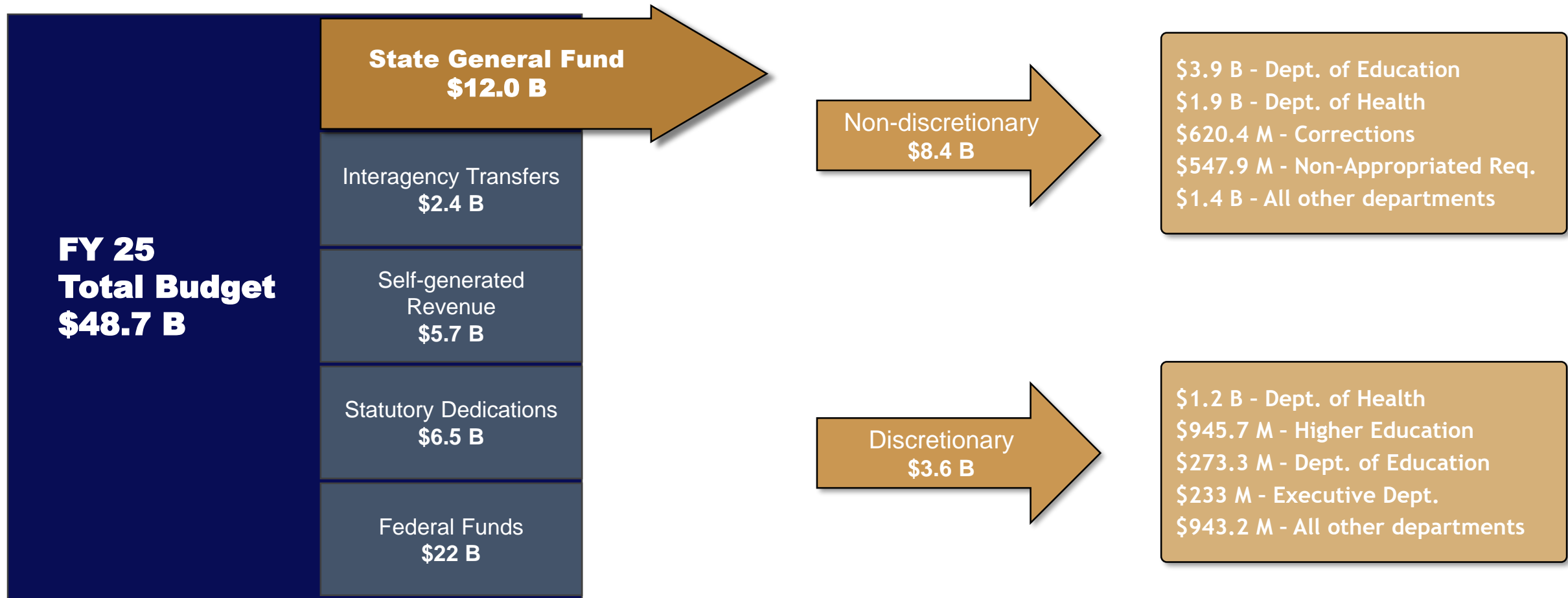
# STATE GENERAL FUND BY CATEGORY

Category	FY 23 Actuals	FY 24 Existing Oper. Budget	FY 25 Executive Budget	% Change FY 24 - FY 25
K-12 Education	\$3,925,193,075	\$4,266,603,817	\$4,259,140,526	(0.17%)
Healthcare	\$2,468,171,953	\$2,960,453,343	\$3,159,887,364	6.74%
Higher Education	\$1,254,008,466	\$1,387,178,812	\$1,283,170,408	(7.50%)
Public Safety, Corrections, and Youth Services	\$1,159,536,200	\$1,208,128,304	\$1,269,793,955	5.10%
Debt Service and Other Obligations	\$1,191,661,335	\$815,364,496	\$718,894,223	(11.83%)
General Government	\$1,357,599,278	\$1,028,945,306	\$735,682,189	(28.50%)
Legislative & Judicial	\$260,655,510	\$266,330,255	\$272,174,132	2.19%
Children & Family Services	\$263,404,125	\$288,499,293	\$292,557,203	1.41%
<b>Total</b>	<b>\$11,880,229,942</b>	<b>\$12,221,503,626</b>	<b>\$11,991,300,000</b>	<b>(1.88%)</b>

# DISCRETIONARY AND NONDISCRETIONARY EXPENSES

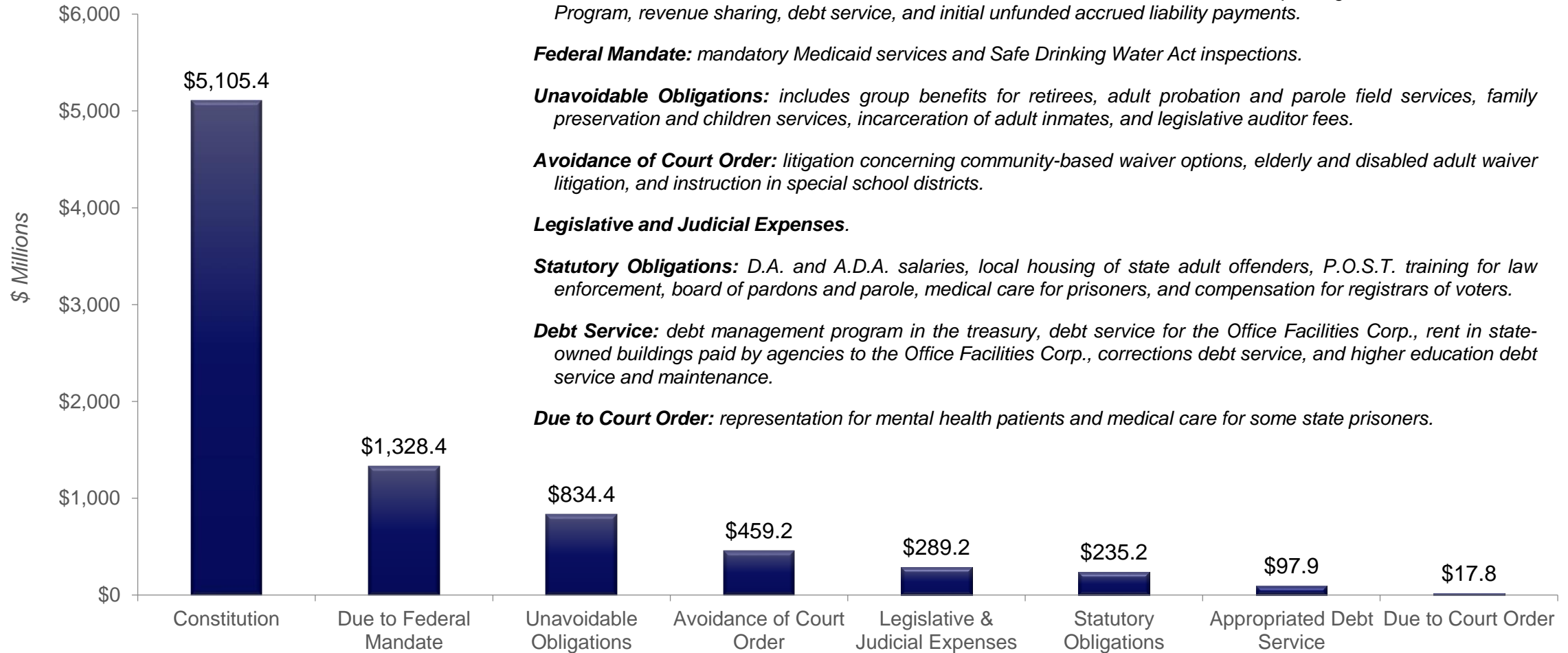
- The Legislative Fiscal Office is required to review the proposed executive budget for the ensuing fiscal year and report to the legislature whether the budget recommends appropriations out of the state general fund and dedicated funds for health care as contained in Schedule 09, La. Dept. of Health, and for higher education as contained in Schedule 19, Higher Education and La. State University Health Sciences Center Health Care Services Division, in amounts less than the appropriations for either purpose as contained for the same schedules in the existing operating budget for the current fiscal year
- If the fiscal office reports that this is the case, **the General Appropriation Bill must provide separate recommendations for discretionary and nondiscretionary expenditures and the means of financing such expenditures which are subject to appropriation**

# DISCRETIONARY AND NONDISCRETIONARY EXPENSES



*\*Figures may not add precisely due to rounding\**

# FY 25 NONDISCRETIONARY SGF



**Constitution:** includes salaries of statewide elected officials, elections costs and ballot printing, Minimum Foundation Program, revenue sharing, debt service, and initial unfunded accrued liability payments.

**Federal Mandate:** mandatory Medicaid services and Safe Drinking Water Act inspections.

**Unavoidable Obligations:** includes group benefits for retirees, adult probation and parole field services, family preservation and children services, incarceration of adult inmates, and legislative auditor fees.

**Avoidance of Court Order:** litigation concerning community-based waiver options, elderly and disabled adult waiver litigation, and instruction in special school districts.

**Legislative and Judicial Expenses.**

**Statutory Obligations:** D.A. and A.D.A. salaries, local housing of state adult offenders, P.O.S.T. training for law enforcement, board of pardons and parole, medical care for prisoners, and compensation for registrars of voters.

**Debt Service:** debt management program in the treasury, debt service for the Office Facilities Corp., rent in state-owned buildings paid by agencies to the Office Facilities Corp., corrections debt service, and higher education debt service and maintenance.

**Due to Court Order:** representation for mental health patients and medical care for some state prisoners.

The seal of the State of Louisiana is visible in the background, featuring an eagle with wings spread, perched on a globe, with the text "STATE OF LOUISIANA" and "UNION • JUSTICE" around it, and "CONFIDENCE" at the bottom.

# **2024 Budget Hearings**

***House Committee on Appropriations***

# BUDGET HEARINGS - TABLE OF CONTENTS

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

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Baton Rouge, LA 70802  
[house.louisiana.gov/housefiscal/](https://house.louisiana.gov/housefiscal/)

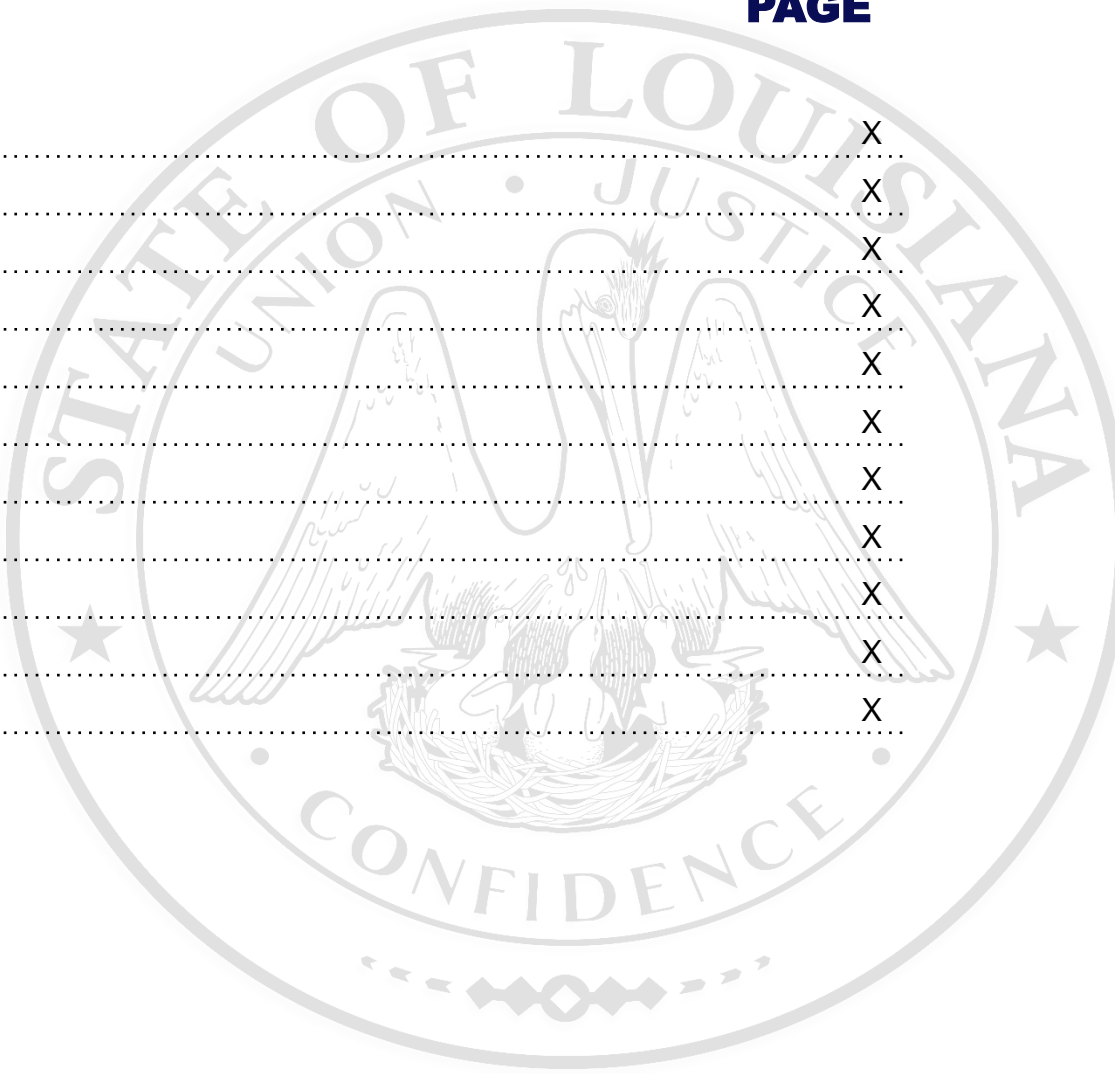
All data and figures were obtained from the governor's Fiscal Year 2024-2025 Executive Budget and Supporting Documents provided by the Office of Planning and Budget within the Division of Administration along with House Bill 1 of the 2024 Regular Session, unless otherwise noted.

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

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# BUDGET HEARINGS

*March 2024*

Monday	Tuesday	Wednesday	Thursday	Friday
<p><b>4</b></p> <ul style="list-style-type: none"> <li>Organizational Information</li> <li>Overview</li> <li>HB1 Preamble</li> <li>Executive Department</li> </ul>	<p><b>5</b></p> <ul style="list-style-type: none"> <li>Veterans Affairs</li> <li>Secretary of State</li> <li>Attorney General</li> <li>State Treasury</li> <li>Public Service Commission</li> <li>Dept. of Civil Service</li> </ul>	<p><b>6</b></p> <ul style="list-style-type: none"> <li>Youth Services</li> <li>Corrections Services</li> <li>Public Safety Services</li> </ul>	<p><b>7</b></p> <ul style="list-style-type: none"> <li>Lieutenant Governor</li> <li>Culture, Rec., &amp; Tourism</li> <li>Agriculture &amp; Forestry</li> <li>Transportation &amp; Dev.</li> </ul>	<p><b>8</b></p>
<p><b>11</b></p> <ul style="list-style-type: none"> <li>Judiciary</li> <li>Economic Development</li> <li>La. Workforce Commission</li> <li>Revenue</li> </ul> <p><b>2024 Regular Session Convenes</b></p>	<p><b>12</b></p> <ul style="list-style-type: none"> <li>Children &amp; Family Services</li> <li>Dept. of Health</li> </ul>	<p><b>13</b></p> <ul style="list-style-type: none"> <li>LSU Health Care Ser. Div.</li> <li>Higher Education</li> <li>Commissioner of Insurance</li> </ul>	<p><b>14</b></p> <ul style="list-style-type: none"> <li>Energy &amp; Natural Res.</li> <li>Wildlife and Fisheries</li> <li>Environmental Quality</li> </ul>	<p><b>15</b></p>
<p><b>18</b></p> <ul style="list-style-type: none"> <li>Special Schools &amp; Comm.</li> <li>Dept. of Education</li> <li>Ancillary</li> </ul>	<p><b>19</b></p> <ul style="list-style-type: none"> <li><b>Follow-up Day</b></li> </ul>	<p><b>20</b></p> <ul style="list-style-type: none"> <li><b>Public Testimony</b></li> </ul>	<p><b>21</b></p>	<p><b>22</b></p>

*Note: This calendar is a tentative schedule. The Committee on Appropriations may meet on additional topics and on additional days, as needed.*



# Louisiana House Fiscal Division



## HFD website includes:

- Staff contacts with subject matter assignments
- Budget hearing schedule
- Budget presentations
- Budget tracker – updated throughout session
- Historical budget information

<https://house.louisiana.gov/housefiscal/>