

**Representative Jack McFarland**  
**Chair**



**Representative Jerome Zeringue**  
**Vice-Chair**

# **Fiscal Year 2027 Executive Budget Review**

## **OVERVIEW**

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

March 2, 2026

**Budget Analyst: Ashari J. Robinson**

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.

# **2026 Budget Hearings**

***House Committee on Appropriations***

# BUDGET HEARINGS

March 2026

Monday	Tuesday	Wednesday	Thursday	Friday
<p><b>2</b></p> <ul style="list-style-type: none"> <li>• Overview</li> <li>• Preamble</li> <li>• Executive Department</li> <li>• Ancillary Appropriations</li> </ul>	<p><b>3</b></p> <ul style="list-style-type: none"> <li>• Dept. of Agriculture and Forestry</li> <li>• Department of Treasury</li> <li>• Public Service Commission</li> <li>• Dept. of Civil Service</li> <li>• Dept. of Transportation and Development</li> </ul>	<p><b>4</b></p> <ul style="list-style-type: none"> <li>• Department of Veterans Affairs</li> <li>• Department of State</li> <li>• Lieutenant Governor</li> <li>• Dept. of Culture Recreation and Tourism</li> <li>• Dept. of Insurance</li> </ul>	<p><b>5</b></p>	<p><b>6</b></p>
<p><b>9</b></p> <p><b>2026 Regular Session Convenes</b></p> <ul style="list-style-type: none"> <li>• Judiciary</li> <li>• Dept. of Justice</li> </ul>	<p><b>10</b></p> <ul style="list-style-type: none"> <li>• LA Economic Development</li> <li>• LA Works</li> <li>• Dept. of Conservation and Energy</li> <li>• Dept. Environmental Quality</li> <li>• Dept. of Wildlife and Fisheries</li> </ul>	<p><b>11</b></p> <ul style="list-style-type: none"> <li>• Dept. of Revenue</li> <li>• Correction Services</li> <li>• Public Safety Services</li> <li>• Youth Services</li> </ul>	<p><b>12</b></p>	<p><b>13</b></p>
<p><b>16</b></p> <ul style="list-style-type: none"> <li>• Health Care Svc Div.</li> <li>• LA Dept. of Health</li> <li>• Dept. of Children &amp; Family Services</li> </ul>	<p><b>17</b></p> <ul style="list-style-type: none"> <li>• Special Schools and Commissions</li> <li>• Department of Education</li> <li>• Higher Education</li> </ul>	<p><b>18</b></p>	<p><b>19</b></p>	<p><b>20</b></p>
<p><b>23</b></p> <p><b>Follow-Up Day</b></p>	<p><b>24</b></p> <p><b>Public Testimony</b></p>	<p><b>25</b></p>	<p><b>26</b></p>	<p><b>27</b></p>

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



# Louisiana House Fiscal Division

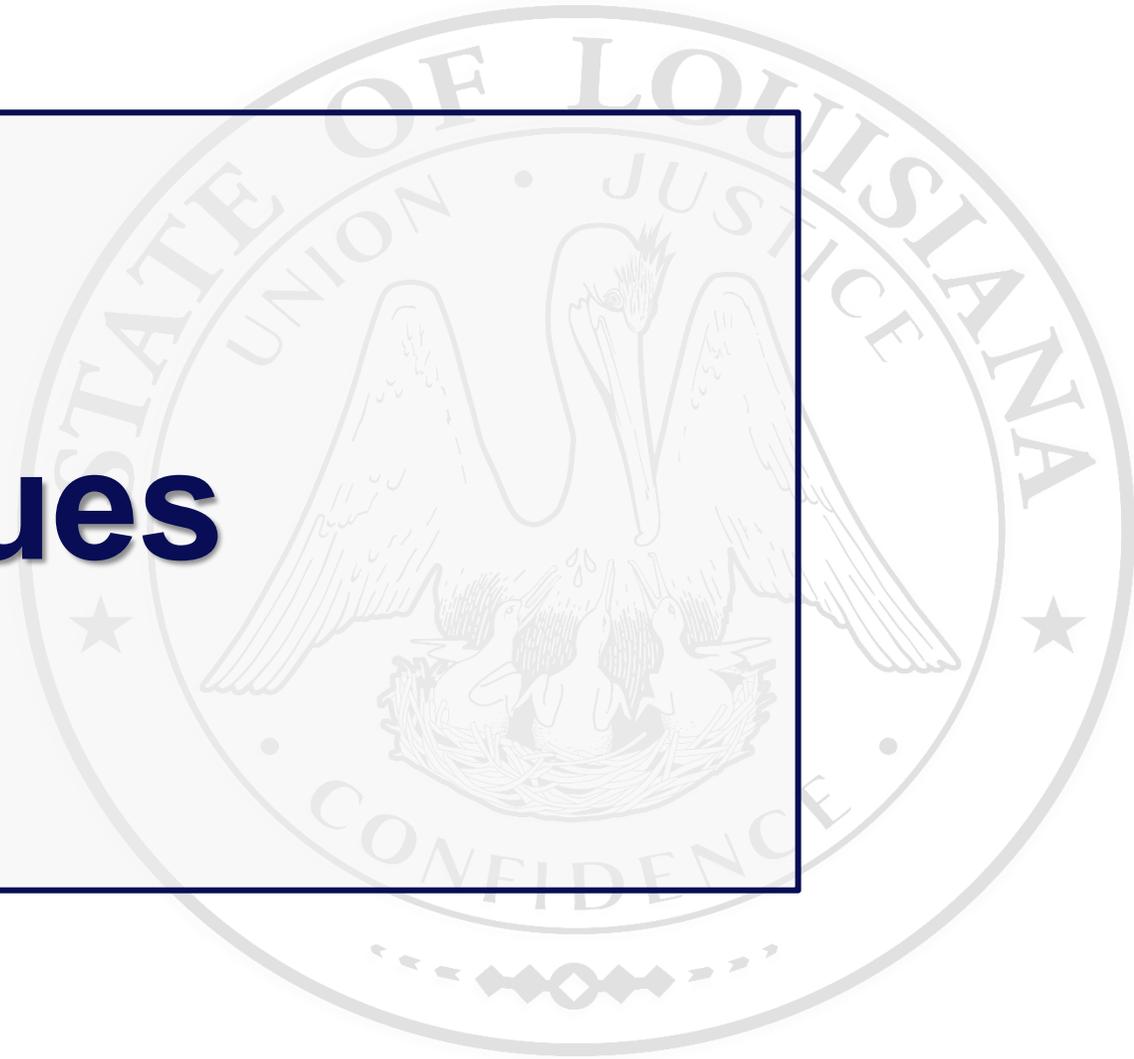


## HFD website includes:

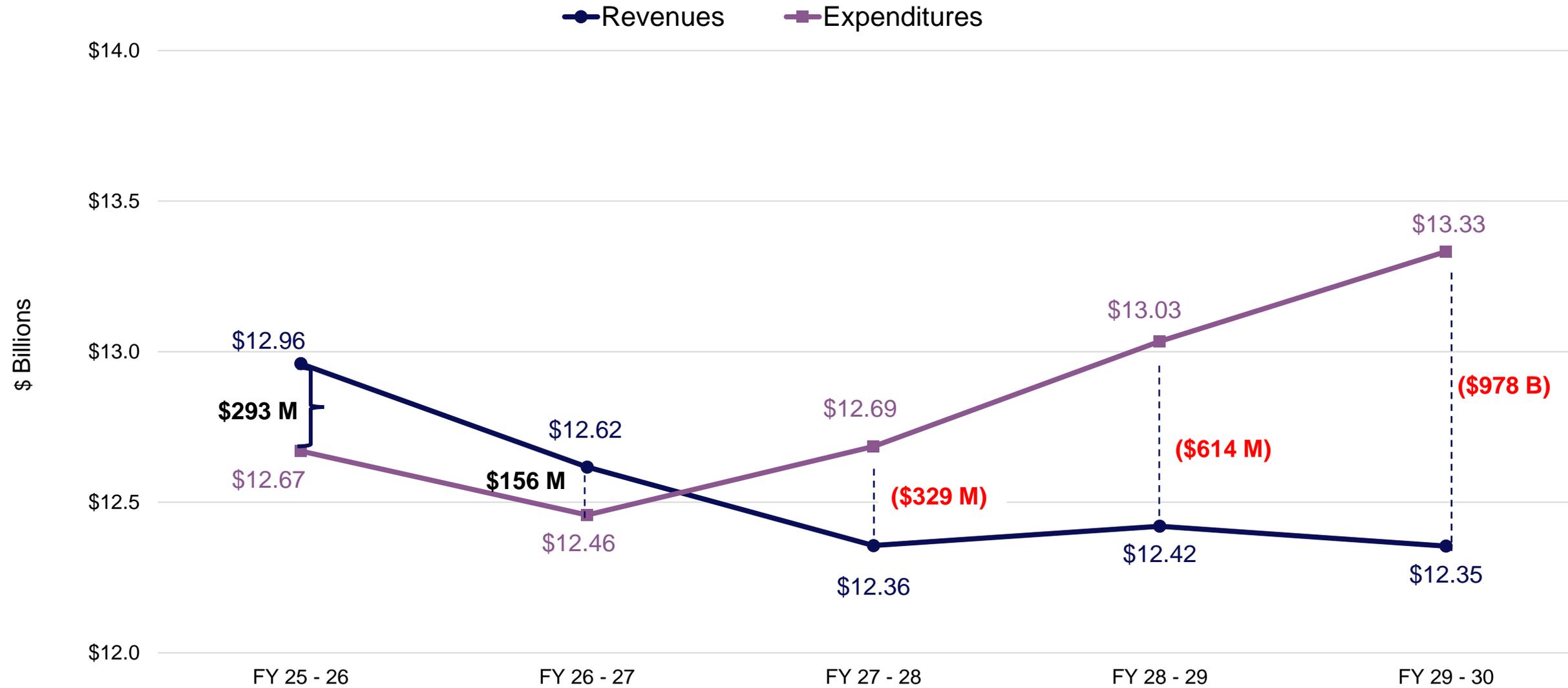
- Staff contacts with subject matter assignments
- Budget hearing schedule
- Budget presentations
- Budget tracker – updated throughout session
- Historical budget information

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

# Revenues



# SGF REVENUE VS EXPENDITURE PROJECTIONS



Source: Five year baseline projection presented to JLCB on 1-23-26.

Source: Five year baseline projection presented to JLCB on 1-23-26.

# REC TAXES, LICENSES, AND FEES (TLF)

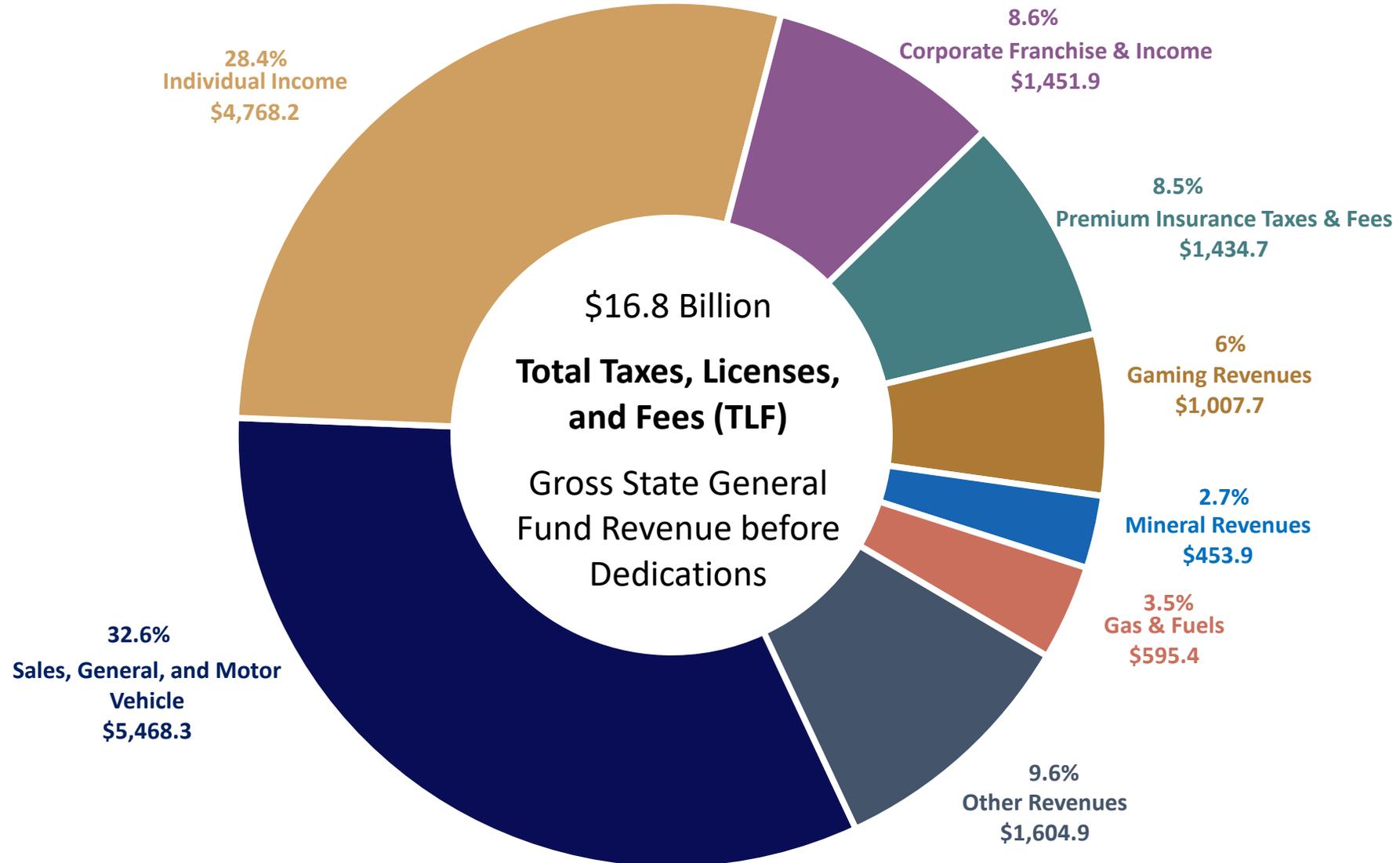
- Collections of gross state general fund revenue is the total taxes, licenses, and fees (TLF)
- TLF minus dedications is state general fund direct (SGF)

## In Fiscal Year 25:

- Sales taxes and personal income taxes represented 61% of all revenue collected
- Corporate sales tax and franchise tax represented 8.6% of all revenue collected
- Mineral revenues represented 2.7% of all revenue collected

# FY 25 ACTUAL REVENUE COLLECTIONS

(In Millions)



Source: Revenue Estimating Conference documents

# ACTUAL REVENUE COLLECTIONS

(In Millions)

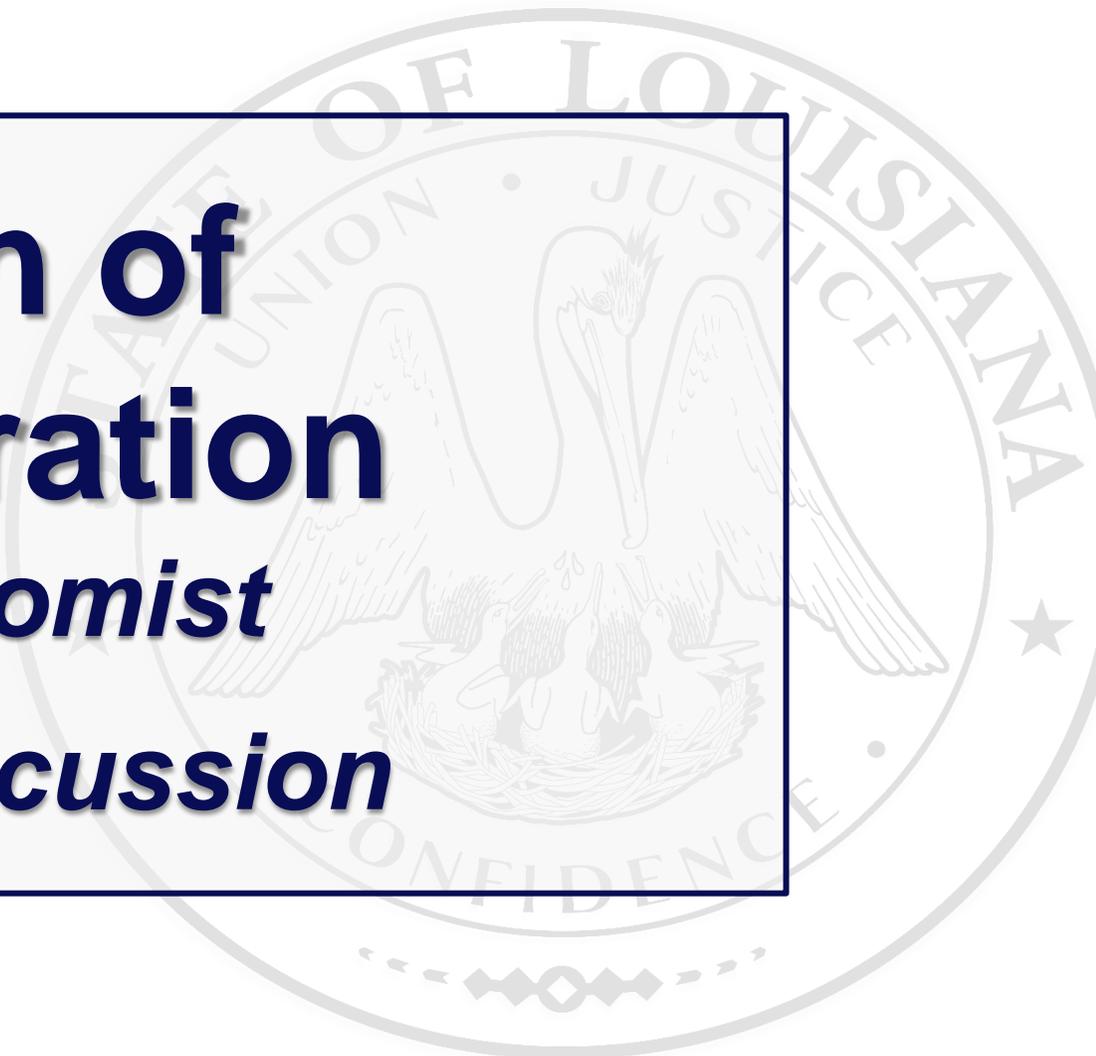
Revenue Source	FY 21	FY 22	FY 23	FY 24	FY 25	\$ Change		% Change	
						FY 24	FY 25	FY 24	FY 25
Sales, General, and Motor Vehicle	\$ 4,207.3	\$ 4,970.8	\$ 5,000.2	\$ 5,024.4	\$ 5,468.3	443.9		8.8%	
Individual Income	3,956.6	4,556.1	4,654.6	4,797.9	4,768.2	(29.7)		(0.6%)	
Corporate Franchise & Income	805.4	1,402.1	1,616.8	1,636.0	1,451.9	(184.1)		(11.3%)	
Premium Insurance Taxes & Fees	1,121.0	1,204.1	1,394.8	1,511.2	1,434.7	(76.5)		(5.1%)	
Gaming Revenues	915.2	1,000.2	1,003.4	997.1	1,007.7	10.6		1.1%	
Mineral Revenues	408.8	709.4	1,124.6	974.1	453.9	(520.2)		(53.4%)	
Gas & Fuels	609.9	621.2	598.4	595.1	595.4	0.3		0.1%	
Other Revenues	1,208.4	1,138.5	1,264.1	1,569.5	1,604.9	35.4		2.3%	
<b>Total TLF</b>	<b>13,232.6</b>	<b>15,602.4</b>	<b>16,656.9</b>	<b>17,105.3</b>	<b>16,785.0</b>	<b>(320.3)</b>		<b>(1.9%)</b>	
Less Dedications	(2,767.8)	(3,867.5)	(4,226.3)	(4,462.7)	(4,141.8)	320.9		(7.2%)	
<b>SGF Direct</b>	<b>10,464.8</b>	<b>11,734.9</b>	<b>12,430.6</b>	<b>12,642.6</b>	<b>12,593.8</b>	<b>(48.8)</b>		<b>(0.4%)</b>	

- In FY 25 total TLF revenues decreased by \$320.3 M or 1.9% from FY 24
- In FY 25 SGF revenues decreased by \$48.8 M or 0.4% from FY 24

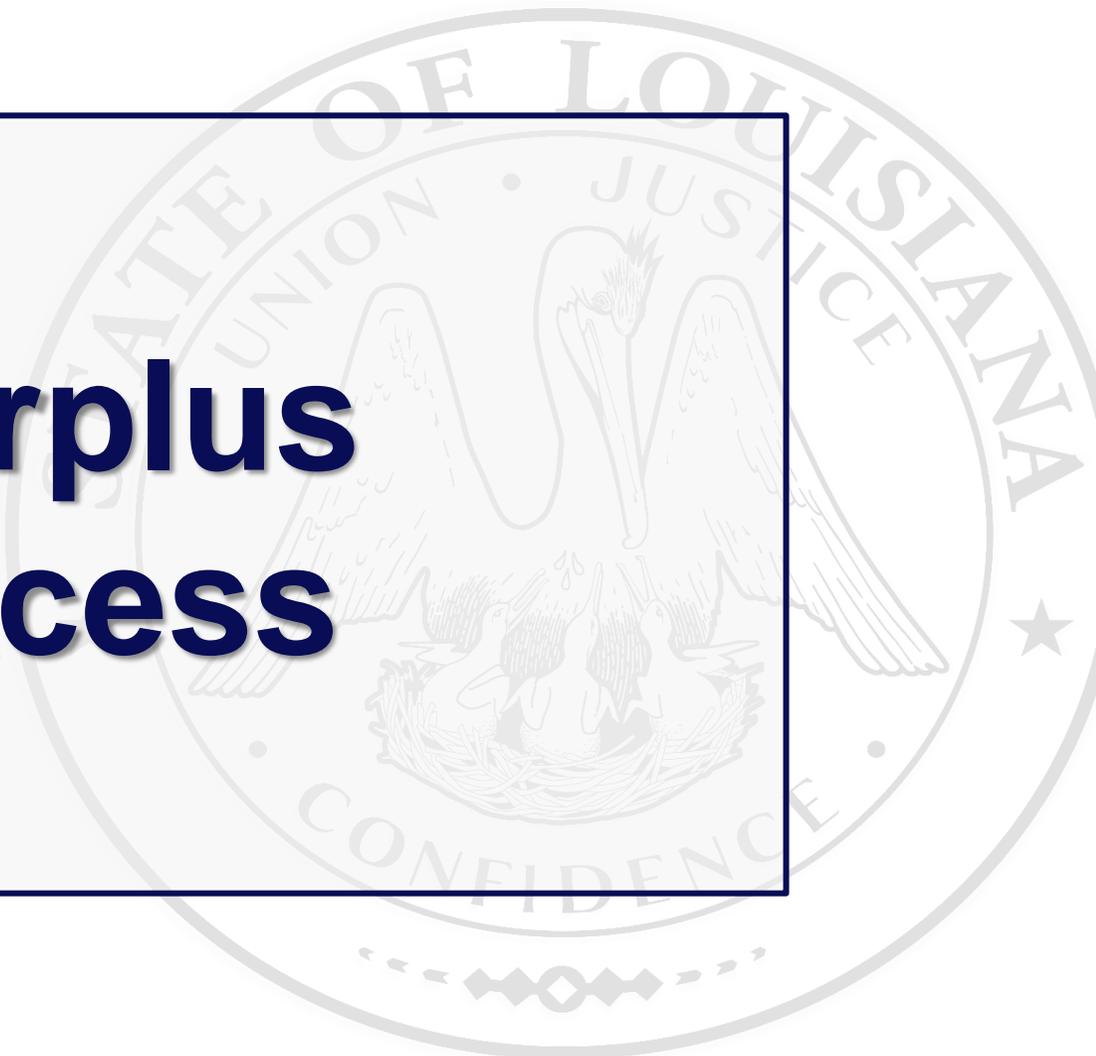
# REC REVENUE FORECAST

*(In Millions)*

Revenue Source	FY 26	FY 27	FY 28	FY 29	FY 30
Sales, General, and Motor Vehicle	\$ 6,051.6	\$ 6,069.2	\$ 6,110.2	\$ 6,158.0	\$ 5,468.3
Individual Income	3,992.5	4,026.6	4,087.9	4,101.5	4,159.0
Corporate Franchise & Income	900.0	800.0	700.0	700.0	1,451.9
Premium Insurance Taxes & Fees	1,596.4	1,615.8	1,623.1	1,630.4	1,637.8
Gaming Revenues	1,017.6	1,009.8	1,009.8	1,009.8	1,009.8
Mineral Revenues	417.4	463.0	470.3	477.3	481.2
Gas & Fuels	597.2	597.7	599.3	600.5	601.1
Other Revenues	1,459.0	1,449.8	1,430.1	1,430.8	1,242.7
<b>Total TLF</b>	<b>16,031.7</b>	<b>16,031.9</b>	<b>16,030.7</b>	<b>16,108.3</b>	<b>16,051.8</b>
Less Dedications	(3,524.3)	(3,415.3)	(3,674.8)	(3,687.8)	(3,697.6)
<b>SGF Direct</b>	<b>12,507.4</b>	<b>12,616.6</b>	<b>12,355.9</b>	<b>12,420.5</b>	<b>12,354.2</b>

The seal of the State of Louisiana is visible in the background, featuring an eagle with wings spread, perched on a nest with two birds. The text "STATE OF LOUISIANA" is arched at the top, "UNION • JUSTICE" is arched below it, and "CONFIDENCE" is arched at the bottom. A star is on the right side.

**Division of  
Administration  
*State Economist*  
*Revenue Discussion***

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

# **FY 25 Surplus**

# **FY 26 Excess**

# SURPLUS VS EXCESS

## Surplus

- Funds 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

- Funds in current fiscal year
- Typically occurs if REC raises the forecast during the 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 (**25% required**)
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 25 SURPLUS - \$577.1 M

**\$288.5 M required for two items:**

- \$144.3 M – Budget Stabilization Fund – 25% requirement
- \$144.3 M – Unfunded Accrued Liability Payments – 25% requirement

**Remaining \$288.5 M can be used for any of the six options in the constitution.**

- The commissioner of administration recommended using the remaining surplus on DOTD, CPRA, and Capital Outlay (deferred maintenance) during the presentation of the governor's executive budget to JLCB on January 23, 2026

# FY 26 EXCESS - \$292.5 M

- The Revenue Estimating Conference met on December 11, 2025 and increased the current year state general fund revenue forecast
- The January 23, 2026 fiscal status statement showed \$292.5 M in unappropriated state general fund revenue for FY 26

**During the governor's executive budget presentation to JLCB on January 23, 2026 the commissioner of administration recommended using any excess funds on the following:**

- Agency shortfalls such as Corrections, OJJ, State Police, GOHSEP, and DCFS
- Transfer to Funds for Voting Technology, LED Project Commitments, and IT Modernization Projects

# FY 27 State Budget

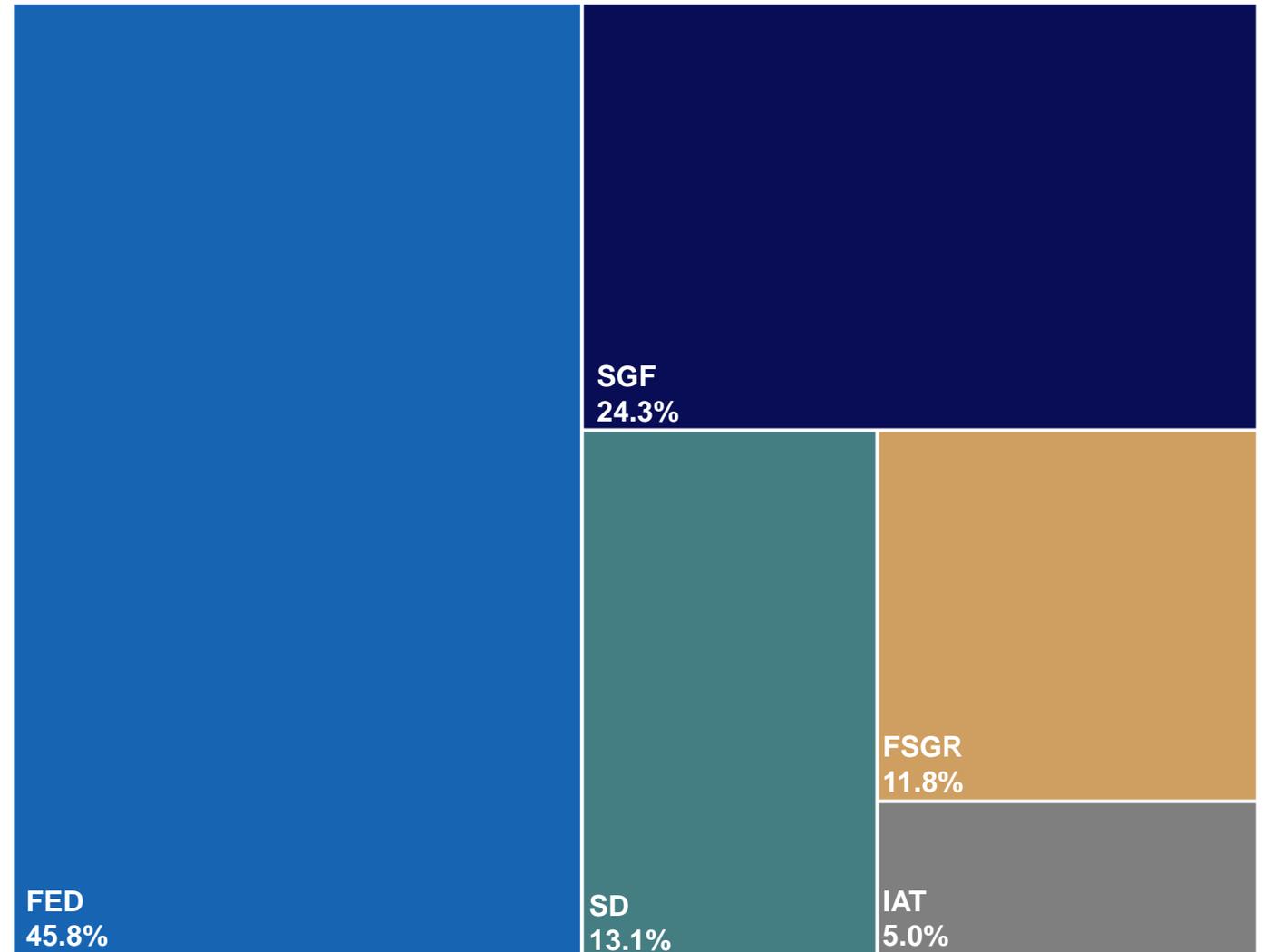


# FY 27 STATE BUDGET RECOMMENDATION

**Total Funding = \$51,960,219,117**

Means of Finance		
State General Fund	\$	12,604,753,973
Interagency Transfers		2,610,037,752
Fees & Self-generated		6,156,484,103
Statutory Dedications		6,814,009,837
Federal Funds		23,774,933,452
<b>Total</b>	<b>\$</b>	<b>51,960,219,117</b>

- **\$46.9 B** total budget without double counts
  - Two major components of the \$5.0 B in double counts are \$2.6 B in Interagency Transfers and \$2.2 B in Ancillary Bill (agencies) self-generated funds



# FUNDING COMPARISON

Means of Finance	FY 25 Actual Expenditures	FY 26 Existing Operating Budget 12/1/25	FY 27 HB1 Budget	Change Existing Operating Budget to HB1		Change Actual Expenditures to HB1	
<b>SGF</b>	\$ 12,513,616,873	\$ 12,666,828,272	\$ 12,604,753,973	\$ (62,074,299)	(0.5%)	\$ 91,137,100	0.7%
<b>IAT</b>	2,083,422,708	2,575,456,961	2,610,037,752	34,580,791	1.3%	526,615,044	25.3%
<b>FSGR</b>	5,131,354,530	6,121,132,085	6,156,484,103	35,352,018	0.6%	1,025,129,573	20.0%
<b>Stat Ded</b>	7,313,907,461	9,420,896,235	6,814,009,837	(2,606,886,398)	(27.7%)	(499,897,624)	(6.8%)
<b>Federal</b>	19,347,581,548	24,922,079,892	23,774,933,452	(1,147,146,440)	(4.6%)	4,427,351,904	22.9%
<b>Total</b>	\$ 46,389,883,120	\$ 55,706,393,445	\$ 51,960,219,117	\$ (3,746,174,328)	(6.7%)	\$ 5,570,335,997	12.0%

# FY 26 EXISTING OPERATING BUDGET

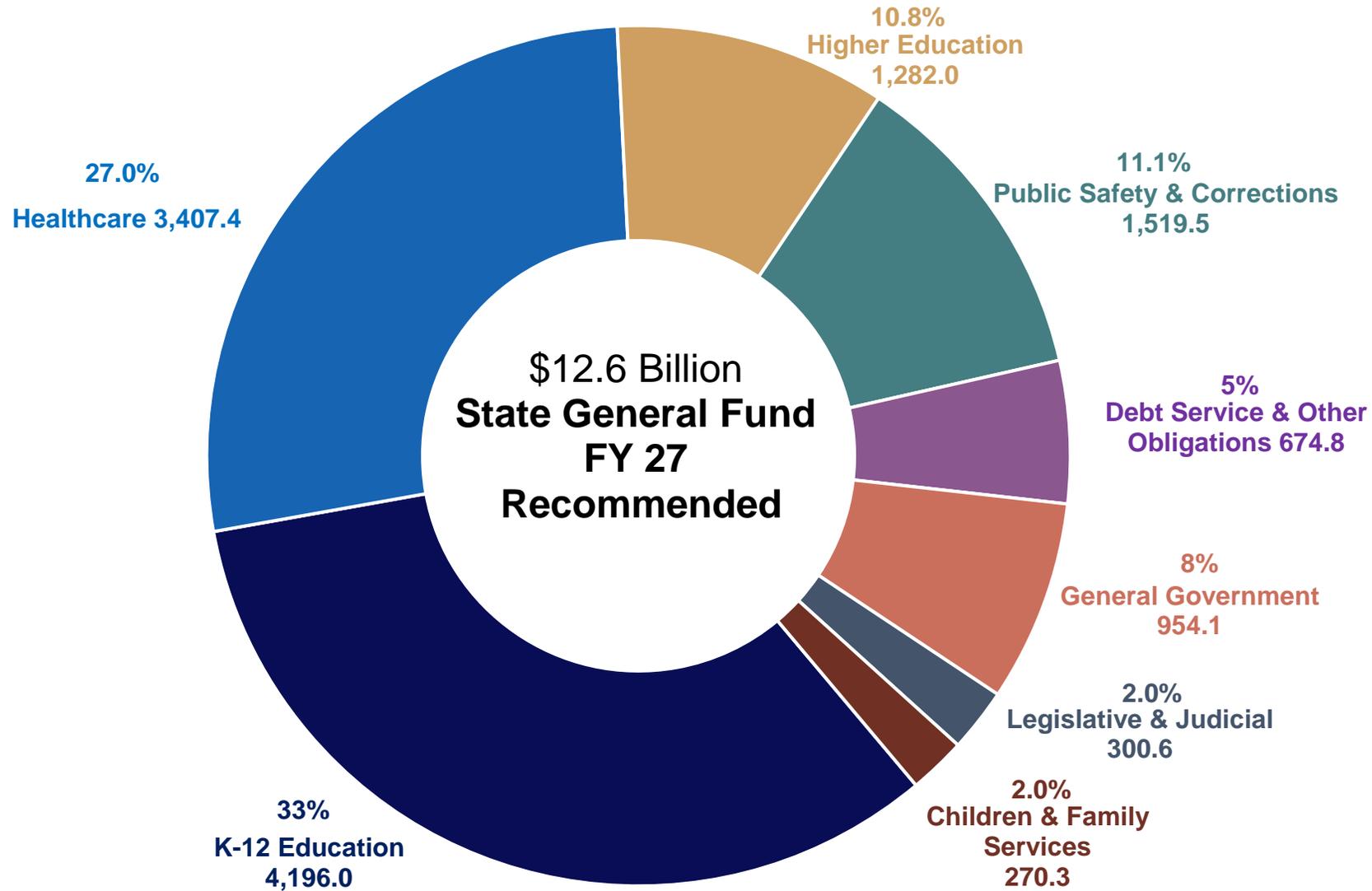
The FY 2025-26 Existing Operating Budget (EOB) was frozen on December 1, 2025. This point-in-time reference is used in both the Executive Budget and the General Appropriations Bill.

Means of Finance	Appropriation	Mid-Year Adjustments	Existing Operating Budget
State General Fund	\$ 12,213,280,392	\$ 453,547,880	\$ 12,666,828,272
Interagency Transfers	2,452,034,802	123,422,159	2,575,456,961
Self-generated Revenue	5,893,571,302	227,560,783	6,121,132,085
Statutory Dedications	9,231,188,929	189,707,306	9,420,896,235
Federal	23,720,062,796	1,202,017,096	24,922,079,892
<b>Total</b>	<b>\$ 53,510,138,221</b>	<b>\$ 2,196,255,224</b>	<b>\$ 55,706,393,445</b>

<i>Mid-year Adjustments Summary</i>				
July	August	September	October	November
No Change	\$ 453.5 M SGF 49.4 M IAT 227.1 M FSGR 195.0 M SD 1.2 B FED <hr/> \$ 2.12 B Total	\$ 72.7 M IAT (8.4 M) SD (70,793) FED <hr/> \$ 64.1 M Total	\$ 200,000 IAT 3.1 M SD 5.6 M FED <hr/> \$ 9.4 M Total	\$ 1.1 M IAT 616,087 FED <hr/> \$ 1.67 M Total

# STATE GENERAL FUND BY CATEGORY

(In Millions)



\$12.6 Billion  
State General Fund  
FY 27  
Recommended

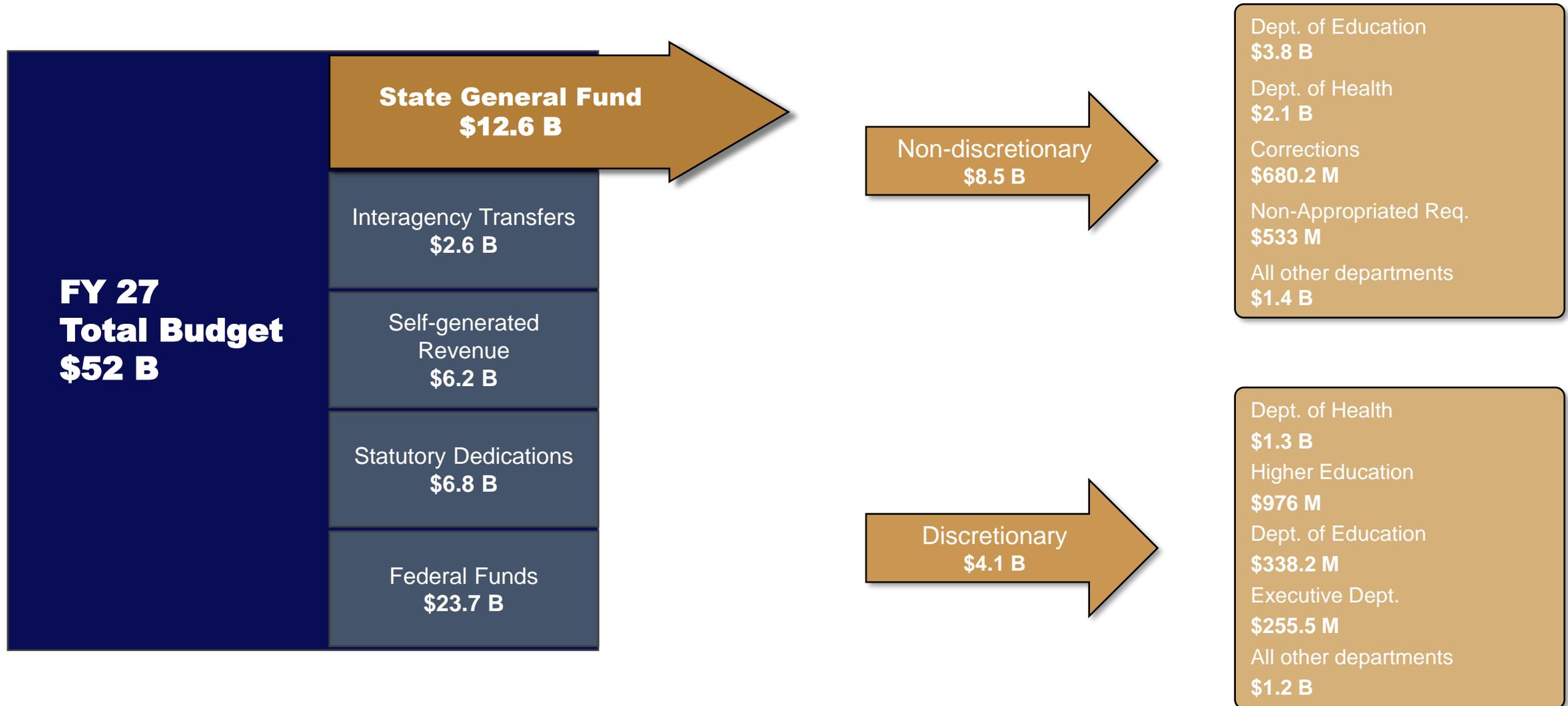
# STATE GENERAL FUND BY CATEGORY

Category	FY 25 Actuals	FY 26 Existing Oper. Budget	FY 27 HB 1 Budget	% Change FY 26 - FY 27
K-12 Education	\$4,265,270,427	\$4,313,239,289	\$4,196,019,849	(2.72%)
Healthcare	\$2,815,346,683	\$3,310,154,422	\$3,407,402,304	2.94%
Public Safety, Corrections, and Youth Services	\$1,415,062,741	\$1,382,366,197	\$1,519,473,391	9.92%
Higher Education	\$1,336,622,035	\$1,321,988,254	\$1,281,959,366	(3.03%)
General Government	\$1,128,013,813	\$1,150,111,988	\$954,125,291	(17.04%)
Debt Service and Other Obligations	\$954,356,064	\$654,046,718	\$674,824,560	3.18%
Legislative & Judicial	\$280,351,867	\$282,369,844	\$300,637,856	6.47%
Children & Family Services	\$318,593,245	\$252,551,560	\$270,311,356	7.03%
<b>Total</b>	<b>\$12,513,616,875</b>	<b>\$12,666,828,272</b>	<b>\$12,604,753,973</b>	<b>(0.49%)</b>

# DISCRETIONARY AND NONDISCRETIONARY EXPENSES

- The Legislative Fiscal Office (LFO) 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 LFO reports that this is the case, **the General Appropriation Bill (GAB) must provide separate recommendations for discretionary and nondiscretionary expenditures and the means of financing of such expenditures which are subject to appropriation**
- On January 30, 2026 LFO reported conditions requiring separate recommendations for discretionary and nondiscretionary expenditures in the GAB is present and the bill must be filed with this separation

# DISCRETIONARY EXPENSES



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

# FY 27 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

