

**LEGISLATIVE FISCAL OFFICE
ANALYSIS OF BA-7 REQUEST
Approved By JLCB**

DEPARTMENT: Agriculture & Forestry

AGENDA NO.: 1

AGENCY: Agriculture & Forestry

ANALYST: Ryan Guidry

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Management & Finance	\$30,000	0
Interagency Transfers:	\$0	Agricultural & Environmental Sciences	\$977,312	0
Self-Generated Revenue:	\$0	Animal Health & Food Safety	\$317,969	0
Statutory Dedications:	\$1,325,281	Agro-Consumer Services	\$0	0
Federal Funds:	\$0	Auxiliary Account	\$0	0
		Soil & Water Conservation	\$0	0
Total	<u>\$1,325,281</u>	Total	<u>\$1,325,281</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase Statutory Dedications expenditure authority in the Department of Agriculture & Forestry (LDAF) to expend prior year fund balances that were recognized by the Revenue Estimating Conference (REC) on 12/14/2017. The table below summarizes the requested distribution of the specific Statutory Dedications between programs.

	<u>Structural Pest Control Commission Fd</u>	<u>Feed & Fertilizer Fd</u>	<u>Program Totals</u>
Office of Management & Finance	\$30,000	\$0	\$30,000
Agriculture & Environmental Science	\$538,211	\$439,101	\$977,312
Animal Health & Food Safety	\$0	\$317,969	\$317,969
Fund Totals	<u>\$568,211</u>	<u>\$757,070</u>	<u>\$1,325,281</u>

These fund balances were generated in prior fiscal years by an increase in the number of inspections performed for pesticides, feed, and fertilizer. Additionally, LDAF increased the fee for standard and wood destroying inspect reports as authorized by Act 201 of the 2015 Regular Session.

The requested fund balances will be expended in three programs. From the Structural Pest Control Commission Fund, \$30,000 will be expended in the Office of Management and Finance program on supplies for support services associated with the Structural Pest Control Commission. From the Feed & Fertilizer Fund, \$317,969 will be expended in the Animal Health & Food Safety Program for costs associated with the increased inspections of feed. The remaining fund balances (\$977,312) will be expended in the Agricultural & Environmental Sciences Program on replacement of outdated testing equipment and software for training, testing, certification, and reporting for inspectors and licensees.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Culture, Recreation & Tourism

AGENDA NO.: 2

AGENCY: Cultural Development

ANALYST: Monique Appearing

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Cultural Development	\$326,552	0
Interagency Transfers:	\$0	Arts	\$0	0
Self-Generated Revenue:	\$326,552	Administrative	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$326,552</u>	Total	<u>\$326,552</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase the SGR authority by \$326,552 in the Office of Cultural Development Program. The funds will be used for expenditures associated with the customer/project database maintenance, additional user licenses, software upgrades, staff training, site visits, fleet maintenance, service maintenance, and other miscellaneous operating costs. This funding will also be used to fund job appointments (other charges) and replace one computer.

The SGR revenue sources are from the following:

\$60,000 is based on a fee charged by the LA Division of Archaeology (LDA) for online access to its database. Private entities and federal agencies that choose to use the service will remit payment in accordance with the LA Administrative Code. The fee is \$1,300 per state fiscal year for each public or private entity with one or more professional archaeologists on staff or an individual professional archaeologist who will use online access. There are an estimated 50 online access requests to be processed in the current fiscal year. The current budget authority allocated for LDA is \$5,000; therefore, this BA-7 request is asking for an additional \$60,000 to bring the authority level to \$65,000.

\$266,552 is based on a fee charged by the LA Division of Historic (LDHP) Preservation to process applications related to the rehabilitation of historic structures. Commercial and residential property owners claiming a tax credit for rehabilitation costs must be reviewed by LDHP to ensure that costs are eligible and in accordance with the U.S. Department of the Interior's standards. An estimated additional 248 rehabilitation applications are projected to be processed that will generate additional revenue. The fee structure is based on a graduated scale from \$250 to \$5,000 per application for qualified rehabilitation expenditures (QREs) for repairs.

The expenditures are for the following:

\$13,000 is for travel costs associated with site visits, training, and hosting a conference. Staff travel on a weekly basis to visit sites undergoing tax credit-related rehabilitation. Historic property owners and contractors frequently need technical assistance throughout the construction process to ensure that the property is eligible and that building renovations are in accordance with the U.S. Department of the Interior's standards. Another cost is for technical training and for hosting the tax credit portion of a LDHP conference.

\$55,000 is for operating services to cover software and database maintenance, annual license fees (customer/project database costs, user licenses, system upgrades, and server maintenance), with a small allocation to vehicle repairs/maintenance (fleet maintenance).

\$6,000 is for supplies to purchase folders, toner, and fuel. Color toner is needed to print photos and maps, and fuel is needed for state vehicles for site visits.

\$244,052 is for other charges to cover salaries and related benefits for three positions for 6 months for a combined total of \$98,758 (Architectural Historian 2, Admin Coordinator 4, and an Archaeologist). The remaining funds are included for costs associated with consolidating three databases into a single new database (\$125,000), contract costs for scanning old files into the consolidated system (\$3,198) and a vehicle replacement (\$17,096).

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\$1,500 is for acquisitions to replace a computer and monitor that is beyond its 5-year useful life.

\$7,000 is for interagency transfers to cover services provided by the Office of State Printing for the reproduction of printed material, and the Office of Telecommunications Management for telephone fees.

II. IMPACT ON FUTURE FISCAL YEARS

This is an anticipated recurring revenue stream and expenditures will likely continue in future fiscal years. However, the purchase of the vehicle and consolidating three databases into a single new database are one-time expenditures.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Environmental Quality

AGENDA NO.: 3

AGENCY: Environmental Quality

ANALYST: Colleen Gil

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Office of the Secretary	\$0	0
Interagency Transfers:	\$0	Environmental Compliance	\$0	0
Self-Generated Revenue:	\$0	Environmental Services	\$0	0
Statutory Dedications:	\$1,824,527	Management & Finance	\$1,824,527	0
Federal Funds:	\$0	Environmental Assessment	\$0	0
Total	<u>\$1,824,527</u>	Total	<u>\$1,824,527</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase the budget authority for the Department of Environmental Quality (DEQ) by \$1,824,527 out of the statutorily dedicated Waste Tire Management Fund.

The total request of \$1,824,527 encompasses \$580,768 as a result of an increased REC forecast adopted in December 2017 as well as the \$1.24 M fund balance from FY 17. This would increase the total FY 18 budget authority to \$13,259,759.

In FY 17 the department spent all of their budget authority, but due to the REC forecast being lower than actual collections DEQ was not able to fully spend cash on hand to pay remaining FY 17 obligations and had to pay those obligations in FY 18.

Historically, requests for processor payments and program expenditures exceed actual revenue collections of the program.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Executive

AGENDA NO.: 5

AGENCY: Homeland Security & Emergency Prep

ANALYST: Alan M. Boxberger

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$23,064,113	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$23,064,113			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$23,064,113</u>	Total	<u>\$23,064,113</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority in the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) to receive reimbursements from the states of Texas, Georgia, and Florida, as well as the U.S. Virgin Islands and Puerto Rico to cover expenses incurred by activation of LA's Emergency Assistance Compact (EMAC) when providing assistance during Hurricane Harvey (August through September, 2017), Hurricane Irma (September, 2017), and Hurricane Maria (September, 2017, through January, 2018). This BA-7 will increase GOHSEP's SGR authority to provide sufficient budget resources to receive reimbursements for expenditures realized by multiple state and local governmental entities for responses during multiple disaster declarations as noted.

EMAC is an all hazards - all disciplines mutual aid compact that serves as the cornerstone of the nation's mutual aid system. EMAC is a national disaster-relief compact ratified by the U.S. Congress and signed into law in 1996 (Public Law 104-321). Through EMAC, 50 states, the District of Columbia, Puerto Rico, Guam, and the U.S. Virgin Islands have enacted legislation to become EMAC members. EMAC offers assistance during governor-declared states of emergency or disaster through a responsive, straightforward system that allows states to send personnel, equipment, and commodities to assist with response and recovery efforts in other states.

This BA-7 increases authority in the Other Charges expenditure category associated with activation of the EMAC as detailed below.

Hurricane Harvey response:

- GOHSEP - \$56,824 (deployment of 2 EMAC A-Team members, GOHSEP Forward Command Post in Orange, TX; deployment of liaisons to TX Emergency Operations Center; deployment of planning officer)
- LA Dept of Wildlife & Fisheries - \$800,309 (deployment of search and rescue teams and equipment)
- LA State Fire Marshal - \$3,898,470 (provide local law enforcement and security operations; conduct swift, surface and flood water rescues; conduct urban search, rescue and recovery operations; conduct emergency assessment of structures for safety and reentry in Port Arthur, TX)
- LA Dept of Agriculture & Forestry - \$1,974,906 (provide fuel and fuel dispensers for search and rescue efforts and for transportation of evacuees; pet sheltering operations)
- LA Dept of Military - \$744,127 (conduct search and rescue operation, sheltering, communications, transportation, logistics, command and control support and other support missions; air medical supply movement and search and rescue for Port Arthur/Beaumont, TX)
- LA Dept of Corrections - \$179,378 (deployment of search and rescue teams and equipment)
- Statewide (DCFS, LWC, DOTD, LSP, LDH, Calcasieu Parish Police Jury, Rapides Parish Police Jury) - \$7,254,929 (state shelter and medical special needs shelter in Alexandria, LA; state shelter in Shreveport, LA)
- LA Sheriff's Association - \$491,608 (deployment of law enforcement support to backfill local Texas departments)
- Local Parishes (Ascension, St. James, St. Mary) - \$235,921 (deployment of search and rescue teams and equipment to San Jacinto County, TX)

Hurricane Irma response (Florida, Georgia, U.S. Virgin Islands):

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- GOHSEP - \$104,827 (deployment of EMAC A-Team members, deployment of public assistance team)
- LA Dept of Health - \$972,365 (provide nurses and ancillary staff for shelter locations and Florida)
- LA Dept of Wildlife & Fisheries - \$991,163 (deployment of water search and rescue teams and equipment)
- LA State Fire Marshal - \$737,112 (deployment of urban search and rescue personnel and equipment; deployment of Incident Management Team personnel; conduct swift water rescues)
- LA Dept of Military - \$123,442 (deployment of one engineer to provide mission command and coordination of repair, maintenance and construction of air/ground lines of communication, emplacement of culverts, force protection, and clearing operations)

Hurricane Maria response (U.S. Virgin Islands/Puerto Rico):

- GOHSEP/LA Dept of Military - \$413,842 (deployment of EMAC A-TEAM member; provide housing strike team to assist with planning and development of housing solutions for displaced citizens)
- LA Dept of Health - \$1,574,984 (provide nurses and physicians to support shelter operations; deploy pharmacist and liaison)
- LA Dept of Military - \$2,380,711 (provide horizontal engineer capability and water assets for hydration support in impacted areas; provide wide area security and military police)
- New Orleans Fire - \$129,195 (deployment of 10-person incident management team)

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Executive

AGENDA NO.: 6

AGENCY: Department of Military Affairs

ANALYST: Ryan Guidry

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$54,670	2
Interagency Transfers:	\$0	Education	\$0	0
Self-Generated Revenue:	\$0	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$54,670			
Total	<u>\$54,670</u>	Total	<u>\$54,670</u>	<u>2</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase federal budget authority and add two (2) T.O. positions in the Military Affairs Program for a Visitor Control Center (VCC).

The department has received additional federal funding through the Army National Guard (ARNG) Security Guard Activities cooperative agreement to implement a VCC. The VCC will be located at Camp Beauregard and require two additional T.O. for a VCC Coordinator and a VCC Clerk. The VCC will be responsible for screening and vetting all personnel and contractors entering installations and armories statewide in accordance with Army regulations and instructions, and the VCC will have access to the National Crime Information Center (NCIC) database to perform control checks on all personnel that have not been previously vetted.

The department will expend \$41,002 on salaries and related benefits for the two positions, and \$13,668 for computer and furniture acquisitions to stand up the VCC. The department will receive federal reimbursement for all of these expenditures.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will result in the need add two (2) T.O. and to annualize the federal authority to a total \$120,000 in FY 19 and beyond by legislative instrument during the 2018 Regular Session.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Executive

AGENDA NO.: 7

AGENCY: Department of Military Affairs

ANALYST: Ryan Guidry

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Military Affairs	\$124,948	0
Interagency Transfers:	\$0	Education	\$0	0
Self-Generated Revenue:	\$124,948	Auxiliary Account	\$0	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$124,948</u>	Total	<u>\$124,948</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority in the Military Affairs Program in order to receive reimbursement from the Sewerage & Water Board of New Orleans for expenditures incurred in response to declared disaster 95 JBE 2017.

Following the declaration of a state of emergency by the governor following the flash flooding on 8/10/2017, the Department of Military Affairs entered into a cooperative endeavor agreement with the Sewerage and Water Board of New Orleans to provide support beginning 8/21/2017, through the end of hurricane season on 11/30/2017. The department provided two individuals, one (1) state employee and one (1) LA National Guardsman on state active duty, to provide procurement, contracting and logistical support. Additionally, the department provided seventeen (17) LA National Guardsmen on state active duty from August 24-31 and October 6-8 to assist with manning the pumping stations, ensuring continuity of operations, and providing reports to the Interim Emergency Management and Support team.

The department incurred \$124,948 of expenditures through 11/30/2017, and an invoice has been sent to the Sewerage & Water Board of New Orleans for reimbursement of these expenditures. This BA-7 request will provide the department the budget authority needed to receive this reimbursement.

II. IMPACT ON FUTURE FISCAL YEARS

Approval of this BA-7 request will have no impact on future fiscal years.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Health

AGENDA NO.: 8

AGENCY: LA Emergency Response Network Board

ANALYST: Tanesha Morgan

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	LA Emergency Response Network Board	\$10,282	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$9,000			
Statutory Dedications:	\$1,282			
Federal Funds:	\$0			
Total	<u>\$10,282</u>	Total	<u>\$10,282</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase the LA Emergency Response Network's (LERN) budget by \$1,282 in Statutory Dedications from the LA Emergency Response Network Fund and \$9,000 in fees and self-generated revenue. The SGR is from a one year grant awarded by the Living Well Foundation, a nonprofit organization in Ouachita Parish, (\$8,000) and a private donation (\$1,000). The funds in the LA Emergency Response Network Fund represent the remaining balance of SGF that was transferred into the fund per Act 12 of 2015.

The funds will be used to buy supplies for the "Stop the Bleed" training initiative, which is a federal initiative to encourage bystanders of an emergency to become trained to help in bleeding situations. The agency will host educational seminars to train "Stop the Bleed" instructors. Training will be held at 5 schools in Ouachita Parish. The agency has funds in its existing budget to cover personnel and travel expenses associated with providing training. The funds in this BA-7 will be used to purchase supplies that will be used in the training as well as distributed to the 5 schools.

The funds will be used for the following supplies:

Hemorrhage Control Training Kits (4 @ \$950 each)	\$3,8000
Quick Clot Bleeding Control Stations (7 @ @\$800 each)	\$5,6000
Personal Bleeding Control Kits (7 @ \$70 each)	\$490
Shipping Costs	<u>\$392</u>
Total Supplies	<u>\$10,282</u>

II. IMPACT ON FUTURE FISCAL YEARS

The Living Well Foundation grant began 1/1/2018 continues through 12/31/2018. This BA-7 provides budget authority for the first 6 months of the grant period in the amount of \$8,000, but the full grant award totals \$13,853. To provide authorization for the continuation of this grant through the entire award period, LERN will require SGR budget authority of \$5,853 in FY 19.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request.

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DEPARTMENT: Revenue

AGENDA NO.: 9

AGENCY: Office of Revenue

ANALYST: Benjamin Vincent

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Tax Collection	\$5,599,121	0
Interagency Transfers:	\$0	Alcohol & Tobacco Control	\$2,648,408	0
Self-Generated Revenue:	\$8,747,529	Charitable Gaming	\$500,000	0
Statutory Dedications:	\$0			
Federal Funds:	\$0			
Total	<u>\$8,747,529</u>	Total	<u>\$8,747,529</u>	<u>0</u>

I. SUMMARY/COMMENTS

The purpose of this BA-7 request is to increase SGR budget authority within the Tax Collection, Alcohol & Tobacco Control, and Charitable Gaming programs. The SGR funds are generated by delinquent penalty and interest fees, and licensing and permit fees.

The requested authority is for technology systems, software licensing and maintenance, hardware replacement, and the LaSalle building remodel for enhanced security. The increases in budget authority by program, as well as the corresponding expenditures, are outlined below.

Tax Collections - \$5,599,121

- 1) LaSalle Building Remodel (\$788,800) - Various building modifications for employee security and to accommodate more walk-in clients. Includes reception area cubicles, bulletproof glass, cameras, chairs, desks, and wall and millwork modification.
- 2) Office of Debt Recovery replacement software system (\$1,750,000) - Current system has limited functionality and is unable to fully meet needs of the agency; it is only able to store records. Replacement system adds basic data processing and accounting capability.
- 3) GenTax Software Licensing Support (\$1,357,803) - Increases the DELTA system licensing and maintenance for support services that keep the software current and operational. Increase based on a set contract price.
- 4) SANS for Datacenter (2) (\$1,094,618) - Replaces current storage area networks that are near end of life and will no longer be supported by the vendor.
- 5) Lease of desktops and laptops (\$413,100) - Equipment refresh for laptops older than 4 years and PCs older than 5 years. Replaces equipment utilizing a 4-year lease with fixed monthly costs.
- 6) Ancillary Database upgrades (\$99,000)
- 7) Economic Model licensing and maintenance (\$49,000) - Increases the usage allowed of the current economic modeling software, allowing LDR personnel to simulate changes in various types of tax and incentives and analyze outputs.
- 8) Microsoft Licensing (\$45,000) - Annual license increase based on historical price increases and expected additional product usage.
- 9) Human Resources electronic records storage (\$1,800) - Converts current microfiche storage of LDR employee personnel files to electronic storage.

Alcohol & Tobacco Control - \$2,648,408

- 1) Licensing and Enforcement system application (\$2,531,704) - Replaces current Licensing and Enforcement application that operates without documentation or support and integrates extensive third-party software. New application eliminates most or all third-party software, and allows for support.
- 2) Lease of desktops and laptops, support services (\$116,704) - Leasing of computers and service hour charges for current support of equipment and systems.

Charitable Gaming - \$500,000

- 3) Bingo, Licensing, Accounting, and Inventory Reporting (BLAIR) System (\$500,000) - Replaces aging BLAIR monitoring system due to current limitations and age of software coding.

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II. IMPACT ON FUTURE FISCAL YEARS

The appropriations bill gives the Department of Revenue authority to retain unappropriated SGR from late payment/delinquent fees and negligence fees from one fiscal year to the next. Appropriation and expenditure of an additional \$8,747,529 for this request will decrease the SGR available for appropriation in future fiscal years. In the current year (FY 18), the Office of Revenue carried forward approximately \$43.9 M in excess collections from prior fiscal years due to higher than expected self-generated revenues from late payment/delinquent fees and negligence fees.

LDR will require additional SGR appropriation from this source in FY 19 and beyond due to recurring expenditures related to lease of desktops, laptops, and ongoing I.T. service support agreements (\$116,704 in all years). Other recurring expenditures related to items in this BA-7 were already included in the Executive Budget.

III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION

The Legislative Fiscal Office recommends approval of this BA-7 request. However, the LFO recognizes that many or all of these expenses could be considered during the Regular Legislative Session in either a supplemental or the General Appropriation Bill.