Louisiana Legislative Fiscal Office

FISCAL HIGHLIGHTS

Fiscal Year 2013-2014

Presented to:

The Honorable John A. Alario,
President of the State Senate
The Honorable Chuck Kleckley,
Speaker of the House of Representatives
and Honorable Members of the Louisiana Legislature

Presented by:

Legislative Fiscal Office
John D. Carpenter, Legislative Fiscal Officer
Evan Brasseaux, LFO Staff Director

October 2013

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LEGISLATIVE FISCAL OFFICE STAFF

John D. Carpenter, Legislative Fiscal Officer
Evan Brasseaux, Staff Director
Debbie Roussel, Executive Assistant

Economic Section
Gregory V. Albrecht, Chief Economist
Deborah Vivien, Economist/Fiscal Analyst

Education Section
Mary Kathryn Drago, Section Director
Charley Rome, Fiscal Analyst

General Government Section
J. Travis McIlwain, Section Director
Stephanie C. Blanchard, Fiscal Analyst
Alan Boxberger, Fiscal Analyst
Matthew LaBruyere, Fiscal Analyst
Evelyn McWilliams, Fiscal Analyst

Health & Hospitals and Social Services Section
Shawn Hotstream, Section Director
Patrice Thomas, Fiscal Analyst

Information Services Section
Willie Marie Scott, Section Director

Support Staff
Rachael Feigley
Jean M. Pedersen

Phone:	(225) 342-7233
Fax:	(225) 342-7243
Address:	Post Office Box 44097; Baton Rouge, LA 70804 or 900 North Third Street; State Capitol Building, 18th Floor Baton Rouge, LA 70802
Web Site:	lfo.louisiana.gov

OVERVIEW OF THE LEGISLATIVE FISCAL OFFICE

The Legislative Fiscal Office is an independent agency created by statute to provide factual and unbiased information to both the House of Representatives and the State Senate. The Office provides assistance to individual legislators, committees of the Legislature and the entire Legislature. Legislators' individual requests are considered confidential and will remain confidential unless otherwise requested.

The Legislative Fiscal Officer is elected by a favorable vote of a majority of the elected members of both houses of the Legislature. He may be removed by a majority vote of the elected members of both houses of the Legislature.

The Legislative Fiscal Office duties and functions include, but are not limited to, the following:

Budget Analysis - To analyze budgets prepared by the executive branch and make recommendations to the Joint Legislative Committee on the Budget, other committees and the Legislature.

Revenue and Expenditure Forecasting - To make continuous short and long range projections on revenues and expenditures (i.e., economic forecasting).

Committee Support - To review and evaluate requests/amendments for appropriations during the legislative sessions and make presentations to the House Appropriations Committee, the Senate Finance Committee and the Legislature. Answer the fiscal information requests of committees and individual legislators.

Fiscal Notes - To evaluate legislation for fiscal effect and provide fiscal notes detailing the effect on revenues and expenditures of such proposed legislation.

BA-7s - To review on a monthly basis requests for budget adjustments from state agencies and make recommendations to the Joint Legislative Committee on the Budget as to the merits of such requests.

Interim Emergency Board - To evaluate requests submitted to the Interim Emergency Board and to make recommendations of approval or disapproval to the Legislature of those requests.

Fiscal & Economic Impact Statements - To review on a monthly basis rules and regulations as submitted by the executive branch and to inform the Legislature and the public as to the fiscal and economic impact of such proposed rules and regulations.

LEGISLATIVE FISCAL OFFICE
2013 FISCAL HIGHLIGHTS
TABLE OF CONTENTS

Section I

BUDGET COMPARISONS

TOTAL MEANS OF FINANCE BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$3,039,123,013	$4,146,355,827	$3,518,011,316	($628,344,511)	(15.2%)
Veterans Affairs	$53,856,352	$57,758,445	$57,395,186	($363,259)	(0.6%)
State	$74,791,242	$74,153,013	$62,069,200	($12,083,813)	(16.3%)
Justice	$63,357,714	$75,104,405	$72,654,820	($2,449,585)	(3.3%)
Lt. Governor	$5,917,549	$7,491,727	$7,271,216	($220,511)	(2.9%)
Treasury (a)	$10,046,813	$12,454,379	$14,462,724	$2,008,345	16.1%
Public Service Commission	$9,268,047	$9,801,200	$9,198,657	($602,543)	(6.1%)
Agriculture & Forestry	$71,633,626	$82,122,328	$73,833,053	($8,289,275)	(10.1%)
Insurance	$30,509,971	$31,146,371	$30,576,219	($570,152)	(1.8%)
Economic Development (a)	$50,321,837	$58,286,634	$42,678,079	($15,608,555)	(26.8%)
Culture, Rec. & Tourism	$83,443,817	$91,722,342	$88,823,912	($2,898,430)	(3.2%)
Transp. & Development	$535,879,792	$554,075,426	$576,942,387	$22,866,961	4.1%
Corrections Services	$485,997,999	$471,119,689	$492,414,442	$21,294,753	4.5%
Public Safety Services	$389,071,716	$455,124,254	$500,143,719	$45,019,465	9.9%
Youth Services	$128,704,637	$116,261,459	$111,340,978	($4,920,481)	(4.2%)
Health & Hospitals	$7,955,095,826	$9,018,786,039	$9,143,476,043	$124,690,004	1.4%
Children & Family Services	$747,526,912	$851,764,770	$768,321,857	($83,442,913)	(9.8%)
Natural Resources (a)	$99,294,684	$180,165,849	$101,017,554	($79,148,295)	(43.9%)
Revenue	$84,178,100	$106,987,031	$94,823,238	($12,163,793)	(11.4%)
Environmental Quality	$106,703,221	$127,104,957	$123,312,926	($3,792,031)	(3.0%)
LA Workforce Commission	$252,203,010	$286,367,339	$273,058,815	($13,308,524)	(4.6%)
Wildlife & Fisheries	$131,001,251	$205,746,834	$198,485,865	($7,260,969)	(3.5%)
Civil Service	$23,444,965	$25,309,120	$25,156,822	($152,298)	(0.6%)
Higher Education (a)	$2,885,141,006	$2,957,904,560	$2,628,754,961	($329,149,599)	(11.1%)
Special Schools & Comm.	$89,065,682	$94,844,556	$91,166,696	($3,677,860)	(3.9%)
Elem. & Secondary Ed (a)	$5,218,042,682	$5,449,192,682	$5,251,689,807	($197,502,875)	(3.6%)
Health Care Srvc. Division (a)	$789,223,406	$1,092,520,120	$112,958,465	($979,561,655)	(89.7%)
Other Requirements	$696,953,873	$768,961,627	$745,262,156	($23,699,471)	(3.1%)
General Appropriation Total	**$24,109,798,743**	**$27,408,632,983**	**$25,215,301,113**	**($2,193,331,870)**	**(8.0%)**
Ancillary	$1,731,877,719	$1,767,202,227	$1,732,257,409	($34,944,818)	(2.0%)
Judiciary	$144,902,434	$162,949,765	$167,572,877	$4,623,112	2.8%
Legislative	$100,306,428	$103,845,223	$102,643,499	($1,201,724)	(1.2%)
Capital Outlay - Cash Portion (a)	$1,192,359,060	$1,273,324,628	$1,055,605,113	($217,719,515)	(17.1%)
Other Approp. Bills' Total	**$3,169,445,641**	**$3,307,321,843**	**$3,058,078,898**	**($249,242,945)**	**(7.5%)**
Non-Approp. Required	**$529,474,765**	**$437,709,434**	**$525,099,436**	**$87,390,002**	**20.0%**
Grand Total	**$27,808,719,149**	**$31,153,664,260**	**$28,798,479,447**	**($2,355,184,813)**	**(7.6%)**

(1) Budgeted as of June 30, 2013.

(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

(a) See Table of Footnotes on the following page.

TABLE OF FOOTNOTES

Treasury – The majority of total means of finance increase is primarily due to Act 247 of 2013 reimbursements of Geaux Pass payouts (Crescent City Connection).

Economic Development – The increase in SGF is primarily related to $2 M for the FastStart Program for Benteler Steel. The decrease in IAT is primarily related to non-recurring of IAT carryforwards for the FastStart Program for LCTCS. The increase in SGR is primarily related to an anticipated increase in business incentive fees. The decrease in Statutory Dedications is due to the following: non-recurring carryforwards from FY 12 ($4.8 M), elimination of funding for the Small Business Bonding Program from the Small Business Surety Bonding Fund ($2.9 M), non-recurring one-time funding from the Rapid Response Fund for the FastStart Program ($2 M), elimination of one-time funding from the Marketing Fund for education initiatives ($1 M), and non-recurring one-time funding for the Business Development Program from the LED Fund ($0.7 M). The decrease in Federal funds is primarily related to non-recurring carryforwards and elimination of one-time funding from the Federal STEP Program.

Natural Resources – The $79.1 M decrease in the total means of financing is primarily attributed to a $93 M reduction in Federal funds of which $83.2 M was sent to the Coastal Protection & Restoration Authority (CPRA) as IAT revenue to provide for direct appropriation of the Federal funds in the CPRA budget. An additional $3.6 M in nonrecurring Federal funds from the American Recovery & Reinvestment Act was also reduced. The $1.8 M increase in SGF is primarily attributed to a MOF swap replacing nonrecurring funding from the Mineral & Energy Operations Fund with SGF coupled with a MOF swap associated with the consolidation of management and finance functions between the departments of Natural Resources, Wildlife & Fisheries and Environmental Quality. Also contributing to a reduction in SGF is the removal of funding associated with professional services contracts for computer programming and legal services. The $7.4 M increase in IAT revenue is due to consolidation of management and finance functions between the departments of Natural Resources, Wildlife & Fisheries and Environmental Quality. The $5.5 M increase in Statutory Dedications is primarily attributed to increased funding from the Oil Field Site Restoration Fund to provide for restoration of additional oil field sites.

Higher Education – The SGF decrease is due to a MOF with the Overcollections Fund ($340 M) and a MOF with the TOPS Fund attributable to proceeds from the tobacco arbitration settlement ($22 M) and refinancing/restructuring of tobacco bonds ($67 M). Decrease in IAT is primarily attributable to privatization of north LA hospitals. Increase in SGR is primarily attributable to tuition increases authorized by the Grad Act. Statutory Dedications increase is due to an SGF MOF with the Overcollections Fund ($340 M) and a SGF MOF with the TOPS Fund attributable to proceeds from the tobacco arbitration settlement ($22 M) and refinancing/restructuring of tobacco bonds ($67 M). Decrease in Federal funds is primarily attributable to privatization of north LA hospitals.

Elementary & Secondary Education – The significant decrease in IAT is due a reduction of approximately $160 M in excess budget authority in the Recovery School District. The excess budget authority was in the Construction Program ($9.1 M) and in the Instruction Program ($150 M). The large reduction in the Instruction Program results in an excess of MFP transfer budget authority.

Health Care Services Division – The net decrease of $979.6 M in total means of finance can primarily be attributed to the annualization of FMAP reductions, UPL payments from DHH and the public/private partnerships (-$735.8 M). In addition, the HCSD's Central Office was eliminated and HCSD will no longer manage or operate the following hospitals: Earl K. Long; University Medical Center; Leonard J. Chabert; and Medical Center of LA.

Capital Outlay – The decrease in capital outlay allocation is primarily attributed to the reduction in SGF ($28.2 M), IAT ($33.9 M), SGR ($12.6 M), Statutory Dedications ($115.3 M) and Federal funds ($13.04 M).

TOTAL STATE EFFORT BY DEPARTMENT

(TOTAL STATE EFFORT = TOTAL MOF - IAT & FED)

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$392,968,323	$566,739,435	$621,704,938	$54,965,503	9.7%
Veterans Affairs	$20,200,556	$20,911,751	$21,695,015	$783,264	3.7%
State	$74,282,660	$73,481,945	$61,734,220	($11,747,725)	(16.0%)
Justice	$26,172,525	$32,498,061	$28,094,940	($4,403,121)	(13.5%)
Lt. Governor	$1,445,717	$1,517,116	$1,436,961	($80,155)	(5.3%)
Treasury	$8,607,960	$10,625,927	$12,834,272	$2,208,345	20.8%
Public Service Commisson	$9,056,558	$9,295,852	$9,198,657	($97,195)	(1.0%)
Agriculture & Forestry	$63,582,789	$65,356,594	$64,915,790	($440,804)	(0.7%)
Insurance	$28,527,037	$30,266,559	$29,831,880	($434,679)	(1.4%)
Economic Development	$46,595,778	$47,505,359	$37,938,712	($9,566,647)	(20.1%)
Culture, Rec. & Tourism	$71,072,749	$78,226,694	$75,394,940	($2,831,754)	(3.6%)
Transp. & Development	$509,449,754	$516,522,984	$544,270,976	$27,747,992	5.4%
Corrections Services	$478,173,549	$461,356,256	$485,851,842	$24,495,586	5.3%
Public Safety Services	$322,569,563	$360,442,366	$408,794,544	$48,352,178	13.4%
Youth Services	$111,847,039	$96,536,003	$92,515,522	($4,020,481)	(4.2%)
Health & Hospitals	$2,429,231,027	$2,756,970,470	$3,168,119,336	$411,148,866	14.9%
Children & Family Services	$172,753,894	$178,297,796	$160,417,734	($17,880,062)	(10.0%)
Natural Resources	$32,485,339	$36,347,291	$43,738,514	$7,391,223	20.3%
Revenue	$83,510,486	$105,756,724	$93,118,931	($12,637,793)	(11.9%)
Environmental Quality	$86,744,812	$101,398,114	$98,271,657	($3,126,457)	(3.1%)
LA Workforce Commission	$98,685,116	$109,203,365	$105,661,057	($3,542,308)	(3.2%)
Wildlife & Fisheries	$92,376,962	$118,566,898	$111,613,770	($6,953,128)	(5.9%)
Civil Service	$6,822,965	$7,303,391	$7,229,480	($73,911)	(1.0%)
Higher Education	$2,346,046,573	$2,374,136,682	$2,398,670,505	$24,533,823	1.0%
Special Schools & Comm.	$65,402,894	$66,744,508	$67,121,992	$377,484	0.6%
Elem. & Secondary Ed	$3,590,153,378	$3,648,517,286	$3,740,868,086	$92,350,800	2.5%
Health Care Srvc. Division	$131,095,822	$459,778,577	$39,336,383	($420,442,194)	(91.4%)
Other Requirements	$651,838,080	$719,294,318	$695,785,122	($23,509,196)	(3.3%)
General Appropriation Total	**$11,951,699,905**	**$13,053,598,322**	**$13,226,165,776**	**$172,567,454**	**1.3%**
Ancillary	$1,479,196,042	$1,467,860,939	$1,449,669,615	($18,191,324)	(1.2%)
Judiciary	$144,902,434	$152,513,265	$157,136,377	$4,623,112	3.0%
Legislative	$100,306,428	$103,845,223	$102,643,499	($1,201,724)	(1.2%)
Capital Outlay - Cash Portion	$1,144,181,256	$1,180,431,620	$1,009,658,927	($170,772,693)	(14.5%)
Other Approp. Bills' Total	**$2,868,586,160**	**$2,904,651,047**	**$2,719,108,418**	**($185,542,629)**	**(6.4%)**
Non-Approp. Required	**$529,474,765**	**$437,709,434**	**$525,099,436**	**$87,390,002**	**20.0%**
Grand Total	**$15,349,760,830**	**$16,395,958,803**	**$16,470,373,630**	**$74,414,827**	**0.5%**

(1) Budgeted as of June 30, 2013.

(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

STATE GENERAL FUND BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$146,720,482	$130,480,806	$136,418,886	$5,938,080	4.6%
Veterans Affairs	$5,181,345	$5,045,179	$5,155,930	$110,751	2.2%
State	$50,019,063	$45,314,560	$38,547,477	($6,767,083)	(14.9%)
Justice	$12,215,630	$12,020,222	$7,004,398	($5,015,824)	(41.7%)
Lt. Governor	$1,426,425	$1,492,116	$1,426,961	($65,155)	(4.4%)
Treasury	$0	$0	$0	$0	0.0%
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$26,465,339	$26,640,791	$25,310,405	($1,330,386)	(5.0%)
Insurance	$0	$0	$0	$0	0.0%
Economic Development	$10,489,399	$13,487,675	$15,073,886	$1,586,211	11.8%
Culture, Rec. & Tourism	$37,042,481	$33,386,756	$33,049,892	($336,864)	(1.0%)
Transp. & Development	$0	$237,732	$0	($237,732)	(100.0%)
Corrections Services	$432,474,350	$417,992,262	$447,131,276	$29,139,014	7.0%
Public Safety Services	$0	$1,099,611	$0	($1,099,611)	0.0%
Youth Services	$108,166,911	$95,304,475	$91,383,994	($3,920,481)	(4.1%)
Health & Hospitals	$1,794,164,101	$1,877,729,653	$2,325,583,494	$447,853,841	23.9%
Children & Family Services	$149,243,549	$157,454,902	$141,075,297	($16,379,605)	(10.4%)
Natural Resources	$4,550,130	$5,481,038	$7,321,470	$1,840,432	33.6%
Revenue	$0	$61,864	$0	($61,864)	0.0%
Environmental Quality	$498,828	$498,056	$495,377	($2,679)	(0.5%)
LA Workforce Commission	$7,859,768	$8,207,733	$8,163,582	($44,151)	(0.5%)
Wildlife & Fisheries	$0	$0	$0	$0	0.0%
Civil Service	$4,136,401	$4,607,903	$4,579,925	($27,978)	(0.6%)
Higher Education	$938,374,962	$980,412,238	$524,668,654	($455,743,584)	(46.5%)
Special Schools & Comm.	$41,928,625	$38,686,855	$40,494,549	$1,807,694	4.7%
Elem. & Secondary Ed	$3,298,593,705	$3,334,281,424	$3,431,236,983	$96,955,559	2.9%
Health Care Srvc. Division	$64,296,464	$19,261,831	$7,612,504	($11,649,327)	(60.5%)
Other Requirements	$466,196,516	$487,395,411	$486,204,796	($1,190,615)	(0.2%)
General Appropriation Total	**$7,600,044,474**	**$7,696,581,093**	**$7,777,939,736**	**$81,358,643**	**1.1%**
Ancillary	$0	$1,189,181	$0	($1,189,181)	0.0%
Judiciary	$138,862,434	$142,862,434	$147,338,908	$4,476,474	3.1%
Legislative	$67,349,034	$69,263,933	$69,263,933	$0	0.0%
Capital Outlay - Cash Portion	$2,707,185	$28,200,000	$0	($28,200,000)	0.0%
Other Approp. Bills' Total	**$208,918,653**	**$241,515,548**	**$216,602,841**	**($24,912,707)**	**(10.3%)**
Non-Approp. Required	**$409,677,244**	**$326,209,434**	**$416,436,412**	**$90,226,978**	**27.7%**
Grand Total	**$8,218,640,371**	**$8,264,306,075**	**$8,410,978,989**	**$146,672,914**	**1.8%**

(1) Budgeted as of June 30, 2013.

(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

INTERAGENCY TRANSFERS BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$302,393,144	$473,320,679	$382,362,111	($90,958,568)	-19.2%
Veterans Affairs	$1,008,144	$1,464,960	$1,407,771	($57,189)	-3.9%
State	$444,779	$384,870	$334,980	($49,890)	-13.0%
Justice	$32,253,682	$36,124,595	$37,194,625	$1,070,030	3.0%
Lt. Governor	$61,248	$465,356	$325,000	($140,356)	-30.2%
Treasury	$1,438,853	$1,828,452	$1,628,452	($200,000)	-10.9%
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$1,235,608	$8,913,916	$1,200,445	($7,713,471)	-86.5%
Insurance	$0	$0	$0	$0	0.0%
Economic Development	$683,443	$2,004,065	$0	($2,004,065)	-100.0%
Culture, Rec. & Tourism	$3,374,801	$5,450,356	$6,280,712	$830,356	15.2%
Transp. & Development	$6,879,816	$9,871,386	$5,910,000	($3,961,386)	-40.1%
Corrections Services	$7,105,879	$8,108,025	$5,081,903	($3,026,122)	-37.3%
Public Safety Services	$30,387,371	$44,853,037	$44,687,579	($165,458)	-0.4%
Youth Services	$15,965,802	$18,833,660	$17,933,660	($900,000)	-4.8%
Health & Hospitals	$387,344,513	$455,943,091	$456,526,789	$583,698	0.1%
Children & Family Services	$5,316,761	$21,656,471	$9,365,899	($12,290,572)	-56.8%
Natural Resources	$13,887,849	$17,753,165	$25,162,206	$7,409,041	41.7%
Revenue	$338,219	$347,300	$821,300	$474,000	136.5%
Environmental Quality	$1,432,030	$2,917,443	$2,251,869	($665,574)	-22.8%
LA Workforce Commission	$3,466,229	$4,295,877	$2,222,766	($2,073,111)	-48.3%
Wildlife & Fisheries	$11,213,144	$20,119,985	$15,319,443	($4,800,542)	-23.9%
Civil Service	$16,622,000	$18,005,729	$17,927,342	($78,387)	-0.4%
Higher Education	$409,714,712	$392,710,842	$110,735,049	($281,975,793)	-71.8%
Special Schools & Comm.	$23,604,782	$27,994,962	$23,939,618	($4,055,344)	-14.5%
Elem. & Secondary Ed	$524,052,021	$608,625,644	$391,024,943	($217,600,701)	-35.8%
Health Care Srvc. Division	$591,473,799	$548,393,931	$55,403,076	($492,990,855)	-89.9%
Other Requirements	$41,561,599	$44,621,049	$45,295,774	$674,725	1.5%
General Approp. Total	**$2,433,260,228**	**$2,775,008,846**	**$1,660,343,312**	**($1,114,665,534)**	**-40.2%**
Ancillary	$252,670,199	$299,341,288	$282,587,794	($16,753,494)	-5.6%
Judiciary	$0	$10,436,500	$10,436,500	$0	0.0%
Legislative	$0	$0	$0	$0	0.0%
Capital Outlay - Cash Portion	$27,454,623	$59,252,586	$25,347,724	($33,904,862)	-57.2%
Other Approp. Bills' Total	**$280,124,822**	**$369,030,374**	**$318,372,018**	**($50,658,356)**	**-13.7%**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$2,713,385,050**	**$3,144,039,220**	**$1,978,715,330**	**($1,165,323,890)**	**-37.1%**

(1) Budgeted as of June 30, 2013.

(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

SELF GENERATED REVENUE BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$98,892,420	$151,526,575	$127,705,626	($23,820,949)	(15.7%)
Veterans Affairs	$14,866,137	$15,566,572	$16,423,557	$856,985	5.5%
State	$19,246,951	$21,129,307	$21,175,665	$46,358	0.2%
Justice	$2,436,541	$7,213,532	$3,591,350	($3,622,182)	(50.2%)
Lt. Governor	$4,000	$25,000	$10,000	($15,000)	(60.0%)
Treasury	$8,195,085	$8,354,510	$8,262,855	($91,655)	(1.1%)
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$5,678,114	$6,742,470	$6,687,210	($55,260)	(0.8%)
Insurance	$27,210,216	$28,941,559	$28,450,743	($490,816)	(1.7%)
Economic Development	$2,084,759	$3,124,377	$3,464,585	$340,208	10.9%
Culture, Rec. & Tourism	$25,169,847	$31,940,164	$31,866,620	($73,544)	(0.2%)
Transp. & Development	$42,774,374	$41,039,360	$24,175,937	($16,863,423)	(41.1%)
Corrections Services	$35,313,222	$43,309,994	$38,666,566	($4,643,428)	(10.7%)
Public Safety Services	$128,702,550	$139,941,677	$128,692,034	($11,249,643)	(8.0%)
Youth Services	$1,664,353	$959,528	$959,528	$0	0.0%
Health & Hospitals	$142,885,198	$168,845,821	$216,923,182	$48,077,361	28.5%
Children & Family Services	$17,354,060	$16,945,798	$17,795,316	$849,518	5.0%
Natural Resources	$47,542	$345,875	$345,875	$0	0.0%
Revenue	$82,838,735	$94,989,819	$92,471,003	($2,518,816)	(2.7%)
Environmental Quality	$305,662	$105,000	$105,000	$0	0.0%
LA Workforce Commission	$27,000	$69,202	$272,219	$203,017	293.4%
Wildlife & Fisheries	$9,900,646	$16,773,172	$9,925,686	($6,847,486)	(40.8%)
Civil Service	$724,550	$767,945	$765,756	($2,189)	(0.3%)
Higher Education	$1,118,580,163	$1,200,074,695	$1,279,332,504	$79,257,809	6.6%
Special Schools & Comm.	$1,961,229	$2,594,034	$2,600,635	$6,601	0.3%
Elem. & Secondary Ed	$22,589,433	$35,640,002	$32,786,178	($2,853,824)	(8.0%)
Health Care Srvc. Division	$66,799,358	$128,516,746	$11,723,879	($116,792,867)	(90.9%)
Other Requirements	$4,539,020	$6,696,290	$8,761,908	$2,065,618	30.8%
General Appropriation Total	**$1,880,791,165**	**$2,172,179,024**	**$2,113,941,417**	**($58,237,607)**	**(2.7%)**
Ancillary	$1,405,551,659	$1,355,671,758	$1,328,669,615	($27,002,143)	(2.0%)
Judiciary	$0	$0	$0	$0	0.0%
Legislative	$22,064,566	$23,379,566	$23,379,566	$0	0.0%
Capital Outlay - Cash Portion*	$141,075,291	$126,454,817	$133,862,337	$7,407,520	5.9%
Other Approp. Bills' Total	**$1,568,691,516**	**$1,505,506,141**	**$1,485,911,518**	**($19,594,623)**	**(1.3%)**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$3,449,482,681**	**$3,677,685,165**	**$3,599,852,935**	**($77,832,230)**	**(2.1%)**

(1) Budgeted as of June 30, 2013.

(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

*Inclusive of Reappropriated Cash ($32,826,701 in FY 12, $33,037,242 in FY 13 and $19,894,500 in FY 14) and Reappropriated Interest Earnings ($2,377,240 in FY 12, $849,193 in FY 13 and $134,348 in FY 14). This amount is not utilized in calculating the Expenditure Limit for FY 14, nor recognized by OPB as SGR.

STATUTORY DEDICATIONS BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$147,335,676	$283,279,121	$357,580,426	$74,301,305	26.2%
Veterans Affairs	$153,074	$300,000	$115,528	($184,472)	(61.5%)
State	$5,016,646	$7,038,078	$2,011,078	($5,027,000)	(71.4%)
Justice	$11,520,354	$13,264,307	$17,499,192	$4,234,885	31.9%
Lt. Governor	$15,292	$0	$0	$0	0.0%
Treasury	$412,875	$2,271,417	$4,571,417	$2,300,000	101.3%
Public Service Commisson	$9,056,558	$9,295,852	$9,198,657	($97,195)	(1.0%)
Agriculture & Forestry	$31,439,336	$31,973,333	$32,918,175	$944,842	3.0%
Insurance	$1,316,821	$1,325,000	$1,381,137	$56,137	4.2%
Economic Development	$34,021,620	$30,893,307	$19,400,241	($11,493,066)	(37.2%)
Culture, Rec. & Tourism	$8,860,421	$12,899,774	$10,478,428	($2,421,346)	(18.8%)
Transp. & Development	$466,675,380	$475,245,892	$520,095,039	$44,849,147	9.4%
Corrections Services	$10,385,977	$54,000	$54,000	$0	0.0%
Public Safety Services	$193,867,013	$219,401,078	$280,102,510	$60,701,432	27.7%
Youth Services	$2,015,775	$272,000	$172,000	($100,000)	(36.8%)
Health & Hospitals	$492,181,728	$710,394,996	$625,612,660	($84,782,336)	(11.9%)
Children & Family Services	$6,156,285	$3,897,096	$1,547,121	($2,349,975)	(60.3%)
Natural Resources	$27,887,667	$30,520,378	$36,071,169	$5,550,791	18.2%
Revenue	$671,751	$10,705,041	$647,928	($10,057,113)	(93.9%)
Environmental Quality	$85,940,322	$100,795,058	$97,671,280	($3,123,778)	(3.1%)
LA Workforce Commission	$90,798,348	$100,926,430	$97,225,256	($3,701,174)	(3.7%)
Wildlife & Fisheries	$82,476,316	$101,793,726	$101,688,084	($105,642)	(0.1%)
Civil Service	$1,962,014	$1,927,543	$1,883,799	($43,744)	(2.3%)
Higher Education	$289,091,448	$193,649,749	$594,669,347	$401,019,598	207.1%
Special Schools & Comm.	$21,513,040	$25,463,619	$24,026,808	($1,436,811)	(5.6%)
Elem. & Secondary Ed	$268,970,240	$278,595,860	$276,844,925	($1,750,935)	(0.6%)
Health Care Srvc. Division	$0	$312,000,000	$20,000,000	($292,000,000)	0.0%
Other Requirements	$181,102,544	$225,202,617	$200,818,418	($24,384,199)	(10.8%)
General Appropriation Total	**$2,470,844,521**	**$3,183,385,272**	**$3,334,284,623**	**$150,899,351**	**4.7%**
Ancillary	$73,644,383	$111,000,000	$121,000,000	$10,000,000	9.0%
Judiciary	$6,040,000	$9,650,831	$9,797,469	$146,638	1.5%
Legislative	$10,892,828	$11,201,724	$10,000,000	($1,201,724)	(10.7%)
Capital Outlay - Cash Portion	$998,398,780	$991,143,684	$875,796,590	($115,347,094)	(11.6%)
Other Approp. Bills' Total	**$1,088,975,991**	**$1,122,996,239**	**$1,016,594,059**	**($106,402,180)**	**(9.5%)**
Non-Approp. Required	**$119,797,521**	**$111,500,000**	**$108,663,024**	**($2,836,976)**	**(2.5%)**
Grand Total	**$3,679,618,033**	**$4,417,881,511**	**$4,459,541,706**	**$41,660,195**	**0.9%**

(1) Budgeted as of June 30, 2013.
(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

INTERIM EMERGENCY BOARD FUNDS DISTRIBUTED BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$19,745	$1,452,933	$0	($1,452,933)	(100.0%)
Veterans Affairs	$0	$0	$0	$0	0.0%
State	$0	$0	$0	$0	0.0%
Justice	$0	$0	$0	$0	0.0%
Lt. Governor	$0	$0	$0	$0	0.0%
Treasury	$0	$0	$0	$0	0.0%
Public Service Commisson	$0	$0	$0	$0	0.0%
Agriculture & Forestry	$0	$0	$0	$0	0.0%
Insurance	$0	$0	$0	$0	0.0%
Economic Development	$0	$0	$0	$0	0.0%
Culture, Rec. & Tourism	$0	$0	$0	$0	0.0%
Transp. & Development	$0	$0	$0	$0	0.0%
Corrections Services	$0	$0	$0	$0	0.0%
Public Safety Services	$0	$0	$0	$0	0.0%
Youth Services	$0	$0	$0	$0	0.0%
Health & Hospitals	$0	$0	$0	$0	0.0%
Children & Family Services	$0	$0	$0	$0	0.0%
Natural Resources	$0	$0	$0	$0	0.0%
Revenue	$0	$0	$0	$0	0.0%
Environmental Quality	$0	$0	$0	$0	0.0%
LA Workforce Commission	$0	$0	$0	$0	0.0%
Wildlife & Fisheries	$0	$0	$0	$0	0.0%
Civil Service	$0	$0	$0	$0	0.0%
Higher Education	$0	$0	$0	$0	0.0%
Special Schools & Comm.	$0	$0	$0	$0	0.0%
Elem. & Secondary Ed	$0	$0	$0	$0	0.0%
Health Care Srvc. Division	$0	$0	$0	$0	0.0%
Other Requirements	$0	$0	$0	$0	0.0%
General Appropriation Total	**$19,745**	**$1,452,933**	**$0**	**($1,452,933)**	**(100.0%)**
Ancillary	$0	$0	$0	$0	0.0%
Judiciary	$0	$0	$0	$0	0.0%
Legislative	$0	$0	$0	$0	0.0%
Capital Outlay - Cash Portion	$2,000,000	$746,684	$0	($746,684)	(100.0%)
Other Approp. Bills' Total	**$2,000,000**	**$746,684**	**$0**	**($746,684)**	**(100.0%)**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$2,019,745**	**$2,199,617**	**$0**	**($2,199,617)**	**(100.0%)**

(1) Budgeted as of June 30, 2013.
(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

FEDERAL FUNDS BY DEPARTMENT

DEPARTMENT	Actual FY 12	Budgeted FY 13 (1)	Appropriated FY 14 (2)	Dollar Change	Percent Change
Executive	$2,343,761,546	$3,106,295,713	$2,513,944,267	($592,351,446)	(19.1%)
Veterans Affairs	$32,647,652	$35,381,734	$34,292,400	($1,089,334)	(3.1%)
State	$63,803	$286,198	$0	($286,198)	(100.0%)
Justice	$4,931,507	$6,481,749	$7,365,255	$883,506	13.6%
Lt. Governor	$4,410,584	$5,509,255	$5,509,255	$0	0.0%
Treasury	$0	$0	$0	$0	0.0%
Public Service Commisson	$211,489	$505,348	$0	($505,348)	(100.0%)
Agriculture & Forestry	$6,815,229	$7,851,818	$7,716,818	($135,000)	(1.7%)
Insurance	$1,982,934	$879,812	$744,339	($135,473)	(15.4%)
Economic Development	$3,042,616	$8,777,210	$4,739,367	($4,037,843)	(46.0%)
Culture, Rec. & Tourism	$8,996,267	$8,045,292	$7,148,260	($897,032)	(11.1%)
Transp. & Development	$19,550,222	$27,681,056	$26,761,411	($919,645)	(3.3%)
Corrections Services	$718,571	$1,655,408	$1,480,697	($174,711)	(10.6%)
Public Safety Services	$36,114,782	$49,828,851	$46,661,596	($3,167,255)	(6.4%)
Youth Services	$891,796	$891,796	$891,796	$0	0.0%
Health & Hospitals	$5,138,520,286	$5,805,872,478	$5,518,829,918	($287,042,560)	(4.9%)
Children & Family Services	$569,456,257	$651,810,503	$598,538,224	($53,272,279)	(8.2%)
Natural Resources	$52,921,496	$126,065,393	$32,116,834	($93,948,559)	(74.5%)
Revenue	$329,395	$883,007	$883,007	$0	0.0%
Environmental Quality	$18,526,379	$22,789,400	$22,789,400	$0	0.0%
LA Workforce Commission	$150,051,665	$172,868,097	$165,174,992	($7,693,105)	(4.5%)
Wildlife & Fisheries	$27,411,145	$67,059,951	$71,552,652	$4,492,701	6.7%
Civil Service	$0	$0	$0	$0	0.0%
Higher Education	$129,379,721	$191,057,036	$119,349,407	($71,707,629)	(37.5%)
Special Schools & Comm.	$58,006	$105,086	$105,086	$0	0.0%
Elem. & Secondary Ed	$1,103,837,283	$1,192,049,752	$1,119,796,778	($72,252,974)	(6.1%)
Health Care Srvc. Division	$66,653,785	$84,347,612	$18,219,006	($66,128,606)	(78.4%)
Other Requirements	$3,554,194	$5,046,260	$4,181,260	($865,000)	(17.1%)
General Appropriation Total	**$9,724,838,610**	**$11,580,025,815**	**$10,328,792,025**	**($1,251,233,790)**	**(10.8%)**
Ancillary	$11,478	$0	$0	$0	0.0%
Judiciary	$0	$0	$0	$0	0.0%
Legislative	$0	$0	$0	$0	0.0%
Capital Outlay - Cash Portion	$20,723,181	$33,640,422	$20,598,462	($13,041,960)	(38.8%)
Other Approp. Bills' Total	**$20,734,659**	**$33,640,422**	**$20,598,462**	**($13,041,960)**	**(38.8%)**
Non-Approp. Required	**$0**	**$0**	**$0**	**$0**	**0.0%**
Grand Total	**$9,745,573,269**	**$11,613,666,237**	**$10,349,390,487**	**($1,264,275,750)**	**(10.9%)**

(1) Budgeted as of June 30, 2013.

(2) Appropriated in Act 14 of 2013 Regular Session. Does not include carry-forward BA-7s.

ONE-TIME FUNDING FOR FY 14
(House Rule 7.19)

Various Fund Sweeps (transferred to Overcollections Fund)	
Penalty & Interest Account	$1,541,440
Mega Project Development Fund	$11,300,000
Sub-Total	**$12,841,440**
Various Fund Sweeps (transferred into SGF)	
Adult Probation & Parole Officer Retirement Fund	$2,000,000
Penalty & Interest Account	$4,158,560
Community & Family Support System Fund	$22,227
DOJ Debt Collection Fund	$212,838
Energy Performance Contract Fund	$471,564
Entertainment Promotion & Marketing Fund	$152,951
Environmental Trust Fund	$2,487,146
Health Care Facility Fund	$847,641
LA Filmmakers Grant Fund	$225,638
LA Life Safety & Property Protection Trust Fund	$144,435
Medical & Allied Health Professional Education Scholarship & Loan Fund	$106,920
Right to Know Fund	$175,500
Small Business Surety Bonding Fund	$1,900,000
Tax Commission Expense Fund	$48,978
Tobacco Tax Health Care Fund	$233,334
Variable Earnings Transaction Fund	$18,405
Vital Records Conversion Fund	$4,243
Medical Assistance Program Fraud Detection Fund	$7,021,271
Higher Education Initiatives Fund	$267
Board of Private Investigator Examiners Fund	$76
Sub-Total	**$20,231,994**
Various Property Sales (transferred into Overcollections Fund):	
Sale of Pointe Clair Farms, Carville	$12,000,000
Sale of Wildlife & Fisheries Property	$2,000,000
Sale of Hart Parking Lot	$2,180,000
Sale of BR State Office Building	$10,250,000
Sale of SE LA Hospital property DHH	$17,840,000
Sale of Wooddale Tower	$350,000
Sub-Total	**$44,620,000**
Transferred to Overcollections Fund:	
Department of Revenue - Excess SGR	$13,132,881
Excess SGR & IAT collected as income not available	$10,000,000
LA Housing Corporation	$2,000,000
LA Self Insurance Fund	$16,000,000
Pharmaceutical legal settlements	$64,771,871
LPAA Excess Collections	$5,000,000
Sub-Total	**$110,904,752**
Act 597 of 2012 RLS Authorized Transfers:	
ORM Settlement of which $5 M is transferred into SGF and $21 M remains in Overcollections Fund	$26,000,000
Excess FEMA Reimbursements (transferred to Overcollections Fund)	$20,000,000
Go Zone Bond Repayment (Orleans Law Enforcement Division Pay off) (transferred to MATF)	$16,434,518
Sub-Total	**$62,434,518**

Total	**$251,032,704**
LESS: One-time Expenditures	**($164,504,489)**
Adjusted Total	**$86,528,215**
House Rule 7.19 Threshold (per latest adopted revenue forecast - 5/15/2013)	**$188,500,000**
Amount (Under)/Over Threshold	**($101,971,785)**

Note: Pursuant to House Rule 7.19 (A)(1.), specific funds currently forecast by the REC are excluded from the HR 7.19 one-time money list that are currently included in Act 420 of 2013.

NUMBER OF POSITIONS BY DEPARTMENT

DEPARTMENT	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Budgeted 2012-13	Approp. 2013-14	Change 2012-13 to 2013-14
Executive	2,065	2,361	1,951	2,046	2,064	2,114	2,327	2,187	2,146	2,311	2,262	2,182	2,231	49
Veterans Affairs (a)	0	0	410	556	554	642	830	809	816	825	830	835	839	4
State	291	283	229	285	290	328	348	342	337	335	317	317	315	(2)
Justice	452	456	431	516	509	524	531	521	507	503	480	474	472	(2)
Lt. Governor	9	9	9	13	13	14	28	28	25	11	8	8	7	(1)
Treasury	55	55	56	60	60	60	65	66	63	61	59	58	57	(1)
Public Service Commissio	119	134	122	122	122	122	122	94	103	97	97	97	97	0
Agriculture & Forestry	824	831	822	831	805	798	829	785	710	685	644	625	582	(43)
Insurance	272	273	273	277	277	280	289	281	274	267	265	263	258	(5)
Economic Development	92	100	101	100	99	100	119	131	131	128	124	122	117	(5)
														0
Culture, Rec., & Tourism	658	694	693	734	768	773	785	787	770	694	630	633	633	0
Transp. & Development	5,342	5,280	5,271	5,154	5,137	4,998	4,872	4,837	4,704	4,524	4,494	4,322	4,310	(12)
Corrections Services	8,130	8,039	6,423	6,352	6,113	6,172	6,517	6,124	5,985	5,761	5,284	4,853	4,777	(76)
Public Safety Services	2,802	2,872	2,940	2,854	2,837	2,844	2,936	2,889	2,812	2,862	2,675	2,681	2,609	(72)
Youth Services (b)	0	0	1,492	1,362	1,310	1,277	1,358	1,275	1,187	1,111	1,056	990	990	0
														0
Health & Hospitals (c)	12,715	12,780	12,857	12,274	12,078	12,064	12,324	11,634	11,322	9,247	8,458	6,718	5,813 (c)	(905)
Children & Family Service	5,788	5,515	5,323	5,269	5,193	5,169	5,242	5,057	4,595	4,389	4,082	3,960	3,726	(234)
Natural Resources	474	491	496	508	494	495	507	510	508	380	380	367	393	26
Revenue	1,020	977	942	929	928	934	947	877	819	820	802	792	733	(59)
Environmental Quality	1,054	1,002	1,018	1,021	1,020	986	994	933	933	847	805	762	699	(63)
LA Workforce Commissio	1,168	1,206	1,208	1,208	1,196	1,107	1,091	1,063	1,263	1,219	1,191	1,155	1,033	(122)
Wildlife & Fisheries	797	792	786	797	798	795	802	800	783	775	775	777	773	(4)
Civil Service	180	181	176	175	174	167	172	187	189	212	212	213	213	0
Retirement Systems (d)	268	290	306	307	307	307	358	357	357	356	356	340	339	(1)
Higher Education (e)	32,202	33,143	34,400	35,024	34,117	33,115	34,489	35,231	34,082	34,697	27,703	24,866	20,472	(4,394)
Special Schools & Comm.	1,021	1,045	1,045	1,073	1,051	979	875	868	806	774	750	748	730	(18)
Dept. of Education	1,005	1,037	1,022	900	831	818	857	747	739	682	654	596	574	(22)
Health Care Srvc Division	0	0	0	0	0	0	0	0	0	7,215 (f)	6,929	6,329	331 (g)	(5,998)
Approp. Bill Total	**78,803**	**79,846**	**80,802**	**80,747**	**79,145**	**77,982**	**80,614**	**79,420**	**76,966**	**81,788**	**72,322**	**66,083**	**54,123**	(11,960)
Ancillary Bill	950	958	837	966	968	958	984	956	801	815	711	516	405	(111)
Total with Ancillary	**79,753**	**80,804**	**81,639**	**81,713**	**80,113**	**78,940**	**81,598**	**80,376**	**77,767**	**82,603**	**73,033**	**66,599**	**54,528**	(12,071)

(a) FY 04 is Veterans Affairs first fiscal year as a department.
(b) Act 7 of 2004 created Youth Services as an independent organizational unit in the Department of Public Safety & Corrections.
(c) In FY 14 the Office of Behavioral Health, Office of Public Health and Office for Citizens with Developmental Disabilities realized a reduction in positions.
(d) Funding for Retirement Systems operating budgets are no longer appropriated. Figures reflect positions budgeted by the systems.
(e) Colleges and universities do not have authorized position numbers prior to FY 11. Higher education positions prior to FY 11 are from Civil Service reports showing the number of filled full-time equivalent positions.
The reduction in positions in Higher Education for FY 14 is a result of the public/private partnerships with E.A. Conway Medical Center, Huey P. Long Medical Center, and LSU Shreveport.
(f) FY 11 is first year all MOF & T.O. within HCSD were included in Executive Budget & general appropriations bill.
(g) In FY 14 HCSD eliminated positions due to the annualization of FY 13 mid-year cuts (1,251) and the privatization of public hospitals at the end of FY 13 (4,747)

Capital Outlay Appropriation
Act 24 of 2013

Means of Finance Category	Appropriation Less Vetoed Items
Cash Section	
State General Fund (Direct)	$0
Interagency Transfers	$25,347,724
Self-Generated Revenues	$113,833,489
Statutory Dedications	
Russell Sage Fund #2	$3,530,000
Conservation Fund	$781,400
LA State Parks Improvement & Repair Fund	$0
LA Legislative Capitol Technology Enhancement Fund	$3,000,000
Rockefeller Wildlife Refuge & Game Preserve Fund	$3,480,000
State Hwy Improvement Fund	$48,000,000
Transportation Trust Fund - Regular	$90,872,190
Transportation Trust Fund - Federal	$711,133,000
Unclaimed Property Leverage Fund	$15,000,000
White Lake Property Fund	$0
Total Statutory Dedications	**$875,796,590**
Federal Funds	$20,598,462
Reappropriated Cash	$19,894,500
Reappropriated Interest Earnings	$134,348
Revenue Bonds	$165,950,000
TOTAL CASH SECTION	**$1,221,555,113**
General Obligation Bond Section	
Priority 1	$1,721,470,000
Priority 2	$351,125,000
Priority 3	$0
Priority 4	$0
Priority 5	$1,386,390,000
TOTAL GENERAL OBLIGATION BONDS	**$3,458,985,000**
Bonds NRP/RBP (See Footnote on Page 15)	**$11,788,352**
Act 24 of 2013	**$4,692,328,465**

Capital Outlay Bill
Three-Year Comparison

Cash Section	Act 22 of 2011 FY 12	Act 23 of 2012 FY 13	Act 24 of 2013 FY 14	Difference FY 13 to 14
General Fund	$0	$1,300,000	$0	($1,300,000)
Reappropriated Cash	$32,826,701	$33,679,742	$19,894,500	($13,785,242)
Interagency Transfer	$21,111,595	$28,177,455	$25,347,724	($2,829,731)
Self-Generated Revenues	$104,006,350	$87,064,480	$113,833,489	$26,769,009
Federal (Includes TTF-Federal)	$780,025,571	$762,894,987	$731,731,462	($31,163,525)
Transportation Trust Fund (TTF-Regular)	$152,441,705	$183,605,906	$90,872,190	($92,733,716)
Tran. Infra. Model for Econ. Dev. (TIMED)	$0	$0	$0	$0
Other Statutory Dedication	$45,364,000	$86,687,778	$73,791,400	($12,896,378)
Revenue Bonds	$168,120,000	$177,950,000	$165,950,000	($12,000,000)
Reappropriations of Interest Earnings	$737,240	$849,193	$134,348	($714,845)
Total Cash Section	**$1,304,633,162**	**$1,362,209,541**	**$1,221,555,113**	**($140,654,428)**

General Obligation (G. O.) Bond Section				
Priority I	$1,636,970,000	$1,540,715,000	$1,721,470,000	$180,755,000
Priority II	$124,065,000	$277,435,000	$351,125,000	$73,690,000
Priority III	$7,700,000	$14,500,000	$0	($14,500,000)
Priority IV	$15,915,000	$0	$0	$0
Priority V	$905,820,000	$1,156,290,000	$1,386,390,000	$230,100,000
Total G. O. Bond Section	**$2,690,470,000**	**$2,988,940,000**	**$3,458,985,000**	**$470,045,000**
NRP/RBP *	$3,689,311	$10,455,700	$11,788,352	$1,332,652
Total Capital Outlay Bill Less Vetoes	**$3,998,792,473**	**$4,361,605,241**	**$4,692,328,465**	**$330,723,224**

Notes:
The Capital Outlay Appropriations for each year above are net of items vetoed by the Governor.
The Federal means of finance category includes Federal Funds and Transportation Trust Funds-Federal.

*NRP (Not Requiring a Priority) is the allocation of previously sold bonds.
*RBP (Reimbursement Bond Proceeds) is the appropriation of funding made available from prepayments of reimbursement bond contracts.

Section II

FISCAL ACTIONS

2013 REGULAR SESSION

Actions Affecting Major State Tax, License and Fee Estimates and Estimates of Net Available State General Fund Revenue

2013 Regular Session

Instrument	Description	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	SESSION ACTIONS - REVENUE						
Sales Tax - General							
Act 396 Regular Session HB 682	Expands the exemption for precious metals and numismatic coins over $1,000 to all purchases of these items, regardless of purchase price.		($25,000)	($25,000)	($25,000)	($25,000)	($25,000)
Act 300 Regular Session HB 75	Exempts the purchases by the St. Bernard Project, Inc. for home construction materials.		($100,000)	($100,000)	($100,000)	($100,000)	($100,000)
Act 425 Regular Session HB 653	Reduces the vendor compensation rate allowed to be retained by vendors for timely remittance of sales tax, from 1.1% to 0.935%. Results in more remittance to the state (with a small effect in vehicle sales tax as well).		$4,300,000	$4,300,000	$4,300,000	$4,300,000	$4,300,000
Corporate Income & Franchise Tax							
Act 423 Regular Session HB 571	Modifies the Enterprise Zone program to (a) remove part-time jobs from eligibility ($300,000 in FY 14), (b) raising the employment requirements for participants outside of zones (no estimate of effect), and (c) disqualifies large retail participation (100+ employees) except for groceries and pharmacies located zones ($500,000 in FY 14). Applicable to new and renewal applications.		$300,000 $500,000	$625,000 $1,000,000	$625,000 $2,000,000	$625,000 $3,000,000	$625,000 $4,000,000
Act 141 Regular Session HB 255	Expands Enterprise Zone eligibility for the South Market District development in New Orleans to allow 300 residential units (from 200), and changes the retail space requirement to 20,000 square feet (from 15% of the facility). This is the third modification of the EZ program to fit the parameters of the development.				($278,000)	($255,000)	
Act 341 Regular Session SB 37	Allows a 5-year net operating loss carryback (rather than 3 years) for losses associated wth Hurricane Issac. Can only work to generate greater refunds than would otherwise occur. Capped at $800,000 per year of state revenue exposure and contingent upon a similar federal benefit being granted.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Act 304 Regular Session HB 151	Renews tax credits for businesses in the Cane River Heritage Area Development Zone through 2018. Credits of $1,500 per year for 5 years plys $1,500 per employee.			DECREASE	DECREASE	DECREASE	DECREASE
Act 431 Regular Session SB 122	Modifies the port investor credit and the import/export cargo credit in anticipation of utilization of these credits. State exposure to the investor credit is an accumulating exposure at a rate of $6.25 M per year. Exposure to the cargo credit is $6.25 M per year, but only on incremental cargo growth.			DECREASE	DECREASE	DECREASE	DECREASE

Actions Affecting Major State Tax, License and Fee Estimates and Estimates of Net Available State General Fund Revenue

2013 Regular Session

Instrument	Description	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Act 263 Regular Session HB 630	Extends the 25% tax credit for rehabilitation of historic structures for commercial purposes, through 2017. Makes other minor changes to program.				($5,000,000)	($10,000,000)	($15,000,000)
Act 428 Regular Session HB 705	Modifies the solar electric/thermal tax credit program, with an emphasis on constraining the costs to the state of the leased systems. Cuts the credit for leased systems from 50% to 38%, and phases down the allowable system size over time. Removes apartments and wind systems, and ends program in FY 18.			$1,700,000	$5,000,000	$9,400,000	$11,900,000
Act 197 Regular Session HB 483	Extends infrastructure component of the credit through 2021 for qualifying projects located on higher education campuses; essentially a capital outlay financing subsidy of 25% of project expenses. In addition, the existing program is extended for spending that occurs through 2014.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Individual Income Tax							
Act 271 Regular Session SB 197	Renews the tax credits for expenses of rehabilitating certain owner-occupied historic residential structures. Credits are 25% to 50% of costs, limited to $25,000 per structure. Renewed for 2016 and 2017.				($300,000)	($300,000)	($300,000)
Act 385 Regular Session HB 358	Renews tax credits for sound recording expenses (25% credit for spending over $15,000; capped at $3 M per year). Extended through 2019, with the spending threshold lowered to $5,000.				($300,000)	($300,000)	($300,000)
Act 427 Regular Session HB 681	Limits the types of electric vehicles eligible for the alternative fuel vehicle tax credit, and removes ethanol from eligible fuels. These limitations are expected to have only a very small effect, but can only work to constrain program costs.			INCREASE	INCREASE	INCREASE	INCREASE
Excise License Tax (premium tax)							
Act 265 Regular Session HB 726	Provides another $25.75 M of state New Markets tax credits. Credits are available to be realized against premium tax liabilities over 4 years.		($7,700,000)	($7,700,000)	($4,675,000)	($4,675,000)	
	Total Adjustments To Major State Tax, License And Fee Estimates	**$0**	**($2,725,000)**	**($200,000)**	**$1,247,000**	**$1,670,000**	**$5,100,000**

Actions Affecting Major State Tax, License and Fee Estimates and Estimates of Net Available State General Fund Revenue

2013 Regular Session

Instrument	Description	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
	SESSION ACTIONS - DEDICATIONS						
Telecommunications Fund For The Deaf							
Act 300 Regular Session HB 75	Dedicates to the Telecommunications Fund For the Deaf state sales tax receipts collected from sales of telecommunications services.		$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Reactivization of Stabilization Fund Mineral Revenue Deposits							
Act 420 Regular Session HB 452	Terminates statutory provisions that have prohibited excess mineral revenues from being diverted into the Budget Stabilization Fund, and away from the state general fund. These provisions are null and void on 7/1/2015. General fund exposure is based on current mineral revenue forecasts and balances of the Stabilization Fund. Once filled to its maximum in FY 16, no further diversions occur unless the calculated maximum balance increases and/or a withdrawal from the fund occurs.				$330,000,000		
Dedication of Fraud Initiative Receipts							
Act 420 Regular Session HB 452	Directs the treasurer to transfer SGF monies in excess of $3 M generated by fraud initiatives to the Overcollections Fund. The Revenue Dept. is to identify these amounts. These monies would otherwise be accounted for as tax collections, and this bill effectively dedicates those collections. The general appropriations bill anticipates $20 M of these receipts. Effective for FY 14.		$20,000,000				
	Adjustments To Dedications of Major State Tax, License, and Fee Estimates	**$0**	**$21,000,000**	**$1,000,000**	**$331,000,000**	**$1,000,000**	**$1,000,000**
	TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST	**$0**	**($23,725,000)**	**($1,200,000)**	**($329,753,000)**	**$670,000**	**$4,100,000**
	OTHER ITEMS OF INTEREST						
Act 421 Regular Session HB 456	Provides a tax amnesty program with three amnesty periods: 2013, 2014, and 2015. Incentives to participate are heavily weighted to the first period (2013) where 100% of penalties and 50% of interest are waived. In period two (2014) no interest is waived and only 15% of penalties are waived. In period three (2015) no interest is waived and only 10% of penalties are waived. The last amnesty program was offered in 2009, generating a large amount of collections ($483 M) and prohibiting dispute on issues resolved by the amnesty for 3 tax years (immediately preceding this new program). Collections are highly uncertain.		INCREASE				
Act 399 Regular Session HB 629	Establishes a centralized debt collection program within the Revenue Dept. State agencies, the Revenue Dept., and the Attorney General are all still involved in debt collection, but a more centralized process is established with additional enforcement tools. Interaction with the amnesty program of Act 421 is uncertain, but the debt collection program could work to at least accelerate collections.			INCREASE	INCREASE	INCREASE	INCREASE

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 107	Executive	Division of Administration	Increase of $171,213 ($147,943 SGF and $23,270 IAT from DOTD) provides for the following: $23,270 IAT for increased Agile Assets costs anticipated in FY 14. The Agile Assets module of LaGov is only used by DOTD. Thus, the maintenance of this module is funded by the Transportation Trust Fund - Regular. After the increased funding of $23,270, the amount in FY 14 for Agile Assets will be $1,277,286. $147,943 SGF for various information technology maintenance costs. Those costs include: $30,560 - hardware maintenance costs LaGov production operations, $53,971 - LaGov SAP software maintenance costs and $63,412 - additional software maintenance costs for non-SAP software. **Note:** FY 14 is the 4th consecutive fiscal year the budget has not funded a statewide rollout. The further the rollout is delayed, the less relevant the LaGov system becomes and the increased risk that the current 17-year old legacy systems will crash beyond repair.	$147,943	$171,213	0
01 - 107	Executive	Division of Administration	Additional $350,000 ($82,444 SGF, $139,593 IAT and $127,963 SGR) for elevator maintenance. DOA contends that a single vendor will handle all elevator maintenance for all state buildings under the Office of State Buildings (OSB).	$82,444	$350,000	0
01 - 107	Executive	Division of Administration	Additional SGR for an anticipated increase in maintenance costs (State Buildings) due to 2 Office of Public Health (OPH) labs scheduled to open in FY 14. According to the DOA, these labs are scheduled to open in September 2013. The DOA provided the LFO no additional details concerning this increase.	$0	$1,379,400	0
01 - 107	Executive	Division of Administration	Increases IAT funding from DNR ($62,000), WLF ($500,000) and Coastal ($388,000). The majority of the funding will be utilized for salaries and related benefits for staff that will housed at the DOA during the year of implementation of LaGov (FY 14), training for Dept. of Natural Resources (DNR), Dept. of Wildlife & Fisheries (WLF) and Office of Coastal Protection & Restoration (Coastal) personnel on using the system and any adjustments needed to existing system modules to meet the needs of DNR, WLF and Coastal. Due to FY 11, FY 12, FY 13 and FY 14 budget constraints, the DOA chose to pilot the implementation of the system for the Dept. of Transportation & Development (DOTD) in FY 11, Dept. of Environmental Quality (DEQ) in FY 13 and the DNR, WLF and Coastal in FY 14. **Note:** FY 14 is the 4th consecutive fiscal year the budget has not funded a statewide rollout. The further the rollout is delayed, the less relevant the LaGov system becomes and the increased risk that the current 17-year old legacy systems will crash beyond repair. In addition to DNR and WLF transferring to LaGov in FY 14, DNR, DEQ and WLF will consolidate back office functions with DNR. The DOA has indicated to the LFO that will be no issues at DNR concerning these changes. However, back office personnel within DNR will not only be learning the agency functions of WLF and DEQ in order to consolidate back office functions correctly, DNR will also be learning a new system (LaGov).	$0	$950,000	0
01 - 109	Executive	Coastal Protection & Restoration	Adds $8,500 IAT revenue from the Department of Natural Resources and $1,500 from the Coastal Protection & Restoration Fund. The IAT revenue derives from a federal coastal wetlands grant received by DNR. The increased funding will be sent to the Dept. of Wildlife & Fisheries' Nutria Control Program and Caernarvon & Davis Pond Freshwater Diversion Program.	$0	$10,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund. The increased funds will be sent to the Department of Natural Resources ($62,000) and the Division of Administration ($388,000) to provide for the implementation costs to bring the agency onto LaGov.	$0	$450,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund to provide for increased rental costs for the Thibodaux Field Office. The rental lease was amended to provide an additional 1,522 square feet of office space.	$0	$24,000	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 109	Executive	Coastal Protection & Restoration	Annualization of a BA-7 that provided $6 M in Federal funds in FY 13 from the U.S. Dept. of Commerce for the Bayou Dupont Marsh & Ridge Creation Project in Jefferson Parish. The project involves dredging activities to create or nourish the marsh habitat for aquatic species by the delivery of sediment from the Mississippi River through a pipeline, along with creation of a ridge. This adjustment is the balance of the $30 M grant awarded to the agency.	$0	$24,005,572	0
01 - 109	Executive	Coastal Protection & Restoration	Increases IAT revenue from the Dept. of Natural Resources Office of the Secretary. The IAT revenue originates from a federal coastal wetlands grant and will be utilized for wetlands projects.	$0	$71,909	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund. The increased funds will provide for various coastal projects included in the Coastal Impact Assistance Program's FY 14 annual plan.	$0	$50,000,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases funding from the Coastal Protection & Restoration Fund for expenses associated with barrier island restoration projects. The increased funding is the result of criminal penalties that the federal government ordered B.P. to pay to the National Fish & Wildlife Foundation because of the Deep Water Horizon oil spill.	$0	$56,480,000	0
01 - 109	Executive	Coastal Protection & Restoration	Increases IAT revenue from the LA Oil Spill Coordinator's Office (LOSCO) in the Office of State Police. The increased funding will provide for projects and planning funded with Natural Resource Damage Assessment (NRDA) funds. After the cleanup of an oil spill, through the NRDA process, studies are conducted to identify injuries to resources, the best methods for restoring the resources and the type and amount of restoration required.	$0	$67,007,719	0
01 - 112	Executive	Military Department	Increase in federal Sustainment, Restoration & Maintenance (SRM) funding ($1,391,200) and federal Anti-Terrorism funding ($24,121). Approximately 97% of these additional Federal funds will be utilized on major repairs. The SRM funding will be budgeted as follows: $18,875 - in-state field travel, $20,000 - acquisitions and $1,352,325 - major repairs. The total SRM funding in the FY 14 budget will be $8,192,408. *However, due to sequestration/continuing resolution and the potential for a reduction in Federal funds, the department does not anticipate expending all of the FY 14 Federal budget authority.*	$0	$1,415,321	0
01 - 112	Executive	Military Department	Provides funding ($123,354 SGF and $133,679 Federal) for the following: **$115,926** - 2 new armory annexes at Jackson Barracks ($57,963 SGF and $57,963 Federal). The anticipated FY 14 expenditures include: building maintenance ($34,768), electricity ($69,536) and household supplies ($11,622). **$20,649** - The Tactical Unmanned Aircraft System (TUAS) Facility at Fort Polk ($5,162 SGF and $15,487 Federal). The TUAS is a military construction project originally funded under the FFY 2011 Federal Army National Guard budget. The state will be responsible for the operating expenditures associated with the facility. The costs incurred for TUAS operations will be federally reimbursed via the Sustainment, Restoration (SRM) Cooperative Agreement, which is 75% federal and 25% state. **$120,458** - Armed Forces Readiness Center at Camp Minden ($60,229 SGF and $60,229 Federal). The Center was originally funded under the FFY 2011 Federal Army National Guard budget. The state will be responsible for the operating expenditures associated with the center. The costs incurred for the center will be federally reimbursed via the Sustainment, Restoration (SRM) Cooperative Agreement, which is 50% federal and 50% state.	$123,354	$257,033	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 116	Executive	LA Public Defender Board	Annualizes an approved Joint Legislative Committee on the Budget (JLCB) BA-7 at the December 2012 meeting. The approved BA-7 appropriated expenditures associated with the continued funding of a case management analyst position and a new auditor position, both of which are non-T.O. positions (other compensation positions). The original source of the IAT funds is an Edward Byrne Memorial Justice Assistance Grant (JAG), which is a formula driven federal grant received annually, via the LA Commission on Law Enforcement (LCLE). These grant funds will be utilized to fund an auditor position, who will review and evaluate monthly financial report submissions from the 42 district public defender offices, and will continue funding of an existing CMS analyst position.	$0	$88,209	0
01 - 129	Executive	LA Commission on Law Enforcement	Increases Federal funds from the Edward Byrne Memorial Justice Assistance Grant for maintenance support for the eGrants Management System, which is used to monitor formula grants from the U.S. Dept. of Justice. FY 14 budget is $75,000.	$0	$75,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Increases funding from the Innocence Compensation Fund to pay all eligible petitioners in accordance with the provisions of R.S. 15:572.8 (Compensation for wrongful conviction and imprisonment).	$0	$530,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Provides funding to the Orleans Parish Sheriff's Office for the payment of expenses related to the housing of state offenders in Orleans Parish.	$2,000,000	$2,000,000	0
01 - 133	Executive	Elderly Affairs	Increases funding for the Senior Centers Program operated by the parish councils on aging. Since 1989, the Legislature has appropriated additional money for various councils on aging throughout the state to be used to supplement the primary state grant for senior centers. The Senior Centers provides transportation, nutrition, information, referral, education and enrichment, and health services to senior citizens. There are 139 senior centers statewide and 432 meal sites. In FY 14, total funding for the Senior Centers Program is $1,521,928.	$500,000	$500,000	0
01 - 255	Executive	Financial Institutions	Additional funding for the replacement of the agency's financial regulatory database system, which provides the Office of Financial Institutions (OFI) with automated reporting and tracks current licensee information and fee collections. The agency's current system, Fox Pro, will no longer provide support beyond 2015. The new system is called STARS and the vendor is Iron Data. SGR (OFI fee collections) will be utilized to fund the new replacement database.	$0	$315,000	0
			Major Increases/Enhancements for Executive	**$2,853,741**	**$206,080,376**	**0**
03 - 130	Veterans' Affairs	Dept. Veterans' Affairs	Funding increase for a new cemetery in St. Tammany to support 4 positions and operational expenses. The new cemetery is currently under construction, which is scheduled to end by November 2013. However, due to potential weather delays affecting construction and time needed for hiring personnel and start-up preparations, the cemetery is not scheduled to open until February 2014. FY 14 expenditures at the new St. Tammany cemetery for 5 months of operation include: salaries ($93,663), related benefits ($38,847), travel ($3,294), operating services ($23,000), interagency transfers ($4,364), supplies ($20,000), and acquisitions ($20,000). The 4 positions include an Administrative Coordinator ($23,040), Mobile Equipment Operator ($25,790), Horticultural Attendant Supervisor ($32,623), and Horticultural Attendant ($12,210).	$203,168	$203,168	4
			Major Increases/Enhancements for Veterans' Affairs	**$203,168**	**$203,168**	**4**

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
04a - 139	State	Secretary of State	Provides $24,955 SGF and $138,476 SGR for civil service training series promotions for persons in information technology, accounting, elections technician and elections program specialists job series. Training series promotions includes those jobs whose classification is downgraded to allow the incumbent a training period to become more proficient.	$24,955	$163,431	0
04a - 139	State	Secretary of State	Increases SGR to provide $400,000 for professional services contract for development and installation of application to allow the clerks of court to enter commercial code filings into one computer system instead of 2 separate systems; $100,000 for increases in vendor payments due to the increased volume of credit card transactions in the commercial program; and $500,000 for new server, software and software licenses for registrar of voters (ROV) offices that will enable the ROVs to continue to interact with the Secretary of State's voter registration and elections computer systems.	$0	$1,000,000	0
			Major Increases/Enhancements for State	**$24,955**	**$1,163,431**	**0**
04b - 141	Justice	Attorney General	Increases IAT revenue received from the Oil Spill Coordinator's Office in the Office of State Police for litigation expenses related to the Deep Water Horizon Event. Total funding in FY 14 for Deep Water Horizon litigation expenses is $16.4 M.	$0	$7,358,573	0
04b - 141	Justice	Attorney General	Increases funding from the LA Fund to provide for acquisition of new computer database for tobacco enforcement.	$0	$500,000	0
04b - 141	Justice	Attorney General	Increases funding from the Medical Assistance Program Fund to provide match funding for increased Federal funds for the Medicaid Fraud Program. Increased funding provides for general operations of the program.	$0	$1,834,548	0
			Major Increases/Enhancements for Justice	**$0**	**$9,693,121**	**0**
05 - 251	Economic Development	Office of Secretary	Provides additional funding for the FastStart Program to meet training commitments to Benteler Steel.	$2,000,000	$2,000,000	0
05 - 252	Economic Development	Business Development	Increases Federal funds from the Dept. of Treasury for a grant award for the State Small Business Credit Initiative Program (SSBCIP). The SSBCIP facilitates capital accessibility for small businesses by providing loan guarantees to banks and other small business lenders in association with the federal State Small Business Credit Initiative (SSBCI).	$0	$89,825	0
05 - 252	Economic Development	Business Development	Increases SGR from an anticipated increase in business incentive fees for various analytical, legal, accounting and IT services required in the Business Incentives Program. This funding will assist with the Quality Jobs Program, Research & Development Tax Credits, and the Enterprise Zone Program.	$0	$299,500	0
			Major Increases/Enhancements for Economic Development	**$2,000,000**	**$2,389,325**	**0**

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
06 - 264	Culture, Recreation & Tourism	State Parks	Provides SGF for erosion repair related to the Poverty Point State Historic Site. The funding will be utilized to stabilize approximately 675 linear feet of the bayou bank at the site.	$750,000	$750,000	0
06 - 267	Culture, Recreation & Tourism	Tourism	Provides additional funding for the Arts Grants Program. Total funding in FY 14 is $2 M ($1.5 M from the LA Tourism Promotion District), which is an increase of $500,000 from FY 13.	$500,000	$500,000	0
			Major Increases/Enhancements for Culture, Recreation & Tourism	**$1,250,000**	**$1,250,000**	**0**
07 - 276	Transportation & Development	Engineering & Operations	Multimodel Planning Program - Increases IAT from the LA Highway Safety Commission for highway safety projects. This increase is based on projected funding levels by federal formula. The total funding recommended for FY 14 to be sent from the Highway Safety Commission to the DOTD operating budget is $4.91 M.	$0	$927,455	0
07 - 276	Transportation & Development	Engineering & Operations	Operations Program - Increases funding from the Transportation Trust Fund - Regular for maintenance of the statewide Traffic Management. The increased funding is associated with enhancements to system functionality and networking connectivity of the statewide traffic camera system. The camera system is used to provide traffic reports during times of high-traffic congestion, as well as providing traffic management and coordination during declared disasters and evacuations.	$0	$1,744,203	0
07 - 276	Transportation & Development	Engineering & Operations	Operations Program - Provides funding from the Transportation Trust Fund - Regular for LEAF financing purchases of heavy equipment over a 3-year period in place of direct acquisitions of equipment. In previous years, these purchases were funded in the Acquisitions & Major Repairs expenditure category as a direct cash purchase. LEAF financing purchases are budgeted in the Operating Services expenditure category. The FY 13 funding level was $5 M.	$0	$4,120,122	0
07 - 276	Transportation & Development	Engineering & Operations	Provides funding from the Crescent City Transition Fund for the costs of enhanced services, including lighting, mowing, litter collection, landscape maintenance, trash can maintenance, and additional sweeping on the Crescent City Connection Bridge and surrounding infrastructure.	$0	$1,387,684	0
			Major Increases/Enhancements for Transportation & Development	**$0**	**$8,179,464**	**0**
08A - 400	Corrections	Administration	Provides funding for off-site non-primary health care services for offenders. This funding amount is based on historical utilization data from LSU-HCSD, DHH and several cost projections from insurance providers. These services include emergency, inpatient, outpatient/specialists, diagnostics, surgery, and cancer treatments. The $50 M will be used to fund offender costs at LSU-Shreveport, E.A. Conway, H. P. Long, W. O. Moss, Bogalusa Medical Center and Lallie Kemp in FY 14 (approximately $7,688,295), in addition to contracting with LSU partner hospitals and other private hospitals for inpatient and outpatient specialist care (approximately $42,311,705). The other major component is to optimize services delivered at DOC facilities. This includes expanding clinical exam capacity, procuring third-party mobile services to serve prisoners on site, and continuing the use of the LSU Telemedicine Network. Renovations are underway at Elayn Hunt Correctional Center, LA Correctional Institute for Women, and LA State Penitentiary.	$50,000,000	$50,000,000	0
			Major Increases/Enhancements for Corrections	**$50,000,000**	**$50,000,000**	**0**

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08B - 418	Public Safety	Management & Finance	Provides IAT funding from the Governor's Office of Homeland Security for hazard mitigation projects to open regional code offices in the 64 parishes using either Regional Planning Commissions or a large municipality as the code office. This action will faciliate compliance with the LA Recovery Authority Action Plan and statewide building code standards adopted in Act 12 of the 2005 1st Extraordinary Legislative Session. The funds were initially appropriated for use in FY 13, but due to an unanticipated delay, some expenditures will occur in FY 14.	$0	$1,206,035	0
08B - 419	Public Safety	State Police	Traffic Program - Net increase in funding associated with the state response to the Deepwater Horizon Event. Funding was increased from the Natural Resource Restoration Trust Fund ($64,763,144) and decreases from the Oil Spill Contingency Fund (-$6,954,893) to provide for ongoing costs associated with the Deepwater Horizon Event. This adjustment results in a net increase of $57,808,251 total expenditure authority for oil spill expenditures in FY 14.	$0	$57,808,251	0
08B - 419	Public Safety	State Police	Traffic Program - Provides funding from the Riverboat Gaming Enforcement Fund for police functions on the Crescent City Connection Bridge.	$0	$2,000,000	0
08B - 419	Public Safety	State Police	Operational Support Program - Provides funding from the Concealed Handgun Permit Fund for additional resources to reduce the backlog associated with permits to carry concealed weapons. The funds will provide for filling 4 permanent and 8 temporary positions using current unfunded vacant authorized positions.	$0	$1,284,574	0
08B - 419	Public Safety	State Police	Operational Support Program - Provides IAT funding from the Dept. of Transportation & Development for the purchase of new I9000 breath testing instruments, the related software, and the appropriate training of law enforcement officers. These funds are provided through highway safety Flex funds and will provide for the purchase and deployment of 253 new breath testing instruments.	$0	$2,043,459	0
08B - 425	Public Safety	LA Highway Safety Commission	Increases federal budget authority for a projected increase in expenditures associated with hazard elimination funds received from the Federal Highway Administration. The funds are used for projects that correct or improve hazardous road locations or features and address highway safety problems. This adjustment brings the total appropriation of Federal funds from the Federal Highway Administration to $34.6 M in FY 14.	$0	$9,264,327	0
			Major Increases/Enhancements for Public Safety	**$0**	**$73,606,646**	**0**
09 - 305	Health & Hospitals	Medical Vendor Administration	Annualization of a professional services contract. The Bureau of Health Services Financing (BHSF) contracts for the provision of professional services necessary to support mission critical operations. The source of the Federal funds ($2,030,998) is Medicaid Administrative federal financial participation.	$2,030,998	$4,061,996	0
09 - 305	Health & Hospitals	Medical Vendor Administration	The Affordable Care Act requires each State Medicaid agency to replace the current Medicaid Statistical Information System (MSIS) database with a transformed MSIS (T- MSIS) database as requested by the U.S. Office of Inspector General. The new database contains more data elements than its predecessor for the improved detection of fraud, waste and abuse. The final database requirements are to be determined, but a mandated compliance date in FY 14 has been indicated. ($400,000 SGF and $3.6 M Federal)	$400,000	$4,000,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	As part of the ß42 CFR 455.101-455.470, certain Medicaid providers are subject to a non-refundable application fee as a result of participation in Medicaid. The application fee is set by the Centers for Medicare & Medicaid Services (CMS) and may be adjusted annually. The fee is assessed at the point of initial enrollment ($475,407 SGR). Medical Vendor Administration will collect this fee and send the collections to the CMS. This represents pass-through funding to DHH.	$0	$475,407	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Additional funding ($1,419,675 SGF and $2,413,140 Federal) for reimbursement of Medicaid covered services to adults currently eligible for but not enrolled in Medicaid. This increase in enrollment is the result of a "woodwork" effect, in which certain individuals will enroll in Medicaid due to the national attention to increased access to affordable health care coverage for lower income individuals.	$1,419,675	$3,832,815	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Adjustment for increased utilization for Durable Medical Equipment. The source of the Federal funds ($617,421) is Title 19 federal financial participation.	$363,235	$980,656	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding to increase inpatient hospital rates for small rural hospitals per Act 327 of 2007. The Act requires DHH to raise the rates annually by the Medicare market basket inflation factor. This is part of LA's state plan with the Center for Medicare & Medicaid Services (CMS). The source of Federal funds ($1,166,355) is Title 19 federal financial participation. The adjustment is based on the following calculations: Payment rate x paid days / Annual Amt. / x 3% / 60 day lag / FY 14 Amt. Acute: $1,722.88 / 35,882 / $61,820,380 / $1,854,611.40 / $304,867.63 / $1,549,743.78 Psych Unit: $861.64 / 14,018 / $12,078,470 / $362,354.09 / $59,565.06 / $302,789.03 Total: 49,900 / $73,898,849 / $2,216,965.49 / $364,432.68 / $1,852,532.81	$686,178	$1,852,533	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding for the Medicare Economic Index (MEI) rate adjustment for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs). The source of Federal funds ($530,058) is Title 19 federal financial participation. This funding will cover the annualized cost of inflation on prospective payment system rates as determined by the published MEI. The MEI is a measure of inflation for physicians and used for determining allowable charges for physicians services. The MEI is updated annually, and is based on a formula that factors in physician practice costs, medical equipment costs, and general wage levels. The estimated increase is based on the following calculation: FQHC projected FY 13 expenditures $27,024,423 MEI percentage 1.36% Projected increase $367,532 RHC projected FY expenditures $34,879,702 MEI percentage 1.36% $474,364 Total MEI adjustment $841,896	$311,838	$841,896	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding for 9 new Federally Qualified Health Centers (FQHCs) and 8 new Rural Health Clinics (RHCs) projected to enroll in the Medicaid Program in FY 14. The source of Federal funds ($1,948,041) is Title 19 federal financial participation. The increased funding represents Medicaid claims payments for projected Medicaid eligible encounters at these health centers in FY 14. Projected costs are based on an average payment per month ($45,983.27 for FQHCs and $24,026.11 for RHCs). These safety net providers offer primary care services and supplies in rural areas that are considered medically underserved as designated by the federal government. DHH anticipates these 17 new providers will obtain Centers for Medicare & Medicaid Services (CMS) licensing and certification in FY 14.	$1,146,053	$3,094,094	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides annualized funding for payments to 8 rural health clinics and 9 federally qualified health centers that are enrolled in FY 13. The source of Federal funds ($2,711,190) is Title 19 federal financial participation. The increased funding represents Medicaid claims payments for Medicaid eligible encounters at these health centers. Projected costs are based on an average payment per month ($45,983.27 for FQHCs and $24,026.11 for RHCs) and annualized for FY 14. These safety net providers offer primary care services and supplies in rural areas that are considered medically underserved as designated by the federal government.	$1,595,021	$4,306,211	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Annualizes federally mandated increased reimbursement for designated primary care services (effective 1/1/2013). The source of Federal funds ($9,364,467) is Title 19 federal financial participation. Information provided by DHH indicates that LA Medicaid will be required to reimburse certain physicians or certain procedure codes at the higher of one of two rates (100% of Medicare's 2009 or 2013 fee schedule). These Medicaid rates are based on requirements of the Affordable Care Act. Qualifying physicians include family practice, general practice, internal medicine, and pediatric medicine. Specific codes that will be affected include evaluation and management services and immunization administration service codes. A portion of these rate increase are reimbursed with 100% Federal funds (Title 19). $29,201,791 FY 13 funding $10,993,248 FY 14 total projected cost for paying higher rates for certain codes $40,195,039 Total payments in FY 14 based on new rates	$1,628,781	$10,993,248	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Funding for the annualized costs of waiver slots filled in FY 13 for the Adult Day Health Care (ADHC), Children's Choice, New Opportunities (NOW), Residential Options and Supports waivers. The source of Federal funds ($2,704,639) is Title 19 federal financial participation. The increase in funding for FY 14 is based on the following slots phased in over FY 13, and average monthly cost as reflected in the table below. Waiver / FY 13 slots added / Annualized costs / Average monthly costs Adult Day HC / 744 / $298,943 / $834,705 Childrens Choice / 55 / $430,495 / $651.75 New Opportunities (NOW) / 220 / $3,104,508 / $4,460.50 Residential Options / 12 / $226,577 / $2,904.83 Supports / 41 / $235,282 / $235,281 Total / 1,072 / $4,295,805	$1,591,166	$4,295,805	0
09 - 306	Health & Hospitals	Medical Vendor Payments	The projected expenditures for inpatient major teaching. Tulane Hospital will be reimbursed for its high cost hemophilia cases in FY 14. The source of the Federal funds ($188,880) is Title 19 federal financial participation.	$111,120	$300,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding for Outlier payments to hospitals for recipients in fee-for-service Medicaid (non-prepaid plans). The source of the Federal funds ($1,825,840) is Title 19 federal financial participation. Outlier payments have been made to hospital providers that demonstrate extraordinary costs in excess of the per diem paid to those facilities as a result of high cost patients (usually patient cost in NICU and PICU). To qualify for outlier payments, a case must have a cost above a "fixed-loss cost threshold" amount, or the amount of the cost of the case above LA Medicaid payments for such case. The total annual outlier pool amount is for FY 14 is projected to be $10 M. The initial estimate for outliers was $7.1 M due to the percentages of recipients that were in fee-for-service vs. the prepaid plans. DHH is adjusting the amount paid for outliers for the non-prepaid recipients to be the full $10 M. $7,100,000 Projected FY 13 Outlier claims submitted in fee-for-service $10,000,000 Projected FY 14 Outlier claims submitted in fee-for-service $2,900,000 Increase	$1,074,160	$2,900,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Funding for projected increase in utilization in the Private Providers Program for FY 14. The source of the Federal funds ($12,386,240) is Title 19 federal financial participation.	$7,286,949	$19,673,189	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides Medicaid claims reimbursements for Rural Health Clinic cost report settlements. This adjustment to Rural Health Clinics is based on an analysis of prior year and estimated FY 14 expenditures. The source of the Federal funds ($818,480) is Title 19 federal financial participation.	$481,520	$1,300,000	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Provide funding for an increase in Upper Payment Limit (UPL) supplemental Medicaid payments to private providers that will partner with public hospitals. This funding represents a portion of funding that will be allocated to private providers in FY 14. The source of the Federal funds ($47,124,285) is Title 19 federal financial participation. $51,684,356 UPL payments to LSU hospitals in FY 13 Medicaid base budget that will be redirected and paid to privates in FY 14 $74,847,975 Additional UPL payments added for private partners in FY 14 $126,532,331 Total UPL hospital payments for private partners	$27,723,690	$74,847,975	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Realignment of HCSD Central Office operations from the Health Care Services Division (eliminated in FY 14) to the Medical Vendor Payments. For FY 14, funding ($16,815,348 SGF and $28,582,460 Federal) for certain expenses of the Health Care Services Division Central Office are appropriated in the Medical Vendor Payments, Payments to Private Providers Program. Information provided by the Dept. of Health & Hospitals indicates these costs are related to retirees insurance expenses and certain Information Technology expenditures. $24,004,319 - FY 13 Central Office funding in the Health Care Services Division $45,397,808 - FY 14 Central Office funding in Medical Vendor Payments (Private Providers Program)	$16,815,348	$45,397,808	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding ($4,729,976 Statutory Dedications and $8,039,937 Federal) due to an increase in nursing home provider fees from $8.02 to $10 per bed day. The source of Statutory Dedication funding is revenue from the Medicaid Trust Fund for the Elderly and additional provider fee revenues deposited into the Medical Assistance Trust Fund (MATF). The source of the Federal funds is Title 19 federal financial participation. **Note:** This adjustment represents only a portion of the provider fee increase. The total provider fee increase is $16,493,932 ($4,729,976 + $11,763,956) and the balance of the additional fees is reflected as part of a separate adjustment in the Major MOF Swaps with a like amount of SGF.	$0	$12,769,913	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Additional funding for projected Graduate Medical Education (GME) funding in FY 14. GME reimbursement represents a supplemental portion (payment) of the per diem rate paid to teaching hospital providers. The source of Federal funds ($4,731,342) is Title 19 federal financial participation. The adjustment is based on the following projections.	$2,783,496	$7,514,838	0

	Days	GME portion	GME cost
Tulane U Hospital	28,959	$273.44	$7,918,548.96
Baton Rouge General	24,735	$21.36	$528,339.60
Ochsner	7,696	$17.57	$135,218.72
Ochsner K	40.295	$207.94	$8,378,942.30
Touro	26,172	$23.10	$604,573.20
Childrens NO	30,819	$187.77	$5,786,883.63
			$23,352,506.41

Additional 32% over base funding
32.18% x $23,352,506 = $7,514,838

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases Federal funds budget authority for services paid by Medicaid to Local Education Agencies (LEA) for Medicaid allowable School Based Health services. The LEA certifies the cost associated with providing these services, and these certifications are used as the state share (state match source) and DHH draws draws down the federal financial participation and pays the federal share directly to the school district. The source of Federal funds is Title 19 federal financial participation. This adjustment increases payments for such services to the school districts to $43,437,246 for FY 14. The increase is based on the following assumptions and calculations: $32,104,446 FY 13 LEA CPE $11,332,800 Act 14 Allocation $43,437,246 FY 14 LEA CPE	$0	$11,332,800	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides increased SGF for "Clawback" funding. The Clawback represents payments that are made by LA Medicaid to the federal Medicare program as required by the Centers for Medicare & Medicaid Services (CMS) on a monthly basis to cover the cost of the Medicare Prescription Drug Program, Part D. As of January 2006, dual eligibles receive prescription drug benefits from Medicare and not Medicaid. The amount that each state is designed to pay is based on what a state would pay if a dual eligible Medicaid enrollee would have continued to receive their prescription drug benefit under Medicaid. Dual enrollees are enrolled in both Medicaid and Medicare. This funding is the result of a projected increase in enrollees and a projected increase in the "Per Capita Phasedown Amount" (monthly payment). Existing Clawback Budget $104,957,935 FY 14 Projected Clawback $138,172,357 Total requested increase $33,214,422	$33,214,422	$33,214,422	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increase for the Electronic Health Records (EHR) Incentive Payment Program due to the projected increase in participation by the Eligible Professional (EP) and Eligible Hospital (EH) groups resulting from outreach activities performed in FY 13 targeting approximately 700 provider specialists. Eligible professionals include certain physicians, nurse practitioners, certified nurses, dentists, and physician assistants that furnish services in a FQHC or RHC. The maximum amount of the incentive over 5 years is $63,750, and the providers must demonstrate meaningful use of EHR technology to receive the payments. Funding added to the program (100% federal grant funds) is due to a projected increase in participation by eligible professionals, and the addition of optometrists that are now eligible for the program. The FY 13 allocation for the EHR Incentive Program was $102,946,357. 350 providers @ $7,437,500 350 providers @ $2,975,000 Total $10,412,500	$0	$10,412,500	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding for federally qualified rate changes to Medicare Part B premiums for certain qualifying individual, or QI (qualifying individuals). This adjustment provides federal funding for federally mandated rate changes to Medicare premiums and for the anticipated increase in the number of enrollees (low-income seniors and disabled individuals who qualify for both Medicare and Medicaid) who enroll in the Medicare Savings Program. Funding is 100% reimbursed by the federal government (no state match). The increase is based on the following assumptions and calculations: Part B premium increase from $99.90 to 109.10 monthly Part B Medicare enrollees increasing from 16,813 (July 2013) to 17,779 (through June 2014) Existing Operating Budget for premiums $20,339,653 Total FY 14 projected premium cost $22,959,785 Adjusted over EOB $2,620,132	$0	$2,620,132	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Funding adjustments to the Buy-ins Program related to Bayou Health (BH) Medicaid Managed Care. The source of the Federal funds ($30,947,078) is Title 19 federal financial participation. $61,320,332 Bayou Health Costs Associated with Pharmacy ($12,166,777) Reduction in (e)PCCM Payments to Bayou Health Shared Services Plans $49,153,555 **Note:** In addition to the net increase in funding for BH as reflected above, approximately $296,562,209 in Private Provider base funding is being transferred from the Private Provider Program to the Buy-ins Program due to inclusion of Pharmacy as a benefit provided by Bayou Health full risk (prepaid) plans that began 11/1/2012. In addition, a portion of the LaChip Affordable Plan base funding ($3,775,531) is transferred within Buy-ins from the OGB PPO Plan and into the Bayou Health risk plan. For additional information on Bayou Health funding, see *"Budget Issues"*.	$18,206,477	$49,153,555	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding ($2,375,319 SGF and $4,037,530 Federal) for federally required rate changes to Medicare premiums (Medicare Part A & Part B) and for an anticipated increase in the number of "dual eligibles" (low-income seniors and disabled individuals who qualify for both Medicare and Medicaid) who enroll in the Medicare Savings Program and the Low-Income Subsidy (LIS) Program. LA Medicaid pays Medicare premiums for certain low income individuals that qualify (Medicaid buys in to the Medicare Program). Medicare Part A represents hospital insurance and Medicare Part B represents medical insurance. The increase is based on the following assumptions and calculations: Part A premium increase from $450 to $456 per month Part B premium increase from 109.10 to 112.10 per month Part A Medicare enrollees increasing from 8,100 a month (July 2013) to 8,360 a month (June 2014) Part B Medicare enrollees increasing from 162,733 a month (July 2013) to 166,610 (through June 2014) Existing Operating Budget for premiums $256,897,513 Total FY 14 Medicare premiums cost $263,310,362 Adjustment above EOB $6,412,849	$2,375,319	$6,412,849	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Increases funding ($5.556 M in SGR and $9.444 M in Federal) for hospital based physician UPL payments. The source of the SGR is revenue (non-state match source) from certain participating public hospitals that is used as a state match source to draw federal matching funds. In FY 11, DHH was approved by CMS to make payments for physician services at public hospitals up to the average private insurance rate. The physician must be an employee of the hospital or the hospital must have a contract with the physician that establishes a quasi employment relationship. As a part of the contract, the physician must agree to assign a portion of the supplemental payment to the hospital. $15,000,000 FY 13 budgeted physician UPL payments $15,000,000 FY 14 budget adjustment $30,000,000 FY 14 budgeted physician UPL payments	$0	$15,000,000	0
09 - 307	Health & Hospitals	Office of Secretary	MOF Swap replaces Statutory Dedications funding from the Telecommunication for the Deaf Fund with SGF due to revenue collected by the fund declining over the last 4 years.	$805,344	$0	0
09 - 320	Health & Hospitals	Aging & Adult Services	Increases Title 19 Medicaid IAT funding ($200,000) and Statutory Dedications funding ($200,000) in the Administration, Protection & Support Program. The source of Statutory Dedications funding is revenue from the Nursing Home Resident Trust Fund (NHRTF) that will be used as state match (50%-50% match rate) to draw down Title 19 Medicaid Administration funds. The NHRTF is funded by civil monetary penalties imposed by the DHH Health Standards Compliance Section. Civil monetary penalties paid into the NHRTF may only be used to support activities and projects that benefit quality of care and life of nursing home residents. Also, all civil monetary penalty funds awarded by DHH for projects must be approved by the Centers for Medicare & Medicaid Services.	$0	$400,000	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 320	Health & Hospitals	Aging & Adult Services	Increases Title 19 Medicaid IAT funding from $16,378,412 in FY 13 to $17,422,547 in FY 14 at Villa Feliciana Medical Complex due to projected higher revenue collections of Medicaid funds. Medicaid eligible patients at Villa Feliciana have increased.	$0	$1,044,135	0
09 - 330	Health & Hospitals	Behavioral Health	Funding to replace one-time money from Statutory the Overcollections Fund for the 8% administrative fee paid to Magellan for managing care for OBH's non-Medicaid populations. The one-time money from Overcollections was intended as bridge funding until the Centers for Medicare & Medicaid Services (CMS) approved the 1915i waiver, which increases Medicaid eligibility to 150% of the Federal poverty level (FPL) for mental health services for adults under the LA Behavioral Health Partnership (LBHP). Due to the delay in CMS approval, current non-Medicaid participants in the LBHP that were supposed to transition to Medicaid in FY 13 are still being serviced by OBH. This adjustment replaces the one-time money with SGF until the 1915i waiver is approved by CMS. **Note:** The Statutory Dedications funding was non-recurred from OBH's budget in FY 13 since this service population was anticipated to transition to Medicaid in FY 13 and the 8% administrative fee would no longer be required, which is why this adjustment reflects an increase instead of an MOF swap.	$3,259,716	$3,259,716	0
09 - 330	Health & Hospitals	Behavioral Health	Funding for the provision of services for OBH's non-Medicaid population. Due to a delay in the approval of the 1915i waiver, which increases Medicaid eligibility to 150% of the Federal poverty level (FPL) for mental health services for adults under the LA Behavioral Health Partnership (LBHP), costs for services that were supposed to transition to Medicaid in FY 13 are still being serviced by OBH. This funding will allow OBH to continue providing services to this non-Medicaid population in the absence of the 1915i waiver.	$4,500,000	$4,500,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Increases funding ($500,000 SGF and $1.7 M in SGR) in the Community-Based Program for Early Steps. The Office for Citizens with Developmental Disabilities (OCDD) will implement a Family Cost Participation (FCP) schedule for assessing a cost share (fees) to parents of children who receive Early Step services. Participation charges will be based on a sliding fee scale depending upon income and family size. Medicaid eligible children will receive the services at no charge. FCP provides a means to maintain services while shifting some of the cost to participating families so that state general fund reductions will not result in additional people losing services.	$500,000	$2,200,000	0
			Major Increases/Enhancements for Health & Hospitals	**$130,310,506**	**$342,988,493**	**0**
11 - 431	Natural Resources	Office of Secretary	Increases funding from the Oil Field Site Restoration Fund to provide for restoration of additional oil field sites. Total funding in FY 14 for oil field site restoration is $9,667,248.	$0	$4,712,550	0
11 - 431	Natural Resources	Office of Secretary	Increases IAT revenue from the Oil Spill Coordinator's Office in the Office of State Police for reimbursement of expenses incurred due to the Deep Water Horizon Event.	$0	$67,448	0
11 - 432	Natural Resources	Conservation	Additional funding from the Oil & Gas Regulatory Fund for legacy suits which require responsible parties to address environmental damages to property under the regulatory oversight of DNR. Total funding recommended for restoration of property under legacy suits is $1 M.	$0	$600,000	0
11 - 435	Natural Resources	Coastal Management	Increases IAT revenue from the Coastal Protection & Restoration Authority for transition to the LaGov. LaGov is a statewide multi-year project launched in 2010 that utilizes technology to streamline government and improve services and efficiency.	$0	$62,000	0
			Major Increases/Enhancements for Natural Resources	**$0**	**$5,441,998**	**0**

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
12 - 440	Revenue	Office of Revenue	This SGR adjustment increases the appropriation for the Consumer Use Tax distribution to parishes as authorized under R.S. 47:302(K) by $75,806 to $728,913. The Consumer Use Tax is declared by the buyer who did not pay sales tax at the taxable event. The proceeds of the use tax are deposited to the SGF for use in other areas of the state budget, but the parishes are paid from LDR fees.	$0	$75,806	0
12 - 440	Revenue	Office of Revenue	Increases the T.O. for the Tax Collection Program and Alcohol & Tobacco Control Program by one position each, funded by one-time funds ($500,000) being transferred from the Attorney General to the Department of Revenue as a result of the Tobacco Arbitration Settlement. It is expected that the funds will allow the agency to set up a computer system that will further the tobacco tax compliance requirements of the settlement. It is not clear why positions are required for this effort, particularly since the funds will only be transferred in FY 14.	$0	$500,000	2
12 - 440	Revenue	Office of Revenue	Increases SGR for the Tax Collection Program to upgrade and implement certain computer packages and systems, including the V9 Integrated Tax Processing Package and the Tax Express 3D Front-end Processing System.	$0	$4,078,567	0
12 - 440	Revenue	Office of Revenue	Increases SGR for the Tax Collection Program to implement a registry of tax credit transfers, including 2 positions. A fee of $200 per transfer which was previously under the authority of the Department of Economic Development would now be directed to the Department of Revenue. It is not clear whether the fee has been collected in the past or, if collected, what the proceeds totaled. The registry and the fee redistribution is established by Act 418 of 2013.	$0	$500,000	2
12 - 440	Revenue	Office of Revenue	Increases SGR for the Tax Collection Program to implement the Tax Amnesty Program as established in Act 421 of 2013. The Amnesty Program as currently proposed allows LDR to retain the equivalent of penalties that would have been imposed without the amnesty waiver of half of the penalties. The excess SGR is allowed to stay with the agency across fiscal years.	$0	$7,500,000	0
			Major Increases/Enhancements for Revenue	**$0**	**$12,654,373**	**4**
14 - 474	Workforce Commission	Workforce Support & Training	Increases SGR as a result of a 3rd party cooperative agreement and establishment grants with community-based organizations, state agencies, and local education agencies. The LA Rehabilitation Services (LRS) provides vocational rehabilitation services to individuals with disabilities who are also homeless. Services include assessments, vocational counseling, job readiness and job placement. This is the second year of a 3-year establishment project. In FY 13, LRS had $69,203 budgeted for these 3rd party cooperative agreements and establishment grants. In FY 14, the total funding for these contracts is $272,220. $39,297 UpLIFTD (Baton Rouge) $29,151 Jefferson Parish Human Services Authority $71,698 Bossier Parish Community College $78,074 Lighthouse for the Blind (Baton Rouge) $18,000 West Baton Rouge Parish School District $18,000 Catahoula Parish School District $18,000 Concordia Parish School District **$272,220 FY 14 Total**	$0	$203,017	0
			Major Increases/Enhancements for Workforce Commission	**$0**	**$203,017**	**0**

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
16 - 511	Wildlife & Fisheries	Management & Finance	Adjustment to increase funding from the Conservation Fund to cover expenses related to moving the department to LaGov.	$0	$500,000	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Increases federal budget authority to receive funds from the North American Wetlands Conservation Act. The Office of Wildlife received 5,500 acres from International Paper, which includes Wham Brake Reservoir and will be included in the Russell Sage Wildlife Management Area. Funding will be utilized to establish levees, water control structures, and a water delivery system to flood impoundments which will increase waterfowl hunting opportunities. The Office will also be expanding the parking area and improving the boat launch for public access.	$0	$1,000,000	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Increases funding from the Conservation Fund to use as a match in order to receive additional Federal funds through a U.S. Sportfish & Wildlife Restoration Grant based on an excise tax on gun and ammunition sales.	$0	$2,600,687	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Provides funding from the Conservation Fund for the purchase of land in order for the department to increase the state's hunting and fishing opportunities.	$0	$2,000,000	0
			Major Increases/Enhancements for Wildlife & Fisheries	**$0**	**$6,100,687**	**0**
19A -	Higher Education	Department Wide	Additional funding for deferred maintenance and general operating costs for higher education institutions. This $40 M increase includes $10 M each for the following management boards: LSU, Southern, University of LA and the LCTCS. The $10 M appropriations are made to each management board for allocation to their respective institutions.	$40,000,000	$40,000,000	0
19A - 600	Higher Education	LSU System	Provides funding to the LSU School of Public Health for the Breast & Cervical Cancer Screening Program at the LSU Health Sciences Center in New Orleans. Total funding for FY 14 is $665,000.	$665,000	$665,000	0
19A - 600	Higher Education	LSU System	Funding for general operations at the LSU Ag Center.	$5,000,000	$5,000,000	0
19A - 615	Higher Education	SU System	Funding for general operations at the SU Ag Center.	$1,000,000	$1,000,000	0
19A - 661	Higher Education	Student Financial Assistance	Increases funding for TOPS awards as projected by the Office of Student Financial Assistance. This increase in TOPS funding is due to an increase in the number of awards, an increase in Performance and Honors awards, and an increase in the number of students attending LSU A&M which has the highest tuition rates in the state.	$31,999,119	$31,999,119	0
			Major Increases/Enhancements for Higher Education	**$78,664,119**	**$78,664,119**	**0**

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	Increases IAT funding from the Dept. of Education for an Assistive Technology grant as part of the LA Assistive Technology Initiative. The source of IAT funding is Federal funds from Individuals with Disabilities Education Act, Part B. The LA Special Education Center is a regional center that serves central LA Assistive Technology Facilitators work with local educational agencies and provide training and technical assistance to educators, parents and students on assistive technology devices. Assistive Technology Grant FY 13 $460,000 FY 14 $526,000 Increase $66,000	$0	$66,000	0
19B - 657	Special Schools & Comm.	LA School for Math, Science, & the Arts	Increases IAT funding from the Minimum Foundation Program (MFP) from Department of Education (DOE). This adjustment is a result of the reversion to the FY 12 MFP. The FY 12 MFP formula will be used to allocate funding for the 2013-14 school year. The LA Supreme Court ruled the FY 13 MFP was not valid (SCR 99 of 2012) and no new resolution has been adopted for the ensuing school year.	$0	$960,947	0
19B - 673	Special Schools & Comm.	New Orleans Center for Creative Arts-Riverfront	Increases IAT funding from the Minimum Foundation Program (MFP) to be utilized for salaries for 5 new teachers in order for the school to implement the third year of the full day school program (Academic Studio) with 60 incoming freshman (includes full academic curriculum). In FY 14, the full day school program will be serving juniors, sophomores and freshmen.	$0	$368,720	5
19B - 673	Special Schools & Comm.	New Orleans Center for Creative Arts-Riverfront	Increaseing IAT funds from the Minimum Foundation Program (MFP) from Department of Education (DOE). This adjustment is a result of the reversion to the FY 12 MFP. The FY 12 MFP formula will be used to allocate funding for the 2013-14 school year. The LA Supreme Court ruled the FY 13 MFP was not valid (SCR 99 of 2012) and no new resolution has been adopted for the ensuing school year.	$0	$413,674	0
			Major Increases/Enhancements for Special Schools & Comm.	**$0**	**$1,809,341**	**5**
19 - 678	Elem. & Secondary Educ.	State Activities	Increases SGF ($4.1 M) and IAT ($9,777,865) of Federal funds for the implementation of multiple education reform initiatives. The initiatives include the Scholarship Program school audit function and the Course Choice data system and operations as contained in Act 2 of 2012; Head Start programs, Early Childhood pilot programs and assessment tools, data systems, and training for new assessment implementation as contained in Act 3 of 2012; and required enhancements to the COMPASS (teacher evaluation) data system as contained in Act 54 of 2010.	$4,100,000	$13,877,865	0
19 - 681	Elem. & Secondary Educ.	Subgrantee Assistance	Provides funding for the School Choice Pilot Program in the amount of $182,661. The remaining funds ($200,000) will be used for a STEM initiative sponsored through the National Geographic Foundation.	$382,661	$382,661	0
19 - 681	Elem. & Secondary Educ.	Subgrantee Assistance	Provides additional funding for various educational programs authorized by law and education initiatives operating outside of the Minimum Foundation Program. The total amount provided in FY 14 for these programs is $44,605,579, but approximately $20.6 M is additional funding. The total funding is provided for the continuation of the Student Scholarship for Educational Excellence Program (SSEEP) ($43.1 M, of which $19.1 M is additional funding), and for various other education initiatives.	$20,605,579	$20,605,579	0
19 - 695	Elem. & Secondary Educ.	Minimum Foundation Program (MFP)	Net increase in total funding for the Minimum Foundation Program (MFP) for an estimated student enrollment increase [increase SGF by $20.2 M and decrease Statutory Dedications by $1.5 M - (Lottery Proceeds +$3,551,065 and SELF Fund -$5,043,000)]. The FY 12 MFP formula will be used to allocate funding for the 2013-14 school year. The LA Supreme Court ruled the FY 13 MFP was not valid (SCR 99 of 2012) and no new resolution has been adopted for the ensuing school year. The total amount provided for the FY 14 MFP is $3,441,025,205.	$20,251,935	$18,760,000	0
19 - 695	Elem. & Secondary Educ.	Minimum Foundation Program (MFP)	SGF to increase funding for city, parish, special schools, lab schools and charter schools, and the RSD, which shall be allocated in the same manner as provided in the FY 2011-12 MFP formula. No less than 50% of the increase in funds will be used for salary supplements or a pay raise for certificated personnel.	$69,117,217	$69,117,217	0

Major Increases/Enhancements in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
			Major Increases/Enhancements for Elem. & Secondary Educ.	**$114,457,392**	**$122,743,322**	**0**
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Net increase in funding due to a reduction in UPL payments (-$410,151), annualization of the FMAP reduction (-$6,508,283), Woman's Clinic transfer to public/private partnership (-$1.3 M); and an increase in funding due to the public/private partnership ($11.852 M). Lallie Kemp will be the only state public hospital under HCSD without a public/private partnership, it will serve as the state's primary safety net hospital in the southern region and remain under HCSD's budgetary control and operational management.	$0	$3,633,566	0
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Provides funding from the Overcollections Fund for estimated termination pay costs carried forward into FY 14 due to public/private partnerships. According to a report issued by the Legislative Auditor on 5/8/2013, there is an estimated $28.6 M in termination pay costs resulting from layoffs due to the public/private partnerships with the HCSD hospitals. Termination pay costs by hospital are detailed below. This $20 M adjustment will fund a majority of these costs at University Medical Center (Lafayette), L. J. Chabert Medical Center, Interim LA Hospital (New Orleans), Bogalusa Medical Center, and W. O. Moss Medical Center. Approximately $8.6 M in termination pay costs were funded in FY 13 from HCSD's operational budget, and supplemented with its cash reserves. **Note:** The $8.6 M in FY 13 included the $3.5 M for Earl K. Long, which closed on 4/15/2013. EKL $3,544,618 UMC $3,798,411 WOM $1,448,152 BMC $2,930,998 LJC $3,943,779 ILH $12,936,085 **Total $28,602,043**	$0	$20,000,000	0
			Major Increases/Enhancements for LSU Health Care Services Division	**$0**	**$23,633,566**	**0**
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Provides additional funding in to address a projected shortfall in FY 14.	$5,800,000	$5,800,000	0
20 - 931	Other Requirements	LED Debt Service / State Commitments	Increases funding from the Mega Project Development Fund by $15 M and SGR revenue from the City of Baton Rouge by $1.5 M for an IBM Services Center in the city. IBM will employ 800 office workers in an 8-story building when the facility opens in 2015.	$0	$16,500,000	0
20 - 977	Other Requirements	DOA Debt Service & Maintenance	Provides funding to cover the cost of the road hazard insurance premiums in the Road Hazard Program. Federal funds generated from premium reimbursements that are used to cover various insurance lines were diverted to cover other insurance lines (Road Hazard) that were not funded. The federal Division of Cost Allocation has ruled this action improperly allocated federal funding, in large part from the DHH, to pay insurance claims from the road hazard insurance line (that had no federal funding participation). The current disallowance balance (with interest) is approximately $174 M. The terms of the settlement agreement provide for the DOA to make 10 annual installments with the first payment being due 7/1/2013 (FY 14). The payment breakdown for FY 14 is as follows: $16,552,315 - principal and $3,212,521 interest. The final payment will be made on 7/1/2022. Over the life of the payment cycle, the state will have paid approximately $198 M. The interest rate is 3%.	$19,764,836	$19,764,836	0
			Major Increases/Enhancements for Other Requirements	**$25,564,836**	**$42,064,836**	**0**
			Major Increases/Enhancements of FY 2014	**$405,328,717**	**$988,869,283**	**13**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
00 - 00	Preamble	Statewide	Authorizes the commissioner of administration to reduce funding for out-of-state travel and supplies. The following reductions by department were reflected in the respective appropriation letters: ($758,390) Executive; ($48,117) Veterans Affairs; ($65,368) Justice; ($13,317) Lt. Governor; ($236,207) Agriculture & Forestry; ($140,676) Economic Development; ($313,101) Culture, Recreation & Tourism; ($4,172,806) Corrections; ($1,327,485) Children & Family Services; ($68,327) Natural Resources; ($4,623) Environmental Quality; ($76,186) Workforce Commission; ($42,741) Civil Service; ($11,261,999) Higher Education; ($9,885) Special Schools & Commissions; and ($1,460,772) Education.	-$20,000,000	-$20,000,000	0
			Major Reductions for Preamble	**-$20,000,000**	**-$20,000,000**	**0**
01 - 100	Executive	Executive Office	Eliminates SGR funding associated with a grant from the Wallace Foundation that expired on 6/30/2013. There will be no Wallace Grant funds available in FY 14. The Wallace Foundation is a philanthropic organization that seeks to improve the education and enrichment for disadvantaged children.	$0	-$2,419,382	0
01 - 107	Executive	Division of Administration	Non-recurs funding associated with the State Broadband Data & Development Grant, as originally funded by the American Recovery & Reinvestment Act (ARRA) of 2009. Federal budget authority for this 5-year grant is being reduced from $2.3 M in FY 13 to $800,000 in FY 14. The DOA was originally awarded $6,649,679 and the majority of these grant funds was used for professional services including broadband service provider outreach, service and network data collection, data validation, geospatial mapping and web mapping allocation development.	$0	-$1,547,228	0
01 - 107	Executive	Division of Administration	The decreased IAT funding is excess budget authority associated with the implementation of a hosted Statewide Fraud Detection Solution software, which is a pilot project within the LA Workforce Commission's Unemployment Insurance and Workers Compensation programs. The original source of funds is Federal funds from the LA Workforce Commission. Approximately $825,000 is budgeted in FY 14 for consulting services, personal services for 2 FTE positions and various operating services.	$0	-$175,000	0
01 - 107	Executive	Division of Administration	Reduces IAT budget authority from the Dept. of Environmental Quality's (DEQ) Environmental Trust Fund. These funds were originally appropriated to bring DEQ online with the LaGov System. The system went live for DEQ on 7/1/2013.	$0	-$500,000	0
01 - 107	Executive	Division of Administration	Non-recurs funding from the State Emergency Response Fund (SERF) for state cost share expenditures associated with Hurricane Isaac and Sinkhole (Assumption Parish). The remaining unexpended balance is approximately $200,000.	$0	-$16,491,175	0
01 - 107	Executive	Division of Administration	Non-recurs federal Community Development Block Grant (CDBG) funds to support the LA4 Pre-K Program. The Division of Administration transferred (IAT) these funds to the DOE. These funds were federal disaster recovery funds the state received as a result of hurricanes Gustav/Ike.	$0	-$20,000,000	0
01 - 107	Executive	Division of Administration	Non-recurs federal funding in the Community Development Block Grant (CDBG) Program associated with the Alternative Housing Pilot Program (Katrina Cottages). This program ended in FY 13.	$0	-$1,770,085	0
01 - 107	Executive	Division of Administration	Non-recurs federal funding in the Community Development Block Grant (CDBG) Program associated with the Hazard Mitigation Program Grant. Thus, Federal funds for this program are being reduced from approximately $270 M to $228.7 M for FY 14. CDBG/DRU's Hazard Mitigation Program assists homeowners in coastal LA protect their homes from damage of future natural disasters by elevating homes and reconstructing safer structures.	$0	-$39,816,632	0
01 - 107	Executive	Division of Administration	Reduces excess federal budget authority in the Community Development Block Grant (CDBG) Program/ Disaster Recovery Unit (DRU). For the past 4 fiscal years, the actual federal expenditures have declined an average of approximately 30.1%. Thus, the FY 14 budget reduces the CDBG/DRU Program from $1.55 B to $1.092 B. Prior year actuals over the past 4 years for Federal funds are as follows: FY 12 - $916.6 M; FY 11 - $1.4 B; FY 10 - $1.6 B; FY 09 - $1.9 B; and FY 08 - $4.5 B.	$0	-$434,481,471	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 107	Executive	Division of Administration	Reduces funding ($3,881,908 SGF, $5,640,394 IAT, $327,299 SGR and $1,102,860 Federal) associated with the back office consolidation within the DOA from various state agencies as the DOA will provide this service to 6 different state agencies. These consolidations include reducing 63 positions within various DOA sections (01-107) and transferring 140 positions from various agencies into the DOA. Even though the DOA has not provided any detailed information concerning this consolidation, based upon LFO analysis, it appears that of the 140 positions identified by the administration as transfers in the FY 14 budget, 63 will likely be eliminated through layoffs or through normal attrition (retirements). Position analysis by agency is as follows: Office of Group Benefits (71), Office of Risk Management (14), Office of Telecommunications Management (8), Office of Elderly Affairs (3), Office of Financial Institutions (2), Dept. of Revenue (39) and Community Development Block Grant (3).	-$3,881,908	-$10,952,461	-63
01 - 109	Executive	Coastal Protection & Restoration	Net reduction in funding due to a decrease in IAT ($83,206,980) from the Department of Natural Resources and an increase in Federal funds ($34,064,739). The funding provides for projects related to the Coastal Impact Assistance Program (CIPA) and Coastal Wetlands Planning & Protection Restoration Act (CWPPRA).	$0	-$49,142,241	0
01 - 111	Executive	Homeland Security & Emergency Prep	Decreases the remaining IAT funds from the Community Development Block Grant (CDBG)/Disaster Recovery Unit (DRU) for increasing the capacity of the LA Wireless Information Network (LWIN). The original source of IAT is federal disaster funds from hurricanes Gustav/Ike. GOHSEP applied for these funds in the fall of 2009 and was awarded $17,099,040 in August 2010. The LA Wireless Information Network (LWIN) is now the largest statewide radio system in the country, providing daily voice communications to more than 67,000 users at the Federal, State, and local levels. Of these users, more than 70% are from local jurisdictions. The system is fully maintained by the State at a cost of approximately $8 M per year (LA Interoperable Communications Fund).	$0	-$1,285,921	0
01 - 111	Executive	Homeland Security & Emergency Prep	Decreases the remaining operational costs of the LA Wireless Information Network (LWIN). The MOF impacted is the LA Interoperability Communications Fund. The Dept. of Public Safety (DPS) will provide all maintenance and expenditures associated with LWIN. The LA Interoperability Communications Fund is appropriated in GOHSEP's budget which allows the agency to utilize these resources as state match for federal grants. GOHSEP transfers (IAT) the statutorily dedicated resources to DPS in order to maintain the LWIN system.	$0	-$119,573	0
01 - 111	Executive	Homeland Security & Emergency Prep	Decreases funding for operating services expenditures due to the elimination of satellite radio communications support provided to 64 parishes. GOHSEP previously purchased 64 satellite radios ($3,600/radio) and paid the monthly fee for 64 parishes. This SGF reduction of $70,000 represents the annual amount paid by GOHSEP on behalf of the parishes for the monthly radio fee. If local entities would like satellite radio communications, the local government entity will be required to fund it themselves.	-$70,000	-$70,000	0
01 - 111	Executive	Homeland Security & Emergency Prep	Annualization of the FY 13 Deficit Reduction Plan, which reduces $474,305 SGF, $103,316 SGR, $1,139,441 Statutory Dedications (LA Interoperability Communications Fund), and $271,634 Federal; and reduces 14 TO positions and 4 non-TO FTE positions. Approximately $717,766 total MOF of this $2 M reduction is associated with the consolidation of the Interoperability & Operations Communications within GOHSEP and 24/7 Radio operations functions with Public Safety. Other reductions are associated with the elimination of contingency contracts with Dell, Sparkhound & Tigerbytes for IT maintenance, which provide IT network support when needed. These contingency contracts have been reduced and the Dept. of Public Safety will provide this function if necessary. In addition, DPS will now provide all maintenance responsibilities of the LWIN system.	-$474,305	-$1,988,696	-14

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 111	Executive	Homeland Security & Emergency Prep	Decreases the remaining IAT budget authority from the Community Development Block Grant (CDBG) /Disaster Recovery Unit (DRU) for the FEMA Pilot Reconstruction Program (Hazard Mitigation Grant Program). According to GOHSEP, this program function has been completed. The FEMA Pilot Reconstruction Program provided funding to eligible homeowners for expenditures related to demolition and reconstruction as a result of hurricanes Katrina and Rita. These grant funds reimbursed local government entities for payments made to the homeowner. Impacted individuals were allowed to receive up to $150,000 in grant funding from GOHSEP's Hazard Mitigation Grant Program and another $50,000 from these CDBG funds for the total maximum grant funds of $200,000 for demolition and reconstruction.	$0	-$6,312,695	0
01 - 112	Executive	Military Department	Non-recurs IAT funding from the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) and the Division of Administration (DOA) for one-time expenditures associated with Hurricane Isaac and sinkhole missions in Assumption Parish. The original source of the IAT funds is from the Federal Emergency Management Agency (FEMA) reimbursements via GOHSEP ($12,883,500) and from the State Emergency Response Fund (SERF) via the DOA ($4,355,101).	$0	-$17,238,614	0
01 - 112	Executive	Military Department	Decreases SGF due to the closure of 5 armories in Jennings, Oakdale, Winnfield, Franklin and Jonesville. These locations are being transferred back to the cities and/or parishes. The anticipated savings from armory closures are due to utilities, waste management and repairs.	-$60,000	-$60,000	0
01 - 112	Executive	Military Department	Decreases funding for death benefits in FY 14. The FY 13 budget originally appropriated $1.25 M in death benefits. After this reduction, there will be $250,000 SGF appropriated in FY 14 for death benefits. To the extent additional death benefits are needed, the department will likely have to request additional funds in FY 14.	-$1,000,000	-$1,000,000	0
01 - 124	Executive	LA Stadium & Exposition District	Reduces funding ($240,000 - LSED License Plate Fund and $4,622,447 IAT) associated with the new lease agreement with the Pelicans (effective 7/1/2012). The new agreement eliminated all exit options and attendance benchmarks and eliminated all ticket revenue shortfall payments. Thus, the Pelicans team entitlements for FY 14 have been reduced from approximately $14.6 M in FY 13 to approximately $10.2 in FY 14. Of the $10.2 M budgeted for FY 14, approximately $2.9 M is team inducement payments. Under the old lease agreement, the Pelicans inducement payments were approximately $8 M and subject to attendance benchmarks.	$0	-$4,862,447	0
01 - 126	Executive	Board of Tax Appeals	Reduction eliminates out-of-state travel ($3,500) and reduces the travel budget for the Board by $6,791 leaving a FY 14 travel appropriation of $8,126. This cut represents a 2.8% reduction in the agency's budget.	-$10,291	-$10,291	0
01 - 129	Executive	LA Commission on Law Enforcement	Non-recurs SGR received as a grant from the Annie E. Casey Foundation. The funding provided for implementation of the Juvenile Detention Alternative Initiative Program. The Juvenile Detention Alternative Initiative Program promotes changes to policies, practices and programs to reduce reliance on secure confinement, improve public safety, reduce racial disparities and bias, save taxpayers' dollars and stimulate overall juvenile justice reform.	$0	-$150,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Non-recurs Federal funds from the U.S. Dept. of Justice Crime Victims Assistance grant. The funding was utilized to assist local governments to integrate their computer systems with the LA Automated Victims Notification System (LAVINS). LAVIN is an online resource that allows a user to search for information regarding an offender's current custody and case status. A system user may register to be notified automatically when an offender is released, transferred or escapes or has a change in case status. FY 14 budget includes $3,729,593 SGF for LAVINS.	$0	-$600,000	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
01 - 129	Executive	LA Commission on Law Enforcement	Non-recurring American Recovery & Reinvestment Act (ARRA) federal funding from the Violence Against Women Act ($200,000) and the Byrne Justice Assistance grant ($1,606,014); and non-recurring Federal funds to reflect anticipated awards for the regular Violence Against Women Act grant ($400,000) and the Byrne Justice Assistance grant ($662,000). The Violence Against Women Act grant was provided to develop strategies to combat violent crimes against women, strengthen victim services in cases involving crimes against women, etc. The Byrne grant was provided to stabilize state and local government budgets to minimize reductions in essential law enforcement programs, prosecution and court programs, drug treatment programs, etc.	$0	-$2,868,014	0
01 - 129	Executive	LA Commission on Law Enforcement	Reduces funding from the Tobacco Tax Health Care Fund to reflect anticipated collections. The funding was utilized by local governments for substance abuse programs. FY 14 includes $3,042,920 from the Tobacco Health Care Fund.	$0	-$148,191	0
01 - 129	Executive	LA Commission on Law Enforcement	Eliminates funding for the evaluation of local truancy centers by the LSU Truancy & Assessment & Service Center (TASC) Program. This elimination will result in the termination of outcome evaluation and monitoring of local TASC sites by the LSU School of Social Welfare's Office of Social Service Research & Development (OSSRD). OSSRD was responsible for monitoring and evaluating 16 operating TASC sites in 25 parishes and reporting this information to the legislature. The TASC Program was statutorily created in 1998 to prevent students from dropping out and diverting at-risk youths from crime.	-$491,163	-$491,163	0
			Major Reductions for Executive	**-$5,987,667**	**-$614,501,280**	**-77**
03 - 130	Veterans' Affairs	Dept. Veterans' Affairs	Non-recurs one-time funding for Special Legislative Projects for expansion of the Claims Program for veterans with service related disabilities and other war-related impediments. This funding was not utilized in FY 13.	-$500,000	-$500,000	0
			Major Reductions for Veterans' Affairs	**-$500,000**	**-$500,000**	**0**
04a - 139	State	Secretary of State	Reduces SGF for election expenses to reflect anticipated requirements. FY 14 funding includes $7.461 M for election expenses for 6 scheduled elections (2 state and 4 local) in FY 14. The congressional open primary is scheduled 10/19/2013 and the open general is scheduled 11/16/2013. The New Orleans municipal primary is scheduled 2/1/2014 and the New Orleans municipal general is scheduled 3/15/2014. The municipal primary for all parishes except New Orleans is scheduled 4/5/2014, and the municipal general for all parishes except New Orleans is scheduled 5/3/2014.	-$5,910,418	-$5,910,418	0
04a - 139	State	Secretary of State	Reduces $5.027 M funding from the Help American Vote Act to reflect anticipated collections and removes $286,198 of non-recurring Federal funds that provided for services related to researching and testing of the new functionality of the Elections & Registration Information Network. FY 14 budget includes $1.973 M from the Help America Vote Act.	$0	-$5,313,198	0
04a - 139	State	Secretary of State	Eliminates SGR from the Commercial Program that provided for a non-recurring professional services contract for the development of additional online filing capabilities for businesses and a new e-mail subscription service to notify interested parties of filing on business entities.	$0	-$402,500	0
04a - 139	State	Secretary of State	Reduces IAT revenue for microfilm services performed by the Archives Program to reflect anticipated collections. Reduction is due to fewer interagency agreements for microfilm services.	$0	-$49,890	0
			Major Reductions for State	**-$5,910,418**	**-$11,676,006**	**0**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
04b - 141	Justice	Attorney General	Reduces SGR from mortgage settlement funds in Civil Law Program. Revenue from the mortgage settlement agreement comes from a joint state-federal settlement with 5 banks (Wells Fargo, Citigroup, Bank of America, JP Morgan Chase and Ally Financial) related to flawed and fraudulent foreclosure practices. LA received a one-time payment of $ 21,741,560. The FY 14 budget includes $3,063,782 in revenue from the mortgage settlement agreement. *Note: To the extent the FY 13 and FY 14 appropriated mortgage settlement funds are completely expended, there will be approximately $7.2 M ($21,741,560 - $14,512,728) remaining of the $21.7 M originally awarded.* To date, these funds have been utilized as follows: $7,000,000 Act 597 of 2012 (Funds Bill) transferred to SGF (FY 13 General Appropriation Bill) $477,804 Act 53 of 2012 (FY 12 Supplemental Appropriations Bill) $3,971,142 FY 13 $11,448,946 FY 13 Total $3,063,782 FY 14 $14,512,728 Total Projected Expenditures	$0	-$3,558,408	0
			Major Reductions for Justice	**$0**	**-$3,558,408**	**0**
04d - 147	Treasury	State Treasury	Reduces SGR for personal services (salaries & related benefits) and 1 vacant position (Fund Control Manager). The duties of the reduced position will be absorbed by the Financial Services Section. According to the State Treasury, there are currently 3 remaining vacant positions (2 - Unclaimed Property and 1 - Information Technology).	$0	-$111,553	-1
			Major Reductions for Treasury	**$0**	**-$111,553**	**-1**
04e - 158	Public Service Commission	Public Service Commission	Eliminates a vacant Administrative Coordinator position in District 4 and the associated funding from the Utility & Carrier Inspection/Supervision Fund.	$0	-$53,069	-1
			Major Reductions for Public Service Commission	**$0**	**-$53,069**	**-1**
04f - 160	Agriculture & Forestry	Agriculture & Forestry	Elimination of 43 positions and associated funding ($402,279 SGF, $73,320 SGR and $133,780 Statutory Dedications) for personal services. The positions targeted for elimination have not yet been identified as of this date. After this reduction, the department will have 582 positions remaining.	-$402,279	-$609,379	-43
			Major Reductions for Agriculture & Forestry	**-$402,279**	**-$609,379**	**-43**
05 - 252	Economic Development	Business Development	Eliminates funding for the Renewal Community Program ended in FY 13. The Renewal Community Program provided tax incentives for businesses to locate or expand inside the boundaries of participating communities. The department eliminated this program to focus limited resources on other economic development activities.	-$175,411	-$175,411	0
05 - 252	Economic Development	Business Development	Reduction in funding from the Marketing Fund due to the elimination of the following one-time educational initiatives: LA Council for Economic Education, MERA marketing education, and District 2 Enhancement Corporation.	$0	-$1,000,000	0
05 - 252	Economic Development	Business Development	Elimination of state funding to the Baton Rouge Wet Lab because the facility is now self-sufficient. The Baton Rouge Wet Lab is a life science incubator that houses companies doing research in bioinformatics, genomics, medical devices, diagnostics, etc.	-$996,762	-$996,762	0
05 - 252	Economic Development	Business Development	Eliminates funding from the Small Business Surety Bonding Fund for the Small Business Bonding Program. This program provided financial assistance to small businesses to mitigate gaps in the state surety bond market. The department is eliminating this program due to on-going budget restraints.	$0	-$2,900,000	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
			Major Reductions for Economic Development	**-$1,172,173**	**-$5,072,173**	**0**
06 - 262	Culture, Recreation & Tourism	State Library	Reduction of acquisitions in the book budget. Remaining funding for books in FY 14 is $25,783 SGF. The average book budget for the past 3 fiscal years has been $422,385.	-$399,662	-$399,662	0
06 - 264	Culture, Recreation & Tourism	State Parks	Personnel reductions of 4 positions, along with associated funding for salaries and related benefits. The positions targeted for elimination have not yet been identified as of this date.	-$207,385	-$207,385	-4
06 - 267	Culture, Recreation & Tourism	Tourism	Non-recur one-time funding provided for the Super Bowl ($6 M) and Women's Final Four ($1 M). The Super Bowl was held at the Mercedes-Benz Superdome in New Orleans on 2/3/2013. The Women's Final Four was held at the New Orleans Arena on 4/7-4/9/2013. This funding is from the LA Tourism Promotion District.	$0	-$7,000,000	0
			Major Reductions for Culture, Recreation & Tourism	**-$607,047**	**-$7,607,047**	**-4**
07 - 273	Transportation & Development	Administration	Eliminates 12 positions in the Administration Agency and associated funding from the Transportation Trust Fund - Regular. The positions will be identified and selected through attrition, as well as analysis of employee activities and the potential to consolidate duties between positions.	$0	-$940,403	-12
07 - 273	Transportation & Development	Administration	Management & Finance Program - Reduces funding ($43,004 SGR and $2,152,246 Statutory Dedications) for operating expenditures due to lower projected revenues in Statutory Dedications (Transportation Trust Fund - Regular) and SGR. The reduction in the TTF-Regular Fund is associated with training related to LaGov and the SGR is based on historical non-collection.	$0	-$2,195,250	0
07 - 276	Transportation & Development	Engineering & Operations	Non-recurring special legislative project funding for the Zachary Taylor Parkway Commission.	-$100,000	-$100,000	0
07 - 276	Transportation & Development	Engineering & Operations	Net reduction in funding due to the following: Eliminates the Bridge Trust Program ($2,887,320 IAT; $7,776,781 SGR; & 47 T.O.) and Marine Program ($9,334,159 SGR) per Act 866 of 2012, which provided for the termination of the Crescent City Connection (CCC); and an increase of $4 M from the Transportation Trust Fund-Regular to provide for operations and support of the Chalmette Ferry in the Operations Program (CCC Ferries).	$0	-$15,998,260	0
			Major Reductions for Transportation & Development	**-$100,000**	**-$19,233,913**	**-12**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08A -	Corrections	Department Wide	Reduces funding for utilities expenditures as a result of an Energy Service Company (ESC) contract that will provide a range of comprehensive energy solutions, including design and implementation of energy savings projects. Some projects include the installation of chillers, boilers, and heating units that will result in utilities savings. SGF reductions were by the following amounts:	-$1,296,131	-$1,296,131	0

Corrections Administration	($7,947)
LA State Penitentiary	($506,817)
LA Correctional Institute for Women	($79,293)
Dixon Correctional Center	($20,433)
Elayn Hunt Correctional Center	($643,853)
B.B. Sixty Rayburn	($37,788)
Total	**($1,296,131)**

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08A -	Corrections	Department Wide	Reductions in vacant positions and associated SGF funding reduced by the following amounts:	-$4,018,190	-$4,018,190	-60

LA State Penitentiary	($2,215,435)	(27)
Dixon Correctional Center	($335,871)	(5)
Elayn Hunt Correctional Center	($160,000)	(4)
David Wade Correctional Center	($994,360)	17)
B.B. Sixty Rayburn Correctional Center	($312,524)	(7)
Total	**($4,018,190)**	**(60)**

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08A -	Corrections	Department Wide	Annualization of FY 13 mid-year reductions resulting from the consolidation of administrative functions, including human resources, purchasing, and accounting. Reductions in positions and associated SGF funding were by the following amounts:	-$1,973,200	-$1,973,200	-49

LA State Penitentiary	($224,000)	(5)
Avoyelles Correctional Center	($179,200)	(4)
LA Correctional Institute for Women	($179,200)	(4)
Dixon Correctional Center	($179,200)	(4)
Elayn Hunt Correctional Center	($224,000)	(5)
David Wade Correctional Center	($179,200)	(4)
Adult Probation & Parole	($629,200)	(19)
B.B. Sixty Rayburn	($179,200)	(4)
Total	**($1,973,200)**	**(49)**

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08A -	Corrections	Department Wide	Annualizes mid-year adjustments related to the closure of C. Paul Phelps Correctional Center in DeQuincy on 11/1/2012. The closure resulted in a decrease of funding in the amount of $19,504,300 ($18,213,460 SGF, $51,001 IAT, and $1,239,839 SGR) and 274 positions. Several adjustments are due to the transfer of 942 offenders to LA State Penitentiary, the transfer of support personnel for the Southwest Region to Dixon Correctional Center, the transfer of the Prison Enterprises garment factory to Elayn Hunt Correctional Center, and the relocation of offenders housed in the Department's Prison Rape Elimination Act (PREA) dormitory to David Wade Correctional Center.	-$10,670,586	-$11,248,389	-164

Other Adjustments	SGF	IAT	SGR	Total	T.O.
LA State Penitentiary	($5,769,282)	$0	($553,936)	($6,323,218)	(80)
Dixon Correctional Center	($1,060,000)	($51,001)	($108,100)	($1,219,101)	(14)
Elayn Hunt Correctional Center	($160,000)	$0	$0	($160,000)	(4)
David Wade Correctional Center	($553,592)	$0	$0	($553,592)	(12)
Total Other Adjustments	($7,542,874)	($51,001)	($662,036)	($8,255,911)	(110)
Net Savings	($10,670,586)	$0	($577,803)	($11,248,389)	(164)
Decreased Funding	**($18,213,460)**	**($51,001)**	**($1,239,839)**	**($19,504,300)**	**(274)**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08A - 413	Corrections	Elayn Hunt Correctional Center	Annualization of mid-year reductions resulting from the elimination of the Intensive Motivational Program of Alternative Correctional Treatment Program (IMPACT). The program is a rigorous multifaceted program that requires high levels of physical and mental activity and emphasizes discipline, education, and rehabilitative therapeutic programs, all within a military model. Because this program is staff intensive, the approach is changing to focus on offender skills training. This new approach requires less staff and will result in the elimination of 14 positions.	-$600,000	-$600,000	-14
			Major Reductions for Corrections	**-$18,558,107**	**-$19,135,910**	**-287**
08B - 418	Public Safety	Management & Finance	Non-recurs IAT funding received from the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) that was utilized for hazard mitigation projects relating to the Uniform Construction Code Council. These funds have been included in the department's base budget since Hurricane Katrina. The original funding source within GOHSEP was Federal funds. There is approximately $1.2 M remaining for reimbursement to local governments.	$0	-$1,293,965	0
08B - 418	Public Safety	Management & Finance	Reduces SGR in operating services by canceling the Microsoft Enterprise Agreement. The Enterprise Agreement allows governmental entities to upgrade Microsoft Software for all licensed computers as new versions are released. Allowing the agreement to lapse will preclude this option unless it is renewed at some point in the future. The department does not anticipate any negative impacts associated with delaying or forgoing software updates.	$0	-$548,000	0
08B - 419	Public Safety	State Police	Eliminate 39 SGR funding for 39 non-Trooper positions. Job titles for the positions include: Administrative Assistants, Administrative Coordinators, Communications Officers, Criminal Investigators, Criminal Records Analysts, Human Resource Analysts and Investigative Specialists. In addition to eliminating 39 "civilian" positions and associated funding ($2.66 M in SGR), this adjustment further reduces funding ($3.99 M in SGR) for 44 vacant State Police commissioned officer positions retained by the department as unfunded vacancies.	$0	-$6,652,527	-39
08B - 419	Public Safety	State Police	Auxiliary Program - Reduces IAT funding received from GOHSEP for expenditures associated with maintenance of the LA Wireless Information Network. This will eliminate some routine maintenance efforts associated with the Wireless Information Network and in some cases may place the department into a reactive, rather than preventive mode, in addressing operability of the network. DPS will still receive a total of $7.97 M from GOHSEP for this activity.	$0	-$945,000	0
08B - 420	Public Safety	Motor Vehicles	Eliminates 32 positions statewide and associated SGR funding. Job titles for the positions include: Motor Vehicle Compliance Analysts 1/2/3/4, Motor Vehicle Compliance Supervisor, Motor Vehicle Manager 1, Motor Vehicle Office Manager, and Administrative Coordinator. To the degree that statewide staffing levels within Offices of Motor Vehicles fall below a certain unspecified level, certain regions may realize longer wait times for OMV services.	$0	-$1,830,000	-32
08B - 420	Public Safety	Motor Vehicles	Non-recurring special legislative project funding for organ donor registry educational and awareness programs.	-$100,000	-$100,000	0
			Major Reductions for Public Safety	**-$100,000**	**-$11,369,492**	**-71**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
08 - 403	Youth Services	Juvenile Justice	Reduces SGF in the Administration Program ($187,350), Swanson Center for Youth ($91,856), Jetson Center for Youth ($52,608), Bridge City Center for Youth ($39,561), and Field Services Program ($1,078,625). Expenditures reduced include operating services, supplies, other charges and travel.	-$1,450,000	-$1,450,000	0
08 - 403	Youth Services	Juvenile Justice	Reduces funding in the Contract Services Program for community based activities for the Families in Need of Services (FINS) population.	-$3,878,091	-$3,878,091	
08 - 403	Youth Services	Juvenile Justice	Eliminates excess IAT budget authority associated with Temporary Assistance of Need Families (TANF) received from the Dept. of Children & Family Services. The FY 14 budget includes $0.9 M in TANF funds.	$0	-$900,000	0
08 - 403	Youth Services	Juvenile Justice	Reduces funding from the Youthful Offender Management Fund to reflect anticipated collections. Funding for FY 14 is $172,000.	$0	-$100,000	0
			Major Reductions for Youth Services	**-$5,328,091**	**-$6,328,091**	**0**
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	Contract consolidations and reductions at JPHSA detailed below: **($12,960) -** Assertive Community Treatment (ACT): An evidence-based program for non-Medicaid persons with mental illness and noncompliance/violence issues for which a specific staffing ratio is required. This cut will result in the program failing to meet evidence-based national standards. **($19,492) -** The Extra Mile & Drop-In Center: The Extra Mile supports clothing/supply outlets. Reduction will result in the closure of East Bank "boutique." Drop-in Center offers self-help groups & social leisure opportunities to address isolation and loneliness. Approximately 660 individuals will be impacted. **($1,384) -** Men's Residential Substance Abuse: Reduction will result in decreased capacity in the community for treatment of men with severe drug and/or alcohol addiction by reducing one bed. **($91,984) -** Developmental Disabilities contract reductions including: Supported Employment, Psychological Services (with positive behavior support), Respite/Personal Companion Services/Supported Living Services, Family Support, and Flexible Family Funds. Reduction will impact 33 individuals/families. **($17,152) -** Families Helping Families: Provides community outreach, family training, parent education stipends, & conference with local Public School System. Cut will impact 1,625 individuals/families. **($1,350) -** Custom Specialties & interpreter services: Custom Specialties assists families with disability-related expenses (e.g. diapers). Cut will impact 2 families. Interpreter services assists individuals/families who speak Spanish as a primary language. Reduction will decrease available hours from 21.5 to 19.	-$144,322	-$144,322	0
09 - 300	Health & Hospitals	Human Service Districts	Reduces IAT from the Office for Citizens with Developmental Disabilities (OCDD) to the human service districts. Original source of IAT funding is SGF within OCDD. DHH will transfer services for people currently enrolled in the Family Flexible Fund (FFF) and the Individual & Family Supports Fund (IFSF) to a private entity, LA Clinic Services (LCS). LCS will continue to provide services to all people currently served through these programs under a Low Income Needy Care Collaboration Agreement (LINCCA). Through LINCCA, LCS contracts with individual physicians/providers to provide services that were previously provided by the districts. As a result of terminating these contracts funded with 100% SGF, DHH realized cost avoidance. FFF & IFSF offer home and community-based services to people with developmental disabilities. Each human service district's reduction includes: JPHSA ($152,255); FPHSA ($162,247); CAHSD ($155,223); and MHSD ($28,278). **Note:** Unlike the savings reflected in the previously mentioned districts, South Central LA Human Services Authority ($180,205) and the Acadiana Area Human Services District ($119,321) were appropriated SGF for these services in FY 13 and will also transition them to LINCCA in FY 14; however, the SGF savings were retained for other operational expenditures at SCLHSA & AAHSD.	$0	-$498,003	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 302	Health & Hospitals	Capital Area Human Services District	Contract consolidations and reductions at CAHSD detailed below: **($146,000) –** Eliminates contracted 10-Bed Social Detoxification Unit. CAHSD intends to incorporate these social detox services into the residential treatment protocol at the Capital Area Recovery Program, which provides 28 day residential addiction recovery services. The client's first 5 to 7 days in treatment will be dedicated to detoxification coupled with treatment. **($45,000) -** Reduces overall funding of the Drop-In Center contract resulting in service reduction impacting 30 individuals who are currently receiving or would receive supportive community services. Services at the Drop-In Center include peer mental health and addiction counseling, computer classes, money management training, social skills training, and basic living skills training. Impacted individuals will no longer have access to these services.	-$191,000	-$191,000	0
09 - 304	Health & Hospitals	Metropolitan Human Services District	Contract consolidations and reductions at MHSD detailed below: **($30,000) -** Contract with Tulane for physician services at Juvenile Court eliminated. Clients will not be seen in the court environment, but instead, they will need to travel to clinics for services. According to MHSD, capacity currently exists at its clinics to accommodate these clients. **($284,700) -** Decreases transitional beds from 40 to 25. According to MHSD, it has been successful at placing more clients in permanent housing so that the need for 40 beds decreased and will have no impact on client services.	-$314,700	-$314,700	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Annualizes mid-year reductions to Radiology Utilization Management (RUM) costs. RUM was implemented to ensure appropriate utilization of imaging services by Medicaid providers and recipients. Medicaid uses MedSolutions Inc. (MSI), to provide prior authorization, monitoring and management of medical imaging services. Imaging providers are required to request prior authorization for certain outpatient procedures, including magnetic resonance imaging (MRI), computed tomography, and nuclear cardiac imaging. The source of the Federal funds ($2.5 M) is Medicaid Administrative federal financial participation.	-$2,500,000	-$5,000,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Annualizes mid-year reductions to Kid Med overhead and management costs in the Molina Contract. The source of the Federal funds ($587,647) is Medicaid Administrative federal financial participation.	-$587,647	-$1,175,294	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Reduces funding for optional medicaid services contracts. The source of the Federal funds ($328,725) is federal Administrative matching funds.	-$158,275	-$487,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Non-recurs budget authority ($44,2972 SGF, $274,844 SGR and $1,690,084 Federal) due to the expiration of the Medicaid Infrastructure Grant, the Maximizing Enrollment Grant, and the Children's Health Insurance Program Reauthorization Outreach & Enrollment Grants.	-$44,972	-$2,009,900	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Eliminates funding ($1,631,020 SGF and $2,772,383 Federal) for Our Lady of the Lake Upper Payment Limit payments. Supplemental Medicaid payments were made to OLOL from 10/1/2009 to 9/31/2011 to cover the transition costs related to the hospital's staffing, Graduate Medical Education, and one-time facility investment to provide access and capacity for Earl K. Long's patient base to begin receiving inpatient and emergency services. All payments under the payment schedule have been reimbursed to OLOL, and this non-recurs the final payment from FY 12 that was not removed from the Medicaid base budget in FY 13.	-$1,631,020	-$4,403,403	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Projected decrease in Title 19 Medicaid claims payments to certain providers associated with the delivery of lab and x-ray services and the provision of Durable Medical Equipment (DEM) and Supplies in the Medical Vendor Payments Program. This estimated reduction ($2,165,753 SGF and $3,681,312 Federal) is based on the provision of services being provided by a sole source provider for lab and x-ray, and a sole source provider for DME. Restricting the number or type of providers that could ordinarily be allowed to provide specific Medicaid services will require a 1915(b) waiver from the Centers for Medicare & Medicaid Services (CMS). DHH anticipates the waiver will be approved prior to FY 14. The savings estimate is based on a projected 12.5% reduction in rates for DME services and a projected 7.5% reduction in the rates for lab and x-ray services.	-$2,165,753	-$5,847,065	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Eliminates certain Optional Medicaid Programs beginning 1/1/2014. The source of Federal funds ($41,693,265) is Title 19 federal financial participation. Specific programs eliminated include the Medicaid Purchase Plan (MPP), Disability Medicaid (DM), and services for Pregnant Women above 133% of the Federal Poverty Level (FPL). Reductions by programs are reflected below. ($11,008,571) Pregnant Women ($6,913,938) Medicaid Purchase Plan ($48,518,998) Disability Medicaid ($66,441,507) Total	-$24,528,567	-$66,441,507	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Reduction in Rural Hospital Upper Payment Limit payments. The source of the Federal funds ($5,844,936 is federal financial participation.	-$3,438,634	-$9,283,570	0
09 - 306	Health & Hospitals	Medical Vendor Payments	The High Medicaid Claims Pool is being reduced ($1,426,040 SGF and $2,423,960 Federal). Certain hospitals receive supplemental Medicaid payments from the Dept. of Health & Hospitals that demonstrate high Medicaid utilization. This adjustment reduces these supplemental Medicaid payments to 9 hospital providers. The supplemental payment pool is being reduced to $1 M in FY 14. $4,850,000 FY 13 High Medicaid Claims Pool (HMCP) ($3,850,000) FY 14 Adjustment to the HMCP $1,000,000 FY 14 Funding for HMCP	-$1,426,040	-$3,850,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Net decrease in IAT funding associated with the LaChip Affordable Plan (LAP) due to LaChip Affordable Plan (LAP) enrollees moving out of the Office of Group Benefits' (OGB) PPO Plan and into the BAYOU HEALTH group plan, and Shared Savings Plans. ($6,648,586) Reduction of LaChip Affordable Plan funding within Buy-ins $3,775,531 Add back LaChip Affordable Plan money within Buy-ins for Bayou Health risk plans to manage the LAP population $2,337,763 LAP funding added to Private Providers Program for fee for service and shared plans ($535,292) Total reduction to LAP	$0	-$535,292	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Annualizes FY 13 mid-year cuts to Medicaid ($11,184,819 SGF and $18,515,594 Federal). The reduction represents various annualized cut amounts to the following providers: ($255,310) 1.5% rate reduction to Intermediate Care Facilities ($5,470,750) 1% rate reduction for Inpatient/Outpatient Hospital providers and physicians ($11,937,822) Nursing Home Admission restructuring reduction ($155,710) Case Management for clients with HIV ($93,397) 1st Time Mothers Home Visit Program ($944,924) Rebasing of rates for the Program of All Inclusive Care for Elderly (PACE) ($661,646) Rehabilitation services ($4,900,901) Optional dental program for pregnant women (above 133%) ($279,953) Emergency ambulance rate reduction ($5,000,000) High Medicaid DSH pool reduction ($29,700,413)	-$11,184,819	-$29,700,413	0
09 - 306	Health & Hospitals	Medical Vendor Payments	A portion of the Greater New Orleans Community Health demonstration waiver is being non-recurred due to federal grant expenditure limits.	$0	-$13,306,148	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 306	Health & Hospitals	Medical Vendor Payments	Reduces funding for the High Medicaid Disproportionate Share Hospital (DSH) pool. The source of Federal funds ($3.049 M) is the DSH payment FMAP. Certain hospitals receive DSH payments from the DHH that demonstrate high Medicaid utilization. This adjustment reduces these DSH payments to 9 hospital providers. The DSH pool is being reduced to $2 M in FY 14. $7,000,000 FY 13 DSH Pool ($5,000,000) FY 14 Adjustment to the DSH pool $2,000,000 FY 14 Funding for the High Medicaid DSH pool	-$1,951,000	-$5,000,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Reduces funding ($5,628,099 and $9,566,553 Federal) to nursing home providers as a result of restructuring the nursing home bed buy-back program ($3,256,830); and annualizing a mid-year cost reduction due to the restructuring of nursing home admissions ($11,937,822). The source of the Federal funds is Title 19 federal financial participation.	-$5,628,099	-$15,194,652	0
09 - 307	Health & Hospitals	Office of Secretary	Reduces funding for contracts and contractual services for the Birth Outcomes Initiative.	-$525,000	-$525,000	0
09 - 307	Health & Hospitals	Office of Secretary	Non-recurs one-time funding for special legislative project.	-$797,436	-$797,436	0
09 - 309	Health & Hospitals	South Central LA Human Services Authority	Contract consolidations and reductions at SCLHSA detailed below: **($123,742) -** Operational hours at Recovery Centers in Morgan City & LaPlace & Opportunity Center in Houma will be reduced by half and also eliminate holiday meals provided. Patrons of the centers are patients of the treatment centers who frequent the centers for social networking or meeting with peers. Approximately 620 individuals will be impacted by this reduction. **($88,798) -** Youth Counseling & Adolescent Intensive Outpatient Program: Contract with Options provides outpatient services to adolescents without Medicaid or other payor sources for which service needs have been identified. Will impact individual & group sessions for approximately 155 youth. **($90,000) -** Functional Family Therapy: Contract with Options provides community-based services for an evidenced based service for patients and family members without Medicaid or other payor sources. This reduction will impact approximately 75 individuals. **($4,867) -** Peer to Peer reduction: Contract with the Start Corporation that provides trained peers to support other patients in meeting recovery goals. Approximately 100 people are served each month. This reduction will impact approximately 2% of the time the peers will be available to meet with other patients.	-$307,407	-$307,407	0
09 - 324	Health & Hospitals	LA Emergency Response Network Board	Eliminates funding for staffing hours at the 2 communication centers (Baton Rouge and Shreveport) operated by contractor American Medical Response (AMR). Based on historical call volume, the department created a more efficient staffing model that result in a staffing decrease of AMR employees. Savings are a result of decreased staffing hours and closure of the Shreveport communication center. The Shreveport communication center served as a backup site for the Baton Rouge communication center in the event that the Baton Rouge site was inoperable. The Shreveport communication center closed in December 2012.	-$200,000	-$200,000	0
09 - 324	Health & Hospitals	LA Emergency Response Network Board	Reduces funding for the communication center contract with American Medical Research (AMR). The communication center identifies the nearest hospital with the resources available to address the needs of seriously injured patients throughout the state. The communication center contract will be provided by a private entity, the LA Clinic Services (LCS). LCS will continue to operate the communication center with AMR under a Low Income Needy Care Collaboration Agreement (LINCCA). The LA Emergency Response Network Board (LERN) will closely monitor the contract with LCS to ensure services are provided as needed.	-$900,000	-$900,000	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 326	Health & Hospitals	Public Health	Elimination of sexually transmitted disease (STD) treatment resources in certain Parish Health Units based on disease prevalence. Elimination of services includes the reduction of 11 positions. In order to operate more efficiently and serve the areas of the state with the highest service volume, the number of STD clinics offered will be based on need. Patients in parishes with reduced clinical offerings will retain access to services, but will have to travel longer distances in order to receive continued care at another Parish Health Unit.	-$416,090	-$416,090	-11
09 - 326	Health & Hospitals	Public Health	Reduction to Primary Care & Rural Health Adolescent School Health Program and 4 positions. This reduction does not reduce services offered by School Based Health Centers (SBHCs). Rather, this is a reduction of administrative costs and staff that monitor the program and provide technical assistance and capacity building activities. An itemized breakdown of the reduction is detailed below. **($352,124)** Salaries & Related Benefits for 4 positions **($291,763)** Direct and indirect administrative costs including: field travel, building rental costs, dues & subscriptions, postage, office supplies, telephones **($156,113)** Professional service contracts (medical consultation & mental health services)	-$800,000	-$800,000	-4
09 - 330	Health & Hospitals	Behavioral Health	Reduction in SGF utilized for Access to Recovery (ATR) Program. The DHH will transfer services for all people currently enrolled in the program to a private entity, the LA Clinic Services (LCS). LCS will continue to provide services to all people currently served through ATR under a Low Income Needy Care Collaboration Agreement (LINCCA). Through LINCCA, LCS contracts with individual physicians/providers to provide services that were previously provided by OBH. As a result of terminating these contracts funded with 100% SGF, OBH realized a cost avoidance. Although there is no obligation, the state will continue to make supplemental Medicaid (UPL) payments to the private providers in FY 14. The ATR Program was created as a Presidential initiative to provide client choice among substance abuse clinical treatment and recovery support providers, expand access to clinical treatment and recovery support options (including faith and community-based organizations), and increase substance abuse treatment capacity. The DHH will closely monitor the contract with LCS to ensure continuum of care. There are no personnel reductions involved.	-$453,324	-$453,324	0
09 - 330	Health & Hospitals	Behavioral Health	Reduces contractual costs at the Eastern LA Mental Health System (ELMHS) in the Hospital Based Treatment Program. There is no anticipated impact on patients. Specific contract reductions are detailed below: **($1,007,708)** - Direct Care Providers: Individual private providers, Tulane, and LSU contracts will reduce costs in the following potential service areas by approximately 10%: •Psychiatric services for forensic, civil, and acute population, •Accreditation services for the hospitals through the infectious control program, •Psychiatric treatment for the forensic aftercare program and the Conditional Release Program, •Extern and intern program for doctoral psychology •Program that assists women with severe mental illness transition back into the community •Supervised transitional residential aftercare for forensic population •Group Homes, dental services, speech therapy, ophthalmology, deaf interpreting, & ministers **($8,800)** - Non-direct Patient Care: Administrative reduction of approximately 10%.	-$1,016,508	-$1,016,508	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 330	Health & Hospitals	Behavioral Health	Eliminates all funding ($753,001 SGF and $6,088,270 IAT) for the Early Childhood Supports & Services (ECSS) Program due to loss of Temporary Assistance for Needy Families (TANF) funding from the Dept. of Children & Family Services (DCFS) in the mid-year cuts. OBH laid off 1 T.O. position and 4 non-T.O. from central office administrative staff. Itemized reductions and programmatic information are detailed below. **($164,990)** Salaries & Related Benefits (1 T.O.) **($588,011)** Other Charges (4 non-T.O. salaries and benefits) **($6,088,270)** TANF from DCFS for ECSS ECSS was an infant mental health program that served children ages 0-5 and their families. Specifically, it provided case management to evaluate family risk and engage a multi-agency network to provide necessary family support, clinical assessments of children and child-caregiver relationships, and intervention support to address behavioral and developmental health concerns. Some of these clients are eligible for similar services under the LA Behavioral Health Partnership (LBHP), but pediatricians will be primarily responsible for less severe cases. The ECSS Program served 540 clients in FY 13 prior to closure.	-$753,001	-$6,841,271	-1
09 - 330	Health & Hospitals	Behavioral Health	Eliminates 35 positions and associated funding ($75,566 SGF and $254,995 IAT) with the privatization of dietary/food services at the Eastern LA Mental Health System (ELMHS). Original source of IAT was from Disproportionate Share Hospital (DSH) payments. The food supply budget at ELMHS was $3,330,561 in FY 13 and savings for FY 14 will be $330,561 since annual contract costs are $3 M. The contract for dietary/food services at ELMHS was awarded to the Health Care Services Group.	-$75,566	-$330,561	-35
09 - 330	Health & Hospitals	Behavioral Health	Savings as a result of the privatization of the Southeast LA Hospital (SELH) in Mandeville. On 12/3/2012, a cooperative endeavor agreement (CEA) was signed between DHH and Meridian Behavioral Health Services for the continuing operation of SELH for 1/2/2013 through 1/1/2016. SELH was originally scheduled to close in FY 13 due to an allocated cut as a result of the federally mandated FMAP reduction. In anticipation of closure, 118 beds were transferred to other public and private service providers. Under the CEA, Meridian operates the remaining 58 beds including: 16 acute adult beds, 22 acute adolescent beds, and 20 adolescent DNP (Developmental Neuropsychiatric Program) beds at SELH. As a result of privatization, out of the 563 positions allocated to SELH, 168 were transferred to other OBH hospitals and 395 were eliminated from state employment as of 1/2/2013. According to DHH, Meridian rehired 125 former SELH employees who were laid off.	-$3,513,745	-$18,993,601	-395
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Eliminates federal grant funding at Pinecrest Supports & Services Center (SSC) for the Foster Grandparents Program. The Foster Grandparents Program assigned a foster grandparent to one or more residents. The foster grandparent spent time with the resident(s) a few hours per day four (4) days per week as a complement to the residential and day program activities in which the residents participated. In FY 13, the Foster Grandparent Program and associated 2 positions was eliminated. Pinecrest SSC did not reapply for the Foster Grandparent Program federal grant. The federal government awarded the Foster Grandparents grant to the Cenla Area Agency on Aging Inc. who continues the foster grandparent services to the residents of Pinecrest SSC at no cost to Pinecrest.	$0	-$289,821	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Reduces funding in Community-Based Program. The Office for Citizens with Developmental Disabilities (OCDD) will transfer services for all people currently enrolled in the Family Flexible Fund (FFF - previously known as the Cash Subsidy Program) and the Individual & Family Supports Funds to a private entity, LA Clinic Services (LCS). LCS will continue the FFF & Individual and Family Supports Fund Program under a Low Income Needy Care Collaboration Agreement (LINCCA). As a result of terminating these programs funded with 100% SGF, DHH realized cost avoidance. OCDD will closely monitor the contract with LCS to ensure services are provided as needed. In FY 12, the FFF Program provided support to 1,622 families and the Individual & Family Support Program provided support to 2,683 families.	-$1,955,614	-$1,955,614	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Net SGR funding increase of $500,000 ($1.2 M decrease in SGF and $1.7 M increase in SGR) in the Community-Based Program for Early Steps. Act 417 of 2013 authorizes the Office for Citizens with Developmental Disabilities (OCDD) to implement a Family Cost Participation (FCP) for assessing a cost share (fees) to parents of children who receive Early Step services. Estimates for Family Cost Participation (FCP) are based on an average monthly participation of 4,237 children with distribution across income areas, excluding families below 250% federal poverty level. Participation charges will be based on a sliding fee scale depending upon income and family size. Medicaid eligible children will receive the services at no charge. During the budgetary process $1.7 M in SGF was removed and a total of $2.2 M ($500,000 SGF and $1.7 M SGR) was added in anticipation of the passage of HB 375 (Act 417). FCP provides a means to maintain services while shifting some of the cost to participating families so that SGF reductions will not result in additional people losing services. Savings are based on 8 months of implementation in FY 14. In FY 12, a total of 9,819 children and families received support from Early Steps.	$0	$500,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Reduces funding ($5,691,711) and Title 19 Medicaid IAT funding ($2,110,592) for the privatization of North Lake Supports & Services Center (SSC) and the Northwest SSC The Arc of Acadiana will manage Northwest SSC and Evergreen Presbyterian Ministries will manage North Lake SSC.	$0	-$7,802,303	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Reduces Title 19 Medicaid IAT funding at Pinecrest Supports & Services Center (SSC) as a result of savings from the privatization of the dietary program. In FY 13, the Office for Citizens with Developmental Disabilities (OCDD) entered into a 5-year contract with Healthcare Services Group of Bensalem, PA for food service at Pinecrest SSC.	$0	-$740,646	0
			Major Reductions for Health & Hospitals	**-$67,608,539**	**-$205,251,851**	**-446**
10 - 360	Children & Family Services	Children & Family Services	Non-recurs remaining federal funding for Homeless Prevention & Rapid Re-housing Program (HPRP), as authorized under Title XII of Division A of the American Recovery & Reinvestment Act (ARRA) in the Prevention & Intervention Services Program. ARRA funds have expired. The department received a total of approximately $13,541,639 of HPRP funds since FY 10.	$0	-$978,243	0
10 - 360	Children & Family Services	Children & Family Services	Non-recurs federal funding from the U.S. Dept. of Housing & Urban Development Emergency Shelter grant and eliminates a position in the Prevention & Intervention Program. The grant assisted shelter facilities serving homeless persons The LA Housing Corporation has assumed responsibility for all statewide housing programs pursuant to Act 408 of 2011.	$0	-$1,429,408	-1
10 - 360	Children & Family Services	Children & Family Services	Reduces funding for the Modernization Project in the Administration & Executive Support Program. The Modernization Project is a 5-year initiative and FY 14 represents its third year of implementation. The decrease in funding represents the completion of the programming and development stages of the project. The goal of the Modernization is to transform the service delivery of DCFS to allow clients multiple ways to apply for services and access services. As a result, clients will no longer have to visit physical DCFS office locations or travel to multiple locations to do business with DCFS. The modernization project includes: (1) customer service call center; (2) electronic case records and document imaging; (3) customer service portal that has a web based application for services and allows clients to access their case record to view basic case information; (4) provider portal that allows providers to view and update basic information regarding invoice, payments, and fees; and (5) worker portal that allows DCFS staff to update and maintain client case information.	-$3,500,000	-$3,500,000	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
10 - 360	Children & Family Services	Children & Family Services	Decreases Children's Trust Fund statutorily dedicated funding from $1,455,876 in FY 13 to $819,599 in FY 13 in the Prevention & Intervention Services Program to realign budget authority to actual revenue collections and expenditures. The source of the Children's Trust Fund is a $4 surcharge on birth certificates copies. There has been a decline in the number of duplicate birth certificate orders over the past few years. The department projects a total of $819,599 will be collected from the statutory dedication in FY 14. Funds from the Children's Trust Fund are used to provide grants to child abuse and neglect programs.	$0	-$636,277	0
10 - 360	Children & Family Services	Children & Family Services	Eliminates funding for the Young Adult Program (YAP) in the Prevention & Intervention Service Program. Youth between the ages of 18 and 21 that were once in the Foster Care Program were served in YAP. YAP was a voluntary program, based on eligibility criteria, that provided assistance to complete an educational or vocational program or to obtain employment. Under new federal regulations (Fostering Connections to Success and Increasing Adoptions Act of 2008), youth in foster care do not age out until age 21. Prior to the change, age 18 was the age youth would age out of the foster care system. Therefore, services provided by the YAP will continue to be provided under the Foster Care Program with Federal funds.	-$1,160,000	-$1,160,000	0
10 - 360	Children & Family Services	Children & Family Services	Eliminates SGF in the Prevention & Intervention Services Program for the licensing of Class B child day care centers. Instead of SGF, the department will utilize existing federal funding from the Child Care & Development Fund (CCDF) block grant.	-$879,447	-$879,447	0
10 - 360	Children & Family Services	Children & Family Services	Reduces funding ($398,696 SGF and $887,420 Federal) in the Prevention & Intervention Services Program for personal incidentals costs in the Child Welfare Program such as normal clothing costs, personal care items, entertainment, reading materials, gifts and allowances for foster children. The department has identified other existing sources of federal grant funding to mitigate this reduction.	-$398,696	-$1,286,116	0
10 - 360	Children & Family Services	Children & Family Services	Eliminates funding in the Prevention & Intervention Services Program for Early Childhood Supports & Services (ECSS) Program. The DCFS sent funding to the Dept. of Health & Hospitals (DHH)/Office of Behavioral Health (OBH) to provide specialty outpatient screening, assessment and treatment services to TANF eligible low-income women and women with dependent children. In December 2012, as part of the mid-year reductions, DHH/OBH eliminated the ECSS Program.	-$4,277,500	-$4,277,500	0
10 - 360	Children & Family Services	Children & Family Services	Reduces funding ($1 M in SGF and $1,941,176 Federal) in the Field Services Program as a result of consolidating and closing parish and regional offices within the department. Through the Modernization Project, clients now have several ways (website, customer service helpline, and community partners) to conduct business with the department beside visiting a physical office location. In FY 10, the department operated 165 offices in parishes across the state with multiple office locations in many parishes. Presently, the department operates 70 parish offices and has reduced the number of parishes with multiple office locations.	-$1,000,000	-$2,941,176	0
			Major Reductions for Children & Family Services	**-$11,215,643**	**-$17,088,167**	**-1**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
11 - 431	Natural Resources	Office of Secretary	Reduces IAT revenue from the Office of Mineral Resources and a vacant architect position. The IAT revenue is from the Mineral & Energy Operations Fund.	$0	-$55,000	-1
11 - 431	Natural Resources	Office of Secretary	Eliminates 36 positions and associated funding due to the consolidation of certain management and finance activities between the departments of Natural Resources, Environmental Quality and Wildlife & Fisheries The activities consolidated along with the number of positions reduced are as follows: information technology (22), human resources (8), contracts/grants/purchasing (6).	-$640,137	-$640,137	-36
11 - 431	Natural Resources	Office of Secretary	Reduces Federal funds from the American Recovery & Reinvestment Act (ARRA) to reflect anticipated expenditures. Reduced funding was utilized to provide for energy projects. FY 14 includes $10 M in ARRA funding.	$0	-$3,695,037	0
11 - 432	Natural Resources	Conservation	Removes excess SGF budget authority for rental expenses at the LaSalle Building, which is lower than originally anticipated.	-$59,224	-$59,224	0
11 - 434	Natural Resources	Mineral Resources	Reduces SGF providing for professional services contracts for computer programming and legal services. Instead of utilizing private contractors, the agency will handle the computer programming and legal services in-house.	-$452,581	-$452,581	0
			Major Reductions for Natural Resources	**-$1,151,942**	**-$4,901,979**	**-37**
12 - 440	Revenue	Office of Revenue	SGR reduction eliminates 57 positions from the Dept. of Revenue with 42 in the Tax Collection Program (TCP) ($2,807,935) and 15 in the Alcohol & Tobacco Control (ATC) ($1,190,961). The 42 TCP positions being eliminated are the audit review panel (5 layoffs and 1 early retiree), graphic design (2 layoffs) and 34 additional early retirees who will not be replaced. Presumably, the functions of these positions will be spread over the remaining workforce. The ATC positions (15 or 21% of the ATC T.O.) are vacant field enforcement positions. After adjustments to deliverables for federal grant requirements, the number of anticipated compliance checks is expected to fall to 3,500 in FY 14 from actual checks of 8,735 in FY 12, but the number of inspections by ATC is expected to increase substantially allowing for a similar generation of SGR as fines. Additionally, since most SGR in ATC is related to permit fees, which are recurring, and the elimination of positions will decrease expenditures by about $1 M, ATC anticipates transferring these savings for use in other areas of the state's budget on a recurring and possibly increasing basis.	$0	-$3,998,896	-57
12 - 440	Revenue	Office of Revenue	This decrease in SGR is the result of the closure of 7 regional and district offices of the Dept. of Revenue in Dallas, Houston, Lake Charles, Alexandria, Monroe, Shreveport and Lafayette. The New Orleans and Baton Rouge offices will remain open. Savings are generated by foregone rent and associated state building costs, maintenance fees, capital leases, and are attributed to the Tax Collection Program ($833,212) and the Alcohol & Tobacco Control Program ($11,453). Presumably, no layoffs will result from these closures as the staff will work from home in these areas. This model is in place with auditors in other areas of the country and has been successful. As the plan unfolds, there may be further consolidation of administrative functions resulting in the elimination of positions.	$0	-$844,665	0
12 - 440	Revenue	Office of Revenue	This reduction in SGR of $1.5 M is the result of eliminating 11 of the agency's 17 non-T.O. positions. Two of the targeted positions are vacant and 9 are layoffs. These positions include a public information officer, 5 revenue tax analysts (1 vacant), 2 IT application programmers, 1 executive management officer in ATC, and 3 administrative positions (1 vacant). Presumably, the functions related to these positions will be spread over the remaining LDR workforce.	$0	-$1,520,559	0
12 - 440	Revenue	Office of Revenue	This reduction of SGR is related to general decreases across various expenditure categories. In the Tax Collection Program ($3,052,485), the agency will identify various areas within its operations to fulfill the remainder of the reduction, including travel, operating services, professional services, other charges and IAT. The reduction also includes $550,959 in the Charitable Gaming Program to non-recur software development in the video bingo audit software and mapper system, which is now in place and operating.	$0	-$3,603,444	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
			Major Reductions for Revenue	**$0**	**-$9,967,564**	**-57**
13 - 855	Environmental Quality	Management & Finance	Reduces funding from the Environmental Trust Fund as a result of savings from the consolidation of IT, Human Resources, and Purchasing/Contracts services with the Dept. of Natural Resources (DNR). The Dept. of Environmental Quality (DEQ) will transfer funding and 55 positions to DNR to provide those services. However, DNR will reduce 16 of the 55 positions allowing DEQ to reduce funding ($1.157 M) associated with those 16 positions.	$0	-$1,157,096	0
			Major Reductions for Environmental Quality	**$0**	**-$1,157,096**	**0**
14 - 474	Workforce Commission	Workforce Support & Training	Non-recurring IAT funding for payments to vendors who provided 132,970 meals for those evacuated to shelters due to Hurricane Isaac under the Mass Feeding Program. The original source of the IAT funds is Federal Emergency Management Agency reimbursements ($1,277,872) from the Governor's Office of Homeland Security & Emergency Preparedness and the State Emergency Response Fund ($425,958) from the Division of Administration.	$0	-$1,703,830	0
14 - 474	Workforce Commission	Workforce Support & Training	Eliminates IAT funding from the Dept. of Children & Family Services (DCFS) for the LA Employment Assistance Program (LEAP). DCFS discontinued the LEAP, a 10-parish pilot within the LA Workforce Commission Office of Workforce Development after the loss of Supplemental Temporary Assistance for Needy Families (TANF) funds in FY 12. LEAP was designed to help FITAP recipients transition from cash assistance and/or nutrition assistance programs to self-sufficiency by providing intense job readiness activities and job search training with employee contacts. The 10 pilot parishes were Jefferson, Orleans, East Baton Rouge, St. Tammany, Terrebonne, Lafayette, Calcasieu, Rapides, Ouachita and Caddo.	$0	-$369,281	0
14 - 474	Workforce Commission	Workforce Support & Training	Reduces funding from the Employment Security Administration Account in the Office of Workforce Development to realign budget authority with actual revenue collections and expenditures. The anticipated revenue collection from the Employment Security Administration Account is $4 M for FY 14.	$0	-$3,890,282	0
			Major Reductions for Workforce Commission	**$0**	**-$5,963,393**	**0**
16 - 514	Wildlife & Fisheries	Office of Fisheries	Non-recurs IAT funding from the Office of State Police for oyster cultch reestablishment projects. These projects serve to augment natural cultch material to encourage spat settlement for support of this resource. The 4 cultch placements in FY 13 were done at 3-Mile Bay, Drum Bay, Lake Fortuna, and South Black Bay. The source of funding is the Oil Spill Contingency Fund.	$0	-$7,000,000	0
16 - 514	Wildlife & Fisheries	Office of Fisheries	Non-recurs IAT budget authority that allowed funding from the Office of Coastal Protection & Restoration (OCPR) to be transferred to the Office of Fisheries for oyster remote setting projects designed to assist with oyster reestablishment following the Deepwater Horizon Oil Spill Event. The original source of funding is from the 2009 surplus funds that were appropriated to OCPR via Act 20 of 2009.	$0	-$1,700,000	0
			Major Reductions for Wildlife & Fisheries	**$0**	**-$8,700,000**	**0**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19A - 600	Higher Education	LSU System	Non-recurs one-time funding for fiber optic infrastructure at LSU-A.	-$100,000	-$100,000	0
19A - 600	Higher Education	LSU System	Non-recurs one-time funding to the LSU HSC-S for operational expenses.	-$100,000	-$100,000	0
19A - 600	Higher Education	LSU System	Non-recurs one-time funding for the LSU Ag Center for operations. The funding was provided in FY 13 because the LSU Ag Center has no students and cannot increase tuition to offset reductions in SGF as most other higher education institutions have done. Loss of these funds will reduce funding for research and extension initiatives and will require program eliminations and layoffs. The LSU Ag Center is unable to identify the impacted programs and staff at this time.	-$5,000,000	-$5,000,000	0
19A - 600	Higher Education	LSU System	Provides funding through 9/30/2013 for the LSU Medical Center at Shreveport. See Issue write-up entitled “FY 14 Funding and Operation of LSU Hospitals in North LA” for more information.	-$9,024,311	-$247,429,896	-2,722
19A - 600	Higher Education	LSU System	Provides funding through 9/30/2013 for E. A. Conway Medical Center in Monroe. See Issue write-up entitled “FY 14 Funding and Operation of LSU Hospitals in North LA” for more information.	-$8,794,375	-$86,573,044	-864
19A - 600	Higher Education	LSU System	Provides funding through 9/30/2013 for H. P. Long Medical Center in Pineville. See Issue write-up entitled “FY 14 Funding and Operation of LSU Hospitals in North LA” for more information.	-$9,635,049	-$42,572,183	-499
19A - 615	Higher Education	SU System	Non-recurs one-time funding for operational expenses at SU System campuses. This reduction includes the following amounts per campus: SU at Baton Rouge $3.65 M, SU at Shreveport ($250,000), and SU at New Orleans ($100,000).	-$4,000,000	-$4,000,000	0
19A - 615	Higher Education	SU System	Non-recurs one-time funding provided to Southern University at New Orleans for operational expenses.	-$500,000	-$500,000	0
19A - 615	Higher Education	SU System	Non-recurs one-time funding for the Southern Ag Center for operational expenses.	-$125,000	-$125,000	0
19A - 620	Higher Education	UL System	Non-recurs one-time funding provided to UNO for the New Orleans Jazz Institute.	-$25,000	-$25,000	0
19A - 671	Higher Education	Board of Regents	Annualizes FY 13 mid-year reductions.	-$22,000,000	-$22,000,000	0
19A - 671	Higher Education	Board of Regents	Non-recurs one-time funding provided to the Board of Regents for non-profit organizations in Lafayette ($50,000) and for SUNO ($50,000).	-$100,000	-$100,000	0
			Major Reductions for Higher Education	**-$59,403,735**	**-$408,525,123**	**-4,085**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	SFC Amendment - Transfers $361,674 in IAT and 10 T.O. positions from the Education Program to Department of Education (DOE), Special School Districts, Instruction Program. As a result of an audit report finding (April 25, 2012), the LSEC has been transitioning students 22 years of age or older out of the facility into the community. Although R.S. 17:1941 requires that DOE provide special education services for individuals up to age of 22, R.S. 17:1941 requires that DOE: however, in 1985, the legislature amended R.S. 17:348 to allow individuals to remain at LSEC until age 32. Beginning in 2012, LSEC has moved 22 students. Therefore, Title 19 Medicaid IAT funds are anticipated to decrease by $361,674. In FY 14, LSEC anticipated having 12 vacant and unfunded positions. So, 10 T.O. positions were transitioned to Department of Education (DOE), Special School Districts, Instruction Program to help with their need for more positions. The amendment does not impact services at LSEC.	$0	-$361,674	-10
19B - 666	Special Schools & Comm.	State Board of Elementary & Secondary Education	Decreases 8(g) Statutory Dedications based on projections as determined by the State Treasurers Office. BESE allocates 8(g) funding for various statewide education initiatives. Approximately half of the reduction will likely be to the block grant allocation. The block grant allocation is competitive and school systems primarily use the funding in focus areas such as Pre-K and proven instructional strategies in English Language Arts, Math, Science, Social Studies and/or Technology. The other half of the reduction will be to various statewide allocations. These allocations include education initiatives such as LEAP for the 21st Century, the Early Childhood Literacy Program and Expanding High School Choice.	$0	-$1,011,941	0
			Major Reductions for Special Schools & Comm.	**$0**	**-$1,373,615**	**-10**
19 - 678	Elem. & Secondary Educ.	State Activities	Eliminates 34 positions and the associated funding. All positions reduced were filled positions.	-$3,531,978	-$3,531,978	-34
19 - 681	Elem. & Secondary Educ.	Subgrantee Assistance	Reduces funding for the Professional Improvement Program (PIP). The program provides salary increments to approved educators in the public school system. The reduction is a result of an estimated 842 fewer participants. $1 M of the reduction is attributed to the annualization of the mid-year reduction in FY 13. The total budget for FY 14 is $7.1 M.	-$2,000,000	-$2,000,000	0
19 - 682	Elem. & Secondary Educ.	Recovery School District	Eliminates funding for the Extended Day Program for students in the schools run directly by the Recovery School District (RSD). These funds were allocated for extended day and year programs to aid students 2 or more years behind grade level. Due to the decline in the number of schools directly operated by the RSD and an increase in charter schools operating in the RSD, the funding is being eliminated.	-$2,750,000	-$2,750,000	0
			Major Reductions for Elem. & Secondary Educ.	**-$8,281,978**	**-$8,281,978**	**-34**
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Eliminates funding to HCSD hospitals as a result of the annualization of FMAP reductions, UPL payments from DHH and the public/private partnerships. In addition, HCSD's Central Office will be eliminated and HCSD will no longer manage or operate these hospitals. Reductions by hospital and means of finance are detailed below.	-$47,858,856	-$682,872,420	-5,023

	SGF	IAT	SGR	FED	Total	T.O.
Central Office	$0	$0	($24,004,319)	$0	($24,004,319)	(189)
EKL	($16,353,557)	($84,212,673)	($12,153,527)	($8,330,988)	($121,050,745)	(964)
UMC	($5,483,965)	($71,166,114)	($12,479,972)	($12,093,611)	($101,223,662)	(863)
LJC	($4,584,865)	($61,781,116)	($12,524,452)	($14,349,922)	($93,240,355)	(894)
ILH	($21,436,469)	($246,902,095)	($44,501,318)	($30,513,457)	($343,353,339)	(2,113)
Total	**($47,858,856)**	**($464,061,998)**	**($105,663,588)**	**($65,287,978)**	**($682,872,420)**	**(5,023)**

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
19E - 610	LSU Health Care Services Division	LSU HSC-HCSD	Reduces funding to HCSD hospitals as a result of the annualization of FMAP reductions, UPL payments from DHH and the public/private partnerships. FY 14 budget appropriates partial funding for W.O. Moss ($27,040,884) and Bogalusa Medical Center until the public/private partnerships are finalized. Reductions by hospital and means of finance are detailed below.	-$8,357,718	-$52,890,048	-914

	SGF	IAT	SGR	FED	Total	T.O.
WOM	($5,861,498)	($13,757,454)	($5,444,496)	$4,762,502	($20,300,946)	(361)
BMC	($2,496,220)	($19,037,057)	($5,574,658)	($5,481,167)	($32,589,102)	(553)
Total	**($8,357,718)**	**($32,794,511)**	**($11,019,154)**	**($718,665)**	**($52,890,048)**	**(914)**

	SGF	Total	T. O.
Major Reductions for LSU Health Care Services Division	**-$56,216,574**	**-$735,762,468**	**-5,937**

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Net reduction in funding due to the following: A reduction in Local Housing of State Adult Offenders due to increased capacities at Winn and Allen Correctional Centers ($1.768 M); and an increase of 200 offenders being moved to these facilities at an additional cost of $584,000 per facility. The per diem for housing these offenders at the DOC facilities will range from $11.96 - $17.59, while the cost is $24.39 at the local level.	-$600,000	-$600,000	0

Other Adjustments	SGF
Winn Correctional Center	$584,000
Allen Correctional Center	$584,000
Total Other Adjustments	$1,168,000
Net Savings	-$1,768,000
Decreased Funding	**-$600,000**

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Reduction in funding due to a savings from the implementation of a program to divert certain offenders to mandatory substance abuse treatment as an alternative to incarceration. The cost to house an offender in a local facility for a year is approximately $8,902 ($24.39 per day x 365 days). The cost for the drug treatment facility is $3,500 per year. Approximately 500 offenders will be eligible for the program at a savings of approximately $5,402 per offender ($8,902 - $3,500). Savings to Local Housing of State Adult Offenders will be $2,701,175 (500 offenders x $5,402).	-$2,701,175	-$2,701,175	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Reduces funding due to a savings from the early release of offenders who meet certain criteria to an intensive substance abuse treatment program. Approximately 520 offenders will be eligible for early release on 7/1/2013 and approximately 300 offenders will be eligible incrementally during FY 14.	-$3,432,598	-$3,432,598	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Reduces funding in the amount of $2,771,660 based on projected occupancy rates at local parish jails. The re-opening of vacant dorms at Dixon, Wade, and Rayburn Correctional Centers enables an additional 536 offenders to be housed at these DOC facilities. The per diem for housing these offenders at the DOC facilities will range from $11.96 - $17.59, while the cost is $24.39 at the local level.	-$226,660	-$226,660	0

Adjustments due to the re-opening of vacant dorms increased SGF funding levels and T.O. at these facilities by the following amounts:

Other Adjustments	SGF	T.O.
Dixon Correctional Center	$1,089,000	14
David Wade Correctional Center	$918,000	16
B.B. Sixty Rayburn Correctional Center	$538,000	8
Total Other Adjustments	$2,545,000	38
Net Savings	-$2,771,660	
Decreased Funding	**-$226,660**	

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Annualizes mid-year reductions resulting from the centralization of pre-classification functions. Pre-classification functions are currently performed by each of the Department's state-operated prison facilities. There is a current backlog of prisoners awaiting release and this centralization will allow DOC to develop a procedure to process these prisoners more expeditiously which will result in on-time and immediate releases from local facilities. Pre-classification screening is the standard operating procedure of evaluating and classifying of newly convicted offenders housed at local jail facilities for initial reception and diagnostic processing.	-$2,000,000	-$2,000,000	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Annualizes mid-year reductions resulting from a $1 per day decrease in the per diem for offenders participating in the Transitional Work Program (approximately 3,700 offenders x 365 days x $1 per day). DOC will contribute $1 less per day towards room and boarding expenditures for offenders housed at Transitional Work Programs and the offender's share will increase by a like amount. The state's share is $12.25 for contracted programs, and $16.39 for non-contracted programs currently. New per diem rates will be $11.25 and $15.39, respectively. Offenders currently pay up to 60% of their wages towards room and boarding expenses, and this rate will increase to 62%.	-$1,350,000	-$1,350,000	0
20 - 452	Other Requirements	Local Housing of State Juvenile Offenders	Reduces funding to actual expenditures based on census demand. The average daily census has declined from 184.4 in June 2012 to 144.8 in January 2013.	-$1,500,000	-$1,500,000	0
20 - 901	Other Requirements	State Sales Tax Dedications	This reduction in Statutory Dedications represents a decrease in the appropriation of 13 funds containing hotel/motel sales tax collections which are dedicated back to the locality in which it originated. The appropriation decreases include Ascension Parish Visitor Enterprise ($594,000), East Baton Rouge Enhancement Fund ($40,000), Jefferson Parish Convention Fund ($350,000), Lafourche Parish ARC Training and Development Fund ($60,000), Lafourche Parish Enterprise Fund ($25,000), Livingston Parish Tourism and Economic Development Fund ($50,000), Morehouse Parish Enterprise Fund ($7,982), Shreveport Riverfront Convention Center Indep. ($86,748), Shreveport-Bossier City Visitor Enterprise ($200,000), St. Charles Parish Enterprise Fund ($150,000), St. John the Baptist Convention Facility ($120,000), St. Mary Parish Visitor Enterprise Fund ($30,000), and the Vermilion Parish Visitor Enterprise Fund ($7,563). Some of these decreases are the result of anticipated declining collections but most are due to one-time access to a fund balance last year that is non-recurred for FY 14. Actual collections up to the appropriated amount will be sent to the parishes receiving the dedication.	$0	-$1,721,293	0
20 - 903	Other Requirements	Parish Transportation	Off-System Roads & Bridges Match Program - Removes all funding from Statutory the Transportation Trust Fund - Regular, providing local match for off-system roads and bridges to match federal aid for off-system railroad crossings and bridges.	$0	-$3,000,000	0
20 - 924	Other Requirements	Video Draw Poker - Local Gov't Aid	Reduces funding from the Video Draw Poker Device Fund to match revenues based on REC projections.	$0	-$1,157,375	0
20 - 932	Other Requirements	2% Fire Insurance Fund	Reduces funding from the 2% Fire Insurance Fund to match revenues projected by the Revenue Estimating Conference. The 2% Fire Insurance Fund provides funding to local governmental entities to aid in fire protection. The total amount budgeted for FY 14 is $18.4 M.	$0	-$466,160	0

Major Reductions in the FY 14 Budget Compared to the FY 13 Budget

Sch. #	Dept.	Agency	Explanation	SGF	Total	T. O.
20 - 945	Other Requirements	State Aid to Local Govt. Entities	Non-recurs $92,548 in SGF and $3,356,862 in Statutory Dedications for special legislative projects. The non-recurred SGF is allocated to the following local entities: Acadia Parish School Board ($5,889), City of Covington ($10,153), Town of Iota ($13,835), Town of Livingston ($9,223), Town of St. Francisville ($15,680), St. James Parish Sheriff ($18,446), Vermilion Parish School Board ($5,487), Town of Welsh ($13,835). Non-recurred Statutory Dedications include: the New Orleans Urban Tourism & Hospitality Training Fund ($28,059), the Overcollections Fund ($1,464,632), the Rehabilitation for the Blind & Visually Impaired Fund ($23,500) and the St. Landry Parish Excellence Fund ($1,840,671).	-$92,548	-$3,449,410	0
			Major Reductions for Other Requirements	**-$11,902,981**	**-$21,604,671**	**0**
			Major Reductions of FY 2014	**-$274,447,174**	**-$2,148,334,226**	**11,103**

Section III

BUDGETARY OVERVIEWS

2013 Regular Legislative Session – Major Money Bills

Act 14 (General Appropriations Bill), Act 420 (Funds Bill), Act 54 (Supplemental Appropriations Bill) and Act 24 (Capital Outlay Bill) all played a role in establishing the FY 14 operating budget. Act 420 transfers approximately $525.7 M of various resources for utilization in the FY 14 budget or the FY 13 budget via the Supplemental Appropriations Bill. In addition to the normal spending and funds bills, the FY 14 budget has anticipated SGF resources appropriated as a result of the enactment of HB 456 (Act 421), HB 571 (Act 423) and HB 653 (Act 425). Below is a table that summarizes the results of these various legislative measures for FY 14 SGF.

FY 14 SGF Available (in millions):	
State General Fund (5/15/2013 – REC)	$8,350.600
HB 571 & HB 653 *(Act 14 assumed $25.6 M of anticipated SGF revenue)*	$5.100
Legislative Capitol Technology Fund	$4.202
Adult Probation & Parole Officer Retirement Fund	$2.000
Penalty & Interest Account	$4.159
Community & Family Support System Fund	$0.022
DOJ Debt Collection Fund	$0.213
Energy Performance Contract Fund	$0.472
Entertainment Promotion & Marketing Fund	$0.153
Environmental Trust Fund	$2.487
Health Care Facility Fund	$0.848
LA Filmmakers Grant Fund	$0.226
LA Life Safety & Property Protection Fund	$0.144
Medical & Allied Health Professional Education Scholarship & Loan Fund	$0.107
Right to Know Fund	$0.176
Small Business Surety Bonding Fund	$1.900
Tax Commission Expense Fund	$0.049
Tobacco Tax Health Care Fund	$0.233
Variable Earnings Transaction Fund	$0.018
Vital Records Conversion Fund	$0.004
Riverboat Gaming Enforcement Fund	$5.800
Overcollections Fund (ORM Settlement Proceeds)	$5.000
Medical Assistance Program Fraud Detection Fund	$7.021
Higher Education Initiatives Fund ($267)	$0.000
Board of Private Investigator Examiners Fund ($76)	$0.000
LA Fire Marshal Fund	$0.792
2% Fire Insurance Fund	$1.878
*Bond Premium**	*$13.423*
Total FY 14 SGF Resources Available	**$8,407.027**

FY 14 SGF Appropriated Expenditures (in millions):	
*Debt Service (Non-Appropriated Requirements)**	*$341.347*
*Interim Emergency Board (Non-Appropriated Requirements)***	*$21.771*
Revenue Sharing (Non-Appropriated Requirements)	$90.000
General Appropriations (Act 14)	$7,777.940
Ancillary Appropriations (Act 44)	$0.000
Judicial Appropriations (Act 64)	$147.339
Legislative Appropriations (Act 74)	$69.264
Capitol Outlay Appropriation (Act 24)	$0.000
Total FY 14 SGF Appropriations & Requirements	**$8,447.661**
General Fund Revenue Less Appropriations & Requirements	**($40.634)**

Debt Service Requirement
Based upon the latest anticipated FY 14 SGF debt service requirements, utilizing a $13.4 M bond premium, there is an approximately $3.2 M shortfall in the amount of SGF that has been set aside to make debt payments in FY 14. One of the major funding sources supporting the FY 14 budget is an approximately $13.4 M bond premium received at the end of FY 13. According to its latest fiscal status statement, the DOA and legislature has set aside $324.7 M for debt service payments, when $327.9 M is the current projected amount. *See Table Below.*

FY 14 Debt Service (millions)	
FY 14 Debt Service Requirement	$341.3
Bond Premium Applied	($13.4)
Net FY 14 SGF need for Debt	$327.9
SGF Set Aside for FY 14	$324.7
FY 14 Shortfall	**($3.2)**

Note: The LFO budget tables presented within this document include the DOA debt service requirement amount of $324.678 M as opposed to the actual projected debt service payment amount of $341.347 M.

**Interim Emergency Board (IEB) Funding*
For the past 2 fiscal years (FY 12 & FY 13) and in the FY 14 budget, a material funding source supporting the budget has been a SGF portion that would otherwise be allocated to the IEB in Schedule 22-920 Non-Appropriated Requirements (Interim Emergency Fund). Pursuant to Article VII, Section 7(C.) of the LA Constitution, the amount of SGF set aside for IEB allocations shall not exceed one-tenth of 1% of total state revenue receipts for the previous fiscal year. This calculation is completed by the State Treasury every October/November.

Prior to FY 12, the Executive Budget Recommendation always included the total projected constitutional IEB allocation. However, since the FY 12 budget, the Division of Administration (DOA) now only includes an amount equivalent to prior year expenditures from the Interim Emergency Fund (average board approved expenditures). Due to the provision that the IEB cannot meet during legislative session, in prior years any unexpended IEB allocated funds were utilized by the legislature in that year's supplemental appropriation bill to cover current year needs. By not setting aside the full amount at the beginning of the fiscal year, the operating budget is being supported at the outset before knowing emergency needs for the upcoming fiscal year.

For example, the FY 13 constitutional IEB SGF allocation as calculated by State Treasury is $21,770,940, but as of the latest fiscal status statement the DOA has set aside only $4,651,624. To the extent there were approved IEB requests in excess of the current allocation of $4.7 M, the legislature and/or governor may have to reduce current year SGF expenditures to fund such emergencies or borrow on the full faith and credit of the state to meet an emergency if funds are not available or if the emergency cost exceed available funds (Article VII, Section 7(B)). *Note: Act 54 (FY 13 Supplemental Appropriations Bill) appropriates $3.9 M of the remaining FY 13 SGF set aside proceeds.*

For FY 14, the DOA has allocated $1,758,021 SGF for the Interim Emergency Fund, which represents a $2,893,603 reduction over the FY 13 allocation of $4,651,624. As previously mentioned, the calculated constitutional allocation for FY 13 is $21,770,940. To the extent the FY 14 constitutional IEB allocation remains constant ($21.8 M), Act 14 appropriates SGF in the amount of $20,012,919 be used to fund other SGF needs in FY 14 as opposed to being constitutionally set aside in the Interim Emergency Fund. Note: The chart on the previous page is an FY 14 illustration that assumes IEB resources will be completely expended in FY 14. To the extent the legislature does not approve IEB requests in excess of $1.758 M, the FY 14 SGF Revenue less appropriations & Requirements is a $20 M negative as opposed to $40.6 M negative.

FY	Constitutional Allocation	Amount Set Aside	Board Approved Exp.
2008	$24,840,228	$24,742,843	$7,134,427
2009	$26,969,993	$24,840,228	$5,464,226
2010	$24,335,654	$24,882,639	$839,482
2011	$23,201,112	$24,882,639	$0
2012	$22,618,245	$4,651,624	$1,544,275
2013	$21,770,940	$4,651,624	$786,714
2014	$22,700,000	$1,758,021	TBD

Non-SGF Resources Utilized in FY 14 Budget

Below is a listing of the major resources utilized in the FY 14 budget that were transferred by Act 420 (HB 452 – Funds Bill) into the Overcollections Fund or SGF for FY 14 expenditures. *There is a flow chart that illustrates all the various resources being utilized for FY 14 being on page XX.*

- <u>$140.250 M - Hospital Lease Payments</u>: Provides for state agencies to deposit into the state treasury all receipts of lease payments for the lease of state hospital buildings and then provides for the state treasurer to transfer all payments for the lease of state hospital buildings to the Overcollections Fund. These receipts are associated with the newly formed public/private partnerships. The DOA is anticipating collecting $140.250 M.

- <u>$64,771,871 - Legal Settlements</u>: Provides for legal settlement proceeds from pharmaceutical companies to be transferred into the Overcollections Fund. Absent this legislation, a portion of these settlement proceeds would have likely been deposited into the DOJ Legal Support Fund and the Medical Assistance Programs Fraud Detection Fund. There is $64,771,871 of pharmaceutical legal settlements built into the FY 14 budget.

- <u>$20 M - Department of Revenue Fraud Initiatives:</u> Provides that any amount over $3 M in recurring SGF revenue that is generated as a result of an additional fraud initiative within the Department of Revenue (LDR) is to be deposited into the Overcollections Fund. This is essentially a dedication of state general fund without a clear limit. The estimated value of the dedication is currently is $20 M, which has been calculated without substantial accuracy or certainty since the performance, or even the definition, of the fraud initiatives is unknown. Currently, these collections are included in the SGF forecast and are budgeted as such. The DOA indicates that such revenues are only those associated with the Lexis Nexis contract with LDR.

- <u>$28,284,500 - Go Zone Bond Repayments</u>: Provides for the transfer of loan repayments received from political subdivisions into the Overcollections Fund in the amount of $28,284,500. Absent this legislation, the $28.3 M of payments would otherwise flow into the SGF. Act 41 of the 2006 First Extraordinary Legislative Session authorized the state to issue state general obligation bonds pursuant to the Gulf Opportunity Zone Act of 2005 (Go Zone), which provided debt relief to various political subdivisions. The provision of the congressional act provided $200 M in gulf tax credit bonds with a state match of $200 M (General Obligation Bonds). There are currently 11 political subdivisions (2 have paid their debt in full) that owe the DOA a total of approximately $303.9 M in principal and $111.5 M in interest ($415.3 M). To date, the DOA has collected approximately $119.3 M in payments, which includes $77.9 M from the New Orleans School Board (paid entire debt in full in FY 12) and $18 M from the Orleans Parish Law Enforcement District (paid entire debt in full in FY 13). *Note: The FY 13 budget includes $110,385,578 of Go Zone repayments and the proposed FY 14 budget includes the $28.3 M previously discussed and $16.4 M from Go Zone repayments transferred into MATF as previously authorized by Act 597 of 2012 for a total of $44.7 M.*

- <u>$10 M - Excess IAT/SGR Collections</u>: Provides for the transfer of excess collections from IAT and SGR of at least $10 M into the Overcollections Fund. Unless noted in the appropriations bill, annual overcollections of SGR and/or IAT revenues revert to the SGF at the end of the fiscal year and are reported as part of the CAFR balance. This bill appears to recoup these excess resources before they become part of the CAFR balance at the end of the state's fiscal year. For illustrative purposes, last year the State Treasurer received approximately $41 M of SGF reversions from SGR and IAT overcollections from various agencies ($32.6 M – SGR and $8.4 M - IAT). Since more than half of these excess collections are received from the Department of Insurance ($15.4 M in FY 12) and the Office of Financial Institutions ($11.4 M in FY 12), the adopted revenue forecast is already projecting the SGF to receive $22 M in FY 14. Thus, this bill directs the state treasurer to transfer the remaining projected excess resources to the Overcollections Fund before these resources are captured as SGF surplus and limited to the 6 constitutional eligible uses of surplus funds.

- <u>$5 M - LPAA Resources</u>: Provides for the transfer of $5 M of resources from the LPAA to be transferred into the Overcollections Fund. The LPAA is an ancillary agency that manages the state's moveable property and ensures that all state agencies comply with the State Property Control & Fleet Management Regulations. LPAA's main source of revenues is surplus auction sales of used state equipment and vehicles. In FY 12, the agency generated $5.4 M of SGR from sales of assets in FY 12. Revenues generated from the auction of state property accrues to either the selling agency or the LPAA, depending upon the original funding source used for the purchase of such property. If the property was purchased with federal grant funds, SGR or Statutory Dedications, the LPAA typically receives 20% of the proceeds, while the selling agency receives 80%. If the property was purchased with SGF, the LPAA receives the full amount generated from the auction. Because the LPAA is an ancillary agency, the agency keeps all unexpended funds from year-to-year. Based upon the FY 14 budget request, LPAA has approximately $7.3 M of prior year cash carryover. This bill seeks to transfer $5 M of this carryover amount into the Overcollections Fund.

- <u>$44.620 M - Various Property Sales</u>: Provides for the sale receipts of various state properties to be transferred into the Overcollections Fund. The state properties to be sold and amounts included within the bill are as follows: $12 M - Pointe Clair Farms, $2 M - various Department of Wildlife & Fisheries (WLF) properties, $10.25 M - Baton Rouge State Office Building, $17.84 M - Southeast Hospital property, $350,000 - Wooddale Towers, and $2.18 M - Hart Parking Garage Property. These anticipated sale revenues have been built into the FY 14 budget. Revenues generated from these sales would have otherwise likely flowed into the SGF, except for $17.84 M (Southeast Hospital Property), which would have flowed into the DHH Facility Support Fund and the $2 M from various WLF properties, which would have flowed into the Conservation Fund. *Note: This bill provides for the sale receipts of other various property sites to be transferred into the Overcollections Fund. These sale receipts have not been built into the FY 14 budget. However, to the extent these property sales occur, proceeds would be available for FY 14 or FY 15 appropriation. Thus, there are no dollar amounts listed within the bill. The listed properties include: Greenwell Springs Hospital property, Pines Campus property, Southern Oaks Addiction Recovery property, Bayou Region property, and MDC Apartment property.*

- <u>$13,132,881 - Excess SGR from the Department of Revenue</u>: This amount represents excess SGR from the Charitable Gaming Program ($4.9 M), the Tax Collection Program ($5.9 M) and Alcohol, Tobacco & Firearms ($2.4 M).

- <u>$2 M - LA Housing Finance Agency</u>: Provides for the LHFA (or newly created LA Housing Corporation) to transfer $2 M to the Overcollections Fund. The FY 13 budget includes $11 M from LHFA resources.

- $16 M - Self-Insurance Fund: Provides for the transfer of $16 M from the Office of Risk Management's Self Insurance Fund to the Overcollections Fund.

- $31,509,639 - Funds Sweeps: Provides for the transfer of approximately $31.5 M from various funds into the Overcollections Fund for FY 14 expenditures.

Act 597 of 2012 (Funds Bill) Resources Appropriated in FY 14
Act 597 provides for various resources to be transferred into the Overcollections Fund or Medical Assistance Trust Fund (MATF). Some of these anticipated resources have been transferred and Act 14 appropriates these unbudgeted items in FY 14. The total amount of Act 597 resources appropriated for FY 14 expenditure equate to $62,434,518. Those specific items include:

- $20 M - Excess FEMA Reimbursements: Act 597 provides for the transfer of $10 M in FEMA reimbursements to the SGF. According to GOHSEP, the anticipated FEMA reimbursements are associated with direct administrative costs (force account labor) that FEMA previously did not allow the state to be reimbursed for Gustav and Ike project worksheets (PWs). Force account labor is the administrative services of the state professional staff working directly with the PW project. Because direct administrative cost of a PW typically involves state employees doing their normal day-to-day operations, which are currently funded in HB 1, these reimbursements may not be necessary to reimburse the state agency for its costs. Thus, this bill seeks to transfer these receipts to the SGF in the amount of $10 M. From this point forward, any PW completed by state agencies will now have its direct administrative costs reimbursed by FEMA. However, this will require all state agencies to properly maintain current records and may require training from GOHSEP. To the extent state agencies do not properly track their direct PW time, the state will not receive any reimbursements for direct administrative costs from this point forward. *In addition, Act 597 provided for any excess FEMA reimbursements to be deposited into the Overcollections Fund. The FY 14 budget anticipates $20 M above the initial $10 M to be transferred into the Overcollections Fund and Act 14 budgets these resources.*

- $16,434,518 Go Zone Bond Repayments (Medical Assistance Trust Fund) – Authorizes a portion of FY 13 collected Go Zone Bone repayments to be deposited into the Medical Assistance Trust Fund. The Orleans Law Enforcement District paid in advance its entire debt and this amount was deposited into the Medical Assistance Trust Fund. These receipts were not appropriated in FY 13 and are being budgeted in FY 14.

- $26 M - Risk Management Settlement Receipts: Act 597 transfers $56 M from the Risk Management's Self Insurance Fund to the SGF for FY 13 expenditures and any excess transfers are being transferred for FY 14 expenditures. According to the Office of Risk Management (ORM), the $56 M is anticipated excess insurance proceeds to be received in FY 13 from Katrina/Rita insurance claims. ORM has been in negotiations with these insurance carriers for the past 6 years for claims payments not yet received. ORM anticipates these carriers making a "good faith effort" to pay some of the proceeds in FY 13.

  To the extent the state were to receive an amount in excess of $56 M, these proceeds would be deposited into the Overcollections Fund. The actual settlement amount was $95 M of which $56 M was transferred to the SGF for FY 13 expenditures and the remaining $39 M was transferred into the Overcollections Fund. Act 14 appropriates $26 M of these resources for FY 14 expenditures while the remaining $13 M is appropriated in FY 13 (Act 54 – HB 678, FY 13 Supplemental Appropriations Bill). *See table below.*

$56 M	FY 13 Expenditures (Act 13)
$13 M	FY 13 Expenditures (Act 54)
$26 M	FY 14 Expenditures (Act 14)
$95 M	Total Settlement Proceeds

Resources Transferred to SGF for FY 14 Expenditures
Act 420 and Act 14 transfer a total of $37,903,580 of various resources into the SGF for FY 14 expenditures.

- $33,701,856 - Funds Sweeps: Act 420 provides for the transfer of approximately $33.7 M from various funds into the SGF for FY 14 expenditure. A complete listing of these various statutory dedicated funds can be found at the beginning of this overview.

- $4,201,724 LA Legislative Capitol Technology Enhancement Fund – Act 14 provides for the transfer of $4.2 M from the LA Legislative Capitol Technology Enhancement Fund into the SGF for FY 14 expenditure. As of June 2014 the State Treasury reports a cash balance of $2,946 within this fund. Although the current cash balance of the fund is $2,946, pursuant to R.S. 24:39 $10 M of SGF is transferred into this fund annually. Thus, on 7/1/2013, this fund will have an additional $10 M available for transfer to the SGF. However, Act 378 (Funds Bill) of 2011 provides for the transfer of $6.8 M to the LA Medical Assistance Trust Fund (MATF). To date, the State Treasury has only transferred $42,479, which equates to $6,757,521 of LA Legislative Capitol Technology Enhancement Fund resources that have not been transferred to MATF to date. *See Table Below.*

$5,971,200	FY 12 Fund Balance
$0	FY 13 Projected Revenues (Act 597 transferred $10 M to SGF for FY 13 exp.)
$5,971,200	Total FY 13 Revenue Available
$5,972,461	LESS: FY 13 Anticipated Expenditures
($1,261)	FY 13 Shortfall Using FY 13 Available Revenues
$10,000,000	FY 14 Projected Revenues
$9,998,739	Total FY 14 Available Revenues

In addition, Act 24 of 2013 also includes $3 M from the LA Legislative Capitol Technology Enhancement Fund to begin site design and planning of the former DOI building site.

Note: Act 597 of 2012 provides for the transfer of $10 M from this fund to the SGF for FY 13 expenditures. The State Treasurer completed this $10 M transfer on 8/2/2012.

2013 Tax Amnesty Program
Act 421 of 2013 created the 2013 Tax Amnesty Program of which $200 M of anticipated collections are currently appropriated in Act 14. These proceeds are appropriated in DHH's FY 14 budget and were utilized to free-up SGF proceeds to be expended in other areas of Act 14. *See Flow chart on next page.*

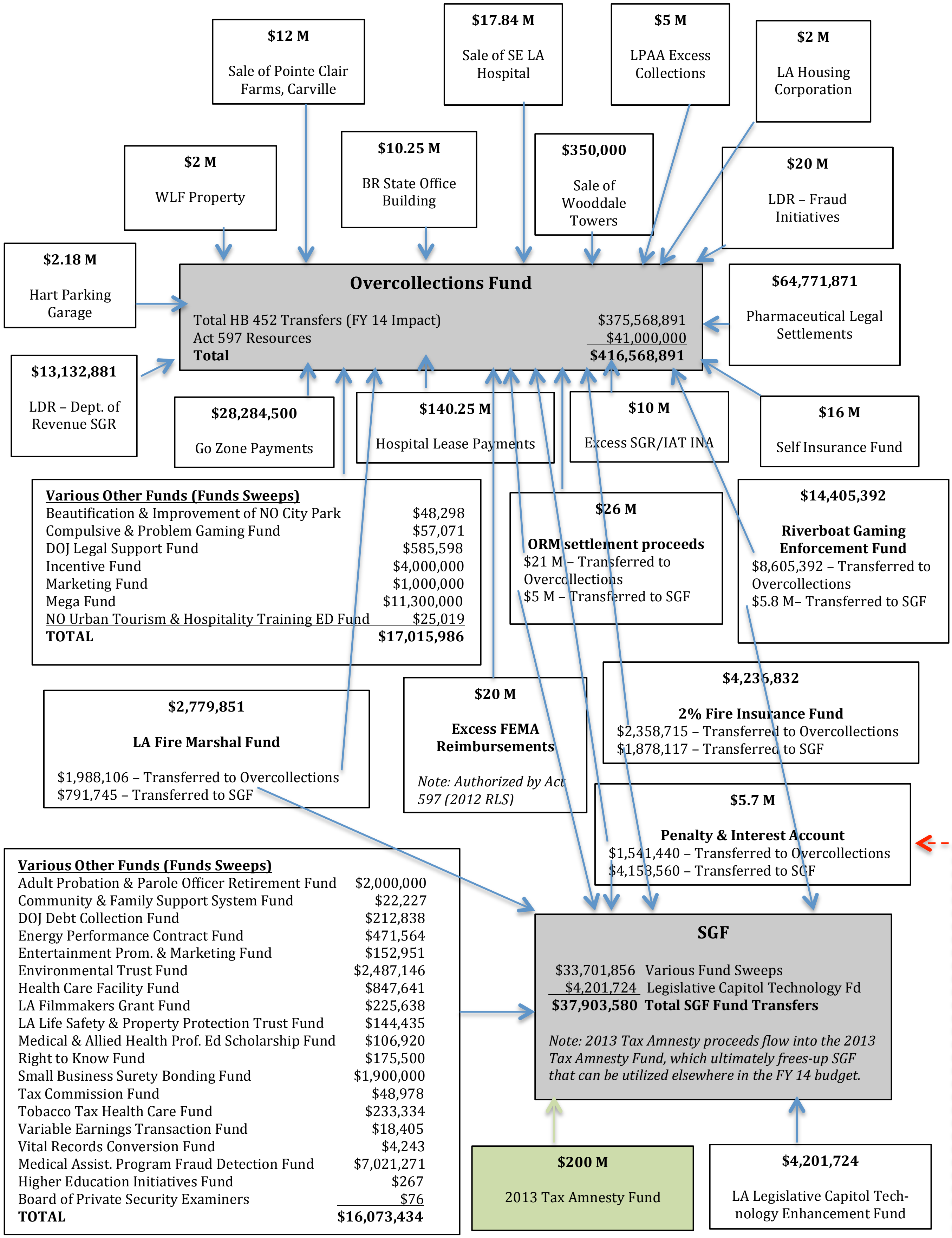
More information on this program is provided within this publication.

Payments Towards the UAL Fund
Act 420 (HB 452) creates the Payments Toward the UAL Fund with an originating source being unexpended monies returned to the state at the end of FY 13. Pursuant to Act 420, monies in the fund are subject to appropriation exclusively to the LA State Employees' Retirement System and the Teachers' Retirement System to defray the increased cost of payments by postsecondary

education institutions toward the UAL. The act provides that the increased cost shall be based on the increase in the UAL portion of the projected employer contribution rate for FY 13 compared to the UAL portion of the projected employer contribution rate for FY 14.

More information on this fund is provided within the Retirement Overview of this publication.

Note: As previously mentioned, Act 420 already provides for $10 M unexpended SGR and IAT funds to be transferred into the Overcollections Fund.


$12 M
Sale of Pointe Clair Farms, Carville
$17.84 M
Sale of SE LA Hospital
$5 M
LPAA Excess Collections
$2 M
LA Housing Corporation
$2 M
WLF Property
$10.25 M
BR State Office Building
$350,000
Sale of Wooddale Towers
$20 M
LDR – Fraud Initiatives
$2.18 M
Hart Parking Garage
Overcollections Fund
Total HB 452 Transfers (FY 14 Impact) $375,568,891
Act 597 Resources $41,000,000
Total $416,568,891
$64,771,871
Pharmaceutical Legal Settlements
$13,132,881
LDR – Dept. of Revenue SGR
$28,284,500
Go Zone Payments
$140.25 M
Hospital Lease Payments
$10 M
Excess SGR/IAT INA
$16 M
Self Insurance Fund
Various Other Funds (Funds Sweeps)
Beautification & Improvement of NO City Park $48,298
Compulsive & Problem Gaming Fund $57,071
DOJ Legal Support Fund $585,598
Incentive Fund $4,000,000
Marketing Fund $1,000,000
Mega Fund $11,300,000
NO Urban Tourism & Hospitality Training ED Fund $25,019
TOTAL $17,015,986
$26 M
ORM settlement proceeds
$21 M – Transferred to Overcollections
$5 M – Transferred to SGF
$14,405,392
Riverboat Gaming Enforcement Fund
$8,605,392 – Transferred to Overcollections
$5.8 M– Transferred to SGF
$2,779,851
LA Fire Marshal Fund
$1,988,106 – Transferred to Overcollections
$791,745 – Transferred to SGF
$20 M
Excess FEMA Reimbursements
Note: Authorized by Act 597 (2012 RLS)
$4,236,832
2% Fire Insurance Fund
$2,358,715 – Transferred to Overcollections
$1,878,117 – Transferred to SGF
$5.7 M
Penalty & Interest Account
$1,541,440 – Transferred to Overcollections
$4,158,560 – Transferred to SGF
Various Other Funds (Funds Sweeps)
Adult Probation & Parole Officer Retirement Fund $2,000,000
Community & Family Support System Fund $22,227
DOJ Debt Collection Fund $212,838
Energy Performance Contract Fund $471,564
Entertainment Prom. & Marketing Fund $152,951
Environmental Trust Fund $2,487,146
Health Care Facility Fund $847,641
LA Filmmakers Grant Fund $225,638
LA Life Safety & Property Protection Trust Fund $144,435
Medical & Allied Health Prof. Ed Scholarship Fund $106,920
Right to Know Fund $175,500
Small Business Surety Bonding Fund $1,900,000
Tax Commission Fund $48,978
Tobacco Tax Health Care Fund $233,334
Variable Earnings Transaction Fund $18,405
Vital Records Conversion Fund $4,243
Medical Assist. Program Fraud Detection Fund $7,021,271
Higher Education Initiatives Fund $267
Board of Private Security Examiners $76
TOTAL $16,073,434
SGF
$33,701,856 Various Fund Sweeps
$4,201,724 Legislative Capitol Technology Fd
$37,903,580 Total SGF Fund Transfers
Note: 2013 Tax Amnesty proceeds flow into the 2013 Tax Amnesty Fund, which ultimately frees-up SGF that can be utilized elsewhere in the FY 14 budget.
$200 M
2013 Tax Amnesty Fund
$4,201,724
LA Legislative Capitol Technology Enhancement Fund

$1 M

Penalty & Interest Account (Capital Outlay)

Swapped (Rescinded) in Act 24 for Priority 2; previously appropriated in September 2012 JLCB meeting (LA Workforce Commission Administrative Headquarters renovations).

$650,000

Penalty & Interest Account (Capital Outlay)

Swapped (Rescinded) in Act 24 for Priority 2; previously appropriated in September 2012 JLCB meeting (LA Workforce Commission Administrative Headquarters renovations).

Swaps Capital Outlay funding for Priority 2 in Act 24 (contingent upon State Bond Commission approval) in the total amount of $2.7 M. Thus, $2.7 M of the $5.7 M transfer is via Act 24.

See Capital Outlay Flow Chart Below.

$1.05 M

Penalty & Interest Account (Capital Outlay)

Swapped (Rescinded) in Act 24 for Priority 2; previously appropriated in September 2012 JLCB meeting (Renovations to LA Workforce Commission's Administrative Headquarters).

$2.7 M

Penalty & Interest Account

Since Act 24 rescinds these projects and replaces prior "cash" appropriations with Priority 2 GO Debt, the cash is available for expenditure. These resources are transferred into either the Overcollections Fund or SGF. The total fund sweep from the Penalty & Interest Account included within Act 420 is $5.7 M from these rescinded resources.

Medical Assistance Trust Fund (MATF)

Act 597 of 2012 RLS Authorized Transfers	$16,434,518
Total Transfers	**$16,434,518**

$16,434,518

GO Zone Bond Repayments
(Orleans Parish Law Enforcement Division)

Note: Authorized by Act 597 (2012)

FY 14 Overcollections Fund Appropriations

Act 14 appropriates these transferred **Overcollections Fund** resources, which include Act 420 resources and Act 597 resources (last year's funds bill), in the following areas of the FY 14 budget.

Board of Regents (Higher Ed Formula)	$294,265,343
Termination Pay (Hospital Employees)	$24,000,000
Casino Support Contract	$3,600,000
Judgments	$12,000,000
Department of Justice (DOJ)	$4,563,971
Higher Education Boards (Operating Expenses & Deferred Maintenance)	$40,000,000
DOTD Regional Districts (Road expenditures)	$36,000,000
Total FY 14 Overcollections Fund Appropriated Expenditures	**$414,429,314**

Preamble Budgetary Reduction Authorizations

Included within Act 14 are preamble budgetary reduction authorizations that authorize and direct the commissioner of administration to reduce a total of $20 M in SGF from the FY 14 budget. The specific preamble reductions are as follows:

Preamble Section 18 (E): The Commissioner of Administration is hereby authorized and directed to reduce the SGF appropriations contained in this Act to achieve a SGF savings of at least $20 M.

01-EXEC	$758,390
03-VETS	$48,117
04-DOJ	$65,368
04-LT. GOV.	$13,317
04-AGRI	$236,207
05-LED	$140,676
06-CRT	$313,101
08-CORR	$4,172,806
10-DCFS	$1,327,485
11-DNR	$68,327
13-DEQ	$4,623
16-WLF	$76,186
17-Ethics	$35,270
17-State Police Commission	$4,494
17-Division Admin. Law	$2,977
19-Board of Regents	$11,261,999
19-BESE	$9,885
19-DOE	$1,460,772
TOTAL	**$20,000,000**

Repeal of Section 4 of Act 597, Creation of the FMAP Stabilization Fund, and Excess Mineral Revenue

Act 420 of 2013 repeals Section 4 of Act 597 of 2012 RLS, which required the Revenue Estimating Conference (REC) to promulgate FY 12 actual revenue collections. The State Treasurer was directed to deposit into the Budget Stabilization Replenishment Fund (newly created by Act 597) the difference between those actual collections and the official forecast of those collections for FY 12 adopted on 4/24/2012, up to a maximum of $204.7 M. The State Treasurer was then directed to transfer these same funds from the new Replenishment Fund into the Budget Stabilization Fund (commonly referred to as the Rainy Day Fund). This provision effectively returned to the Budget Stabilization Fund any unnecessary amount that was withdrawn late in the fiscal year to support the FY 12 budget. Relative to the April 24 forecast for FY 12, SGF revenue collections were $203.8 M greater than expected. After an adjustment for a portion utilized in the FY 13 operating budget

($78.3 M Go Zone Bond Repayments), $125.5 M of these excess collections were subject to be returned to the Stabilization Fund, as per the provisions of Act 597.

In addition, Act 420 creates the FMAP Stabilization Fund directing the State Treasurer to deposit into this new fund the difference between the official forecast for FY 12 adopted on 4/24/2012 and actual collections of revenue for FY 12 as promulgated by the Joint Legislative Committee on the Budget (JLCB), up to a maximum of $113,220,807. The General Fund Fiscal Status Statement is submitted each month to the JLCB, and contains a section titled "FY 2011-2012 Fiscal Status Summary". This summary reports a SGF budget surplus of $113,220,807 for FY 12. However, the official forecast of revenue for FY 12 adopted on 4/24/2012 was $7,861.7 M, and the actual collections of those forecasted revenues was $7,973.377 M; resulting in a difference of $111.677 M to be deposited into the new FMAP Stabilization Fund. These monies have been appropriated in Act 54 of 2013, the supplemental appropriations bill for FY 13, for the Payments to Private Providers Program (09-306 Medical Vendor Payments) in the Department of Health & Hospitals ($113,220,807 appropriated).

The repeal of Section 4 of Act 597 and the creation of the FMAP Stabilization Fund allow the FY 12 surplus to be utilized in the operating budget. Without these actions and per normal practice of the REC, these revenues would typically be designated as nonrecurring revenue. Such a designation would limit the use of these monies to the constitutional purposes in Article VII, Section 10(D)(2).

Prior to Act 420, current law (R.S. 39:94(C)(b.)) effectively provided that no deposits of mineral revenue shall be made into the Budget Stabilization Fund until the official forecast exceeds the SGF revenue collections for FY 08. This language allowed mineral revenues to flow into the SGF (for financing the state budget) as opposed to flowing into the Budget Stabilization Fund up to its current allowed maximum balance of $776.7 M. Act 420 provides that this section of law shall be null and void on 7/1/2015 (FY 16). This will result in mineral revenues flowing into the Budget Stabilization Fund as opposed to the SGF beginning in FY 16. The current Budget Stabilization Fund balance is approximately $444 M, and is allowed a maximum balance of $776.7 M. Based on these current parameters, approximately $330 M of mineral revenues could flow into the Budget Stabilization Fund in FY 16, as opposed to the SGF. Monies cannot be withdrawn from the Stabilization Fund unless revenue forecasts decline and a 2/3 vote of the legislature is obtained.

Building/Property Sales in FY 14 Budget

Act 597 (HB 822 - Funds Bill) of 2012 provides for proceeds generated from the sale of the DOI's former building site be transferred into the Overcollections Fund. Although Act 597 does not specify an amount, the original version of HB 822 and HB 1 assumed approximately $5 M generated from the sale and budgeted these resources. These resources were not built into the FY 13 budget, thus if the state does not sell the property, there would be no FY 13 budgetary impact.

Act 14 (HB 1) is utilizing approximately $44.62 M in various property sales to support the FY 14 budget, excluding proceeds from the sale of the DOI Parking Lot. This sale is no longer built into the FY 14 budget because of amendments adopted to Act 24 (HB 2), which provides that the property shall be transferred from the DOA at no cost. In addition, Act 24 also includes an appropriation from the LA Legislative Capitol Technology Enhancement Fund in the amount of $3 M in order to begin site design and planning of the property.

Reflected below is a list of properties that equate to the approximately $44.62 M of revenues that support the FY 14 budget (as per DOA testimony).

Point Clair property (Carville)	$12 M
Baton Rouge State Office Building	$10.25 M
SE LA Hospital and 525 acre campus	$17.84 M
Hart Parking Garage Property	$2.18 M
Various Wildlife & Fisheries Properties	$2 M
Wooddale Towers *	$350,000
TOTAL (Approximately)	**$44.62 M**

Note: Act 420 (Funds Bill) provides for the proceeds of the following properties to be deposited into the Overcollections Fund for future expenditure: Greenwell Springs Hospital property, Pines Campus property, Southern Oaks Addiction Recovery property, Bayou Region property and MDC Apartment property. Proceeds from these sales were not included in the FY 14 budget. However, to the extent these properties are sold in FY 14, these resources will be available for expenditure in either FY 14 or FY 15.

* As of October 2013, Wooddale Towers sold for $338,331 and the proceeds were deposited into the Overcollections Fund.

Office of Group Benefits
New Third Party Administrator Agreement

Based upon the first 6 months of OGB financial data, the new third-party administrator (TPA) contract with Blue Cross Blue Shield (BCBS) that has been in place since 1/1/2013 is saving the state administrative costs ranging from $4 M to $7 M from 1/1/2013 to 6/31/2013. The majority of these savings is likely due to the reduction in authorized positions from 327 in FY 12 to 79 in FY 14. The LFO will be able to better identify the specific savings of the new TPA arrangement when OGB's fiscal year ends in December 2013. This will allow for 12 months of financial data to be analyzed to determine the exact amount of savings as a result of the new TPA.

Effective August 2013, OGB reduced its premiums by another 1.77% (OGB reduced rates for FY 13 by 7.11%). Based upon information provided to the LFO from the DOA, the 1.77% decrease will result in state agency savings of $9.9 M, state employee savings of $3.9 M, school board savings of $9.3 M for a total premium savings of approximately $23.1 M. Essentially, OGB's overall fund will have $23.1 M in less revenues to pay administrative costs and medical claims in FY 14. However, the DOA/OGB indicate this is possible due to the new TPA agreement with BCBS. *The LFO will continue to monitor this issue and provide updates to the legislature. A complete 12-month analysis of the specific savings as a result of the new TPA will be completed by the LFO in January 2014 and reported to the legislature.*

Department of Economic Development

The Mega-Project Development Fund

The Mega-Project Development Fund is reserved for projects that create over 500 new jobs or offer at least $500 M in federal dollars or private capital investment (not including the state's contribution). The state's share of the project typically can comprise no more than 30% of the total project cost as specified in the cooperative endeavor agreement (CEA). Projects associated with companies in bankruptcy threatening at least 500 jobs or military bases subject to realignment or closure are also eligible.

Fiscal History of the Fund:

Revenue	
FY 07 Initial Deposit	$150,000,000
Act 513 of 2008 Regular Session	$307,100,000
Interest to date*	$16,150,278
TOTAL REVENUE	$473,250,278
Total Uses:	
For LED project Commitments:	
Federal City	$125,000,000
NASA/Michoud[1,5]	$55,500,000
Foster Farms	$50,000,000
SNF Holdings	$26,550,000
ConAgra	$32,400,000
CenturyLink[2]	$3,300,000
IBM	$23,000,000
Schumacher	$1,500,000
For Legislative Earmarks:	
Support Worker Supplement	$48,600,000
ULM School of Pharmacy	$4,500,000
TOTAL COMMITMENTS	$370,350,000
Act 22 of 2011 Regular Session[3, 6]	($81,448,446)
Act 597 of 2012 Regular Session[4, 7]	($3,400,000)
Act 420 of 2013 Regular Session	($11,300,000)
FUNDS AVAILABLE (as of 8/7/13)	**$6,751,832**

* Interest will continue to accrue until the money is removed from the fund, so additional funds could be available depending on the timing of the use of the fund (as of 8/07/2013).

1. The NASA/Michoud project is on informal hold by LED until the federal government's commitment to the space program is clarified. The Federal Government eliminated funding for the Constellation project in 2011 and NASA reports that Constellation is no longer an active NASA program.

2 . The CenturyLink Cooperative Endeavor Agreement committed the state to a total incentive of $19.4 M with $3.3 M appropriated from the Mega-Project Development Fund in FY 12.

3. The Schumaker project commitments total $9 M with $1.5 M paid through the Mega-Project Development Fund and $7.3 M through Capital Outlay.

4. The IBM project commitment totals $9 M with $1.5 M paid through the Mega-Project Development Fund and $7.3 M through Capital Outlay.

5. The Benteler Steel project commitment utilizes $20 M from the Mega-Project Development Fund in FY 14 that was previously allocated to the NASA/Michoud project.

6 In Act 22 of 2011, this amount was transferred from the Mega-Project Development Fund to the Overcollections Fund for use by various agencies.

7 In Act 597 of 2012, this amount was transferred from the Mega-Project Development Fund to the SGF for use by various agencies.

LED Debt Service/State Commitments (Schedule # 20-931)

Over the last 3 fiscal years, the appropriation for LED debt service and state commitments related to the LED projects is allocated under Other Requirements (Schedule 20). Economic development projects funded with SGF in FY 14 include:

Northrop Grumman near New Orleans	$3,267,265
Union Tank Car in Alexandria	$2,595,500
CG Railway, Inc. in New Orleans	$1,359,188
Nucor in St. James Parish	$4,019,563
St. Gobain Container in Simmesport	$1,200,000
EA Sports in Baton Rouge	$615,000
SNF Holdings in Iberville Parish	$1,280,000
Global Star in Covington	$352,782
Blade Dynamics at Michoud in New Orleans	$2,142,570
Lighthouse for the Blind in Baton Rouge	$150,000
Gameloft in New Orleans	$200,000
Ronpak in Shreveport	$790,000
Sundrop Biofuels in Central LA	$1,400,000
CenturyLink	$300,000
GE Capital	$106,407
Ameritas	$125,000
TOTAL	**$19,903,275**

Department of Culture, Recreation & Tourism State Parks

The LA State Parks Improvement & Repair Fund (Act 729 of 1989) is funded from income derived from SGR from the state parks. The fund is to be used exclusively for improvements and repairs at state parks, subject to annual legislative appropriation. Parks are allocated 50% of the SGR generated by each park, except for revenues generated through the operation of the wave pool at Bayou Segnette State Park. The remaining 50% of the funds are to be used on the following priority need basis: 1) protection of life and property at existing facilities; 2) general repairs and improvements at existing facilities; 3) addition of new facilities at existing parks; and 4) acquisition of property to expand existing parks.

Since FY 09, approximately $25 M has been diverted from the fund for either operations at a specific park or for statewide operations of the park system. The amounts that have been diverted from the fund are:

FY 09	$582,693	(Acts 19 & 226)
FY 10	$3,972,784	(Acts 10 & 633)
FY 11	$922,801	(Act 11)
FY 12	$7,615,924	(Act 12 & Mid-Year)
FY 13	$7,909,774	(Act 13)
FY 13	$4,000,000	(Mid-Year)
Total	**$25,003,956**	

Each year the Office of State Parks submits a list of over $10 M in projects for consideration and there are approximately 100 projects that have not been funded.

Note: Approximately $6.6 M from the fund was appropriated in Act 23 of 2012 (Capital Outlay Bill). However, the department has not implemented any new capital projects due to the diversion of funds to state park operations and prior year fund sweeps. Due to prior year state parks operating budgets not being fully funded, the department has been forced to utilize this fund for operations as opposed to capital outlay projects.

Corrections Services

The Department of Corrections FY 14 budget totals $492.4 M, a $21.3 M increase from the FY 13 budgeted amount of $471.1 M. The major changes in the FY 14 budget include:

1. $4 M decrease in funding by eliminating 60 vacant positions.

2. $1.3 M decrease in funding as a result of an Energy Service Company (ESC) contract that will provide a range of comprehensive energy solutions, including design and implementation of energy savings projects.

3. $2 M decrease in funding and 49 positions for the annualization of FY 13 mid-year reductions resulting from the consolidation of human resources, purchasing, and accounting.

4. $19.5 M decrease in funding due to the closure of C. Paul Phelps Correctional Center in DeQuincy on 11/1/2012. The closure resulted in a decrease of funding ($10,670,586 SGF and $577,803 SGR) and 274 positions.

5. $50 M increase for off-site non-primary health care services for offenders. The funding amount is based on historical utilization data from LSU-HCSD, DHH and several cost projections from insurance providers. These services include emergency, inpatient, outpatient/specialists, diagnostics, surgery, and cancer treatments. The $50 M will be used to fund offender costs at LSU-Shreveport, E.A. Conway, H. P. Long, W. O. Moss, Bogalusa Medical Center and Lallie Kemp in FY 14 (approximately $7,688,295), in addition to contracting with LSU partner hospitals and other private hospitals for inpatient and outpatient specialist care (approximately $42,311,705). LSU has negotiated with its partner hospitals to continue the provision of prisoner care on campus and/or in dedicated prisoner wards where those are available and bill DOC for services rendered. DOC has worked with DHH to find hospitals that are willing to provide care that cannot be done at prison facilities. The other major component is to optimize services delivered at DOC facilities. This includes expanding clinical exam capacity, procuring third-party mobile services to serve prisoners on site, and continuing the use of the LSU Telemedicine Network. Renovations are underway at Elayn Hunt Correctional Center, LA Correctional Institute for Women, and LA State Penitentiary.

FY 14 funding for Local Housing of State Adult Offenders totals $170.9 M. For FY 14, the per diem for the housing of state adult offenders is $24.39. The per diem for work release programs will range from $11.25 (contract and private) to $15.39 (non-contract). The number of adults housed per day based on the Performance Standard for FY 13 for Local Housing is 16,101 inmates and Work Release is 3,623 inmates.

According to the latest report from the Department on 07/24/2013, the number of inmates in state facilities is 18,716, the number of inmates in local jail facilities is 16,106 and the number in work release is 3,769 for a total of 38,591 inmates.

Youth Services

Youth Services' FY 14 budget totals $111.3 M, a $4.9 M decrease from the FY 13 budgeted amount of $116.2 M. The major changes in the FY 14 budget include:

1. $3.9 M decrease in SGF due to reduced funding in the Contract Services Program for community based activities for the Families in Need of Services (FINS) population.

2. $0.9 M decrease in IAT due to elimination of excess IAT budget authority associated with Temporary Assistance of Need Families (TANF) received from the Department of Children & Family Services. No expenditures are associated with this adjustment. The FY 14 budget includes $0.9 M in TANF funds.

3. $0.1 M decrease in Statutory Dedications funding from the Youthful Offender Management Fund to reflect anticipated collections. FY 14 appropriated amount is $172,000.

Local Housing of Juvenile Offenders

FY 14 funding for Local Housing of State Juvenile Offenders totals $3.8 M. Local Housing of State Juvenile Offenders was reduced $1.5 M for FY 13, based on historical analysis that indicated the agency has not expended the total appropriation on youth in custody. For FY 14, the rate for pending non-secure youth was $24.39 and the rate for pending secure care $110.46 (adjusted yearly pursuant to consumer price index).

Department of Health & Hospitals
Medicaid

In FY 14, the Department of Health & Hospitals (DHH) is appropriated $7.7 B for the Medicaid Program (Medical Vendor Payments). This represents an overall increase of $280 M, from the 12/1/2012 budget freeze date. However, prior year actual spending (preliminary) for Medicaid reflects total actual expenditures of $7,158,548,774 in FY 13. Based on these actuals, the Medical Vendor Payments appropriation reflects an overall increase of $545,782,110, or approximately 7.6%, from FY 13.

The total increase from FY 13 is mainly the result of funding projected utilization in the Private Providers Program and Bayou Health, and rate adjustments. Specific and significant increases in the Medicaid program include the following:

- Projected utilization increase
- Nursing Home rate increase
- Annualization of various waiver slots
- Federal Qualified Health Center (FQHC) and Rural Health Clinic (RHC) rate increases

Major Changes from FY 13

As provided by Act 14, the Medicaid budget for FY 14 was adopted by the Legislature at a program size of $7.7 B.

•For FY 14 the budget is based on a blended state match rate 37.04% / 62.96% federal (excludes UCC state match rate, which is 39.02%) on Medicaid programmatic expenditures. The FMAP reflects a blend of federal fiscal years.

•The FY 14 appropriation for Medical Vendor Payments (Payments to Privates, Payments to Publics, Medicare Buy-ins & Supplements, and Uncompensated Care Costs programs) increased expenditures by approximately $280 M from the FY 13 Medicaid budget as of 12/1/2012. The program funding level changes are allocated as follows:

•$90 M increase in Payments to Private Providers Program

•$241.9 M decrease in Payments to Public Providers Program

•$395.5 M increase for Medicare Buy-ins & Supplements Program

•$36 M increase in Uncompensated Care Costs Payments Program

Note: The significant increase in Medicare Buy-ins & Supplements Program is mainly the result of funding to account for the annualized costs associated with Medicaid managed care payments for the management of pharmacy benefits. The reduction in Payments to Public Providers mainly represents Title XIX Medicaid claims payments transferred to Payments to Private Providers as a result of public/private hospital partnerships.

•Act 14 appropriates funding by program, not by provider line item. Preamble language in Schedule 09 of Act 14 requires DHH to "submit a plan detailing the programmatic allocations of appropriations for the Medical Vendor Program" to JLCB for review no later than 10/1/2013. Sub program projections are not direct appropriations in Medicaid.

FY 14 Medicaid DSH Allocation

The Uncompensated Care Costs (UCC) Program in Medical Vendor Payments provides disproportionate share hospital (DSH) payments to qualifying hospitals for certain uncompensated care costs associated with serving uninsured and indigent patients. DSH payments consist of both state and federal matching funds. For FY 14, the federal match for DSH is 60.98% (39.02% state requirement), which is a reduction in federal assistance from FY 13 (61.24% federal match). The federal government restricts the amount of federal DSH funds annually through the implementation of a federal DSH cap per state. Any additional UCC payments the state may choose to reimburse over the federal cap would require 100% SGF (the state loses the ability to leverage state dollars). The LA federal DSH cap for 2014 is $731.96 M and the total DSH cap (total allowed payments including state match) is approximately $1.2 B.

Act 14 appropriates $865,024,767 in the UCC Program for various providers ($534,709,409 federal match), including LSU privatization partners. The UCC Program includes approximately $552,952,070 M in DSH funding for the LSU public/private partnerships.

FY 14 DSH funds are allocated as follows:

$39,416,468	HCSD (Lallie Kemp only)
$9,990,018	E.A. Conway
$5,980,788	H.P. Long
$66,302,883	Shreveport
$0	Villa Feliciana Medical Complex*
$52,651,633	OMH public psyc free standing units
$673,955,899	Other hospitals (non-state, non-rural)**
$0	Rural hospitals and hospital-based health clinics
$2,000,000	Non-rural hospitals (High Medicaid DSH Pool)
$0	Community Hospital Pool***
$14,727,078	GNOCHC****
$865,024,767	**Total DSH Funding (Act 14)**

***Note:** Villa Feliciana is not anticipated to earn DSH funds in FY 14 (HB 1 removed all DSH authority).

****Note:** DSH appropriations for "Other DSH hospitals" is allocated as follows:

$100,000,000	Low Income Needy Collaborative
$6,312,998	Mental Health Emergency Room Extensions (MHERE's)
$14,690,831	Office of Behavioral Health
$552,952,070	LSU Privatization Partners
$673,955,899	**Total**

*****Note:** UCC payments in the Community Hospital Pool are paid to non-state and non-rural hospitals that historically did not qualify under the Medicaid state plan (before 2007). Funding for the Community Hospital Pool is eliminated for FY 14.

Community Hospital Pool Funding History

FY 07	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13	FY 14
$120 M	**$87 M**	**$87 M**	**$35 M**	**$10 M**	**$2 M**	**$2 M**	**$0**

******Note:** Funding for the Greater New Orleans Community Health Connection (GNOCHC) Medicaid demonstration waiver allows DSH reimbursement to various waiver providers (over 90 clinics) in the greater New Orleans area. The program provides low income uninsured adults with coverage for certain primary care and behavioral health services. Act 14 reduces funding to the Greater New Orleans Community Health Connection by $13,306,148 as the result of the demonstration ending 12/31/2013.

Major Programmatic Specific Funding

•**Act 14 p**rovides $80,993,521 in additional funding for projected utilization increases in both fee-for-service Medicaid and Bayou Health (Medicaid Managed Care). Information received from the DHH indicates approximately $61.2 M of the increase will be utilized for projected increases in Bayou Health, with the balance, or $19.7 M, allocated towards projected fee for service utilization growth in the Payments to Private Providers Program.

In addition, the budget includes 2 additional utilization adjustments. These include $3.8 M in funding for utilization associated with the Woodwork effect in Medicaid, or enrollment and utilization of individuals that are currently eligible for Medicaid but are unaware and are predicted to enroll in FY 14. Also, approximately $980,656 is added for projected utilization increases for Durable Medical Equipment (DME) services.

•Act 14 provides a $33 M increase in SGF for 'Clawback". The clawback represents payments made from LA Medicaid to the federal Medicare program as required by the Centers for Medicare & Medicaid Services (CMS) on a monthly basis to cover the cost of the Medicare Prescription Drug Program, Part D provided to dual eligibles. After 1/1/2006, dual eligibles receive prescription drug benefits from Medicare and not Medicaid. The amount each state is designed to pay is based on what a state would pay if a dual eligible (individual enrolled in both Medicaid and Medicare) continued to receive their prescription drug benefit under Medicaid. The adjustment is based on a projected increase in enrollees and increase in the estimated monthly payment.

•Act 14 provides $34.8 M in additional federal matching funds to rural hospitals that fall under the Rural Hospital Preservation Act. Information provided by the DHH indicates certain rural hospitals will certify Disproportionate Share Hospital (DSH) expenditures to the department, and federal matching funds will be drawn (up to the $34.8 M) on these certifications and paid to the hospitals. No state match will be used to draw the federal matching funds.

•Act 14 provides an increase of $9.5 M in claims payments funding associated with annualized funding for new Federally Qualified Health Centers (FQHC's) and Rural Health Clinics (RHC's) that enrolled in the Medicaid program in FY 13, funding for new clinics and centers that are projected to enroll in FY 14, and rate increases for FQHC's and RHC's based on the Medicare Economic Index (MEI) rate formula. The MEI is a measure of inflation for physicians and used for determining allowable charges for physician services (such as physician practice costs, medical equipment, and general wage levels).

•Act 14 provides $4.2 M in additional claims payments funding for annualized costs of 1,072 waiver slots filled in FY 13 for the Adult Day Health Care (ADHC) waiver, Children's Choice waiver, NOW waiver, and the Residential Options and Supports waivers.

Medicaid Outlook for FY 14

The FY 14 Medicaid budget contains approximately $216,434,518 in funding from 2 separate sources that will likely have to be replaced in FY 15. These sources of revenue include Amnesty tax collections projected to be collected in FY 14 and Go Zone Bond re-payments (which represents an early retirement of bond debt from the Orleans Parish Law Enforcement District that was collected in FY 13 but appropriated in FY 14).

Act 14 (the GAB) reflects $200 M in amnesty revenues appropriated in Medical Vendor Payments for FY 14. Any revenues anticipated to be generated through a tax amnesty program will be deposited into the 2013 Amnesty Collections Fund in the treasury. Act 421 establishes the 2013 Amnesty Collections Fund through the LA Tax Delinquency Amnesty Act of 2013. Up to $200 M of these revenues will be used as a state match source to draw Title 19 federal financial participation funding for claims payments to providers. Based on the FY 14 blended Federal Medical Assistance Percentage (FMAP) of 62.96% (37.04% state match) for LA Medicaid, $200 M in amnesty revenues will generate approximately $339.9 M in federal matching funds for a total of $539.9 M in Medicaid claims payments. To the extent amnesty tax revenues are not realized up to the level of appropriation in Medicaid for FY 14, claims payments to providers will be reduced by a proportionate amount (inclusive of federal match).

In addition, revenues appropriated in Medicaid from up front bond repayments (Go Zone Bond Repayments from the Orleans Parish Law Enforcement Division) will also be used as a state match source to draw federal matching funds. $16.4 M in Go Zone revenues will generate approximately $27.9 M in federal matching funds, for a total of $44.4 M in Medicaid claims payments. The sources of revenue are reflected below:

State Tax Amnesty Program Revenues	$200,000,000
Go Zone Bond Repayments	$16,434,518
Total FY 14 Revenues used as state match	**$216,434,518**

Note: The FY 14 5-year continuation budget reflects both the amnesty revenues and the Go Zone Bond Repayments as a SGF need in FY 15 and future fiscal years.

LA Medical Assistance Trust Fund (MATF): The FY 14 level of funding in the MATF is approximately $157,857,988. This funding includes the following projected deposits:

$106,929,538	Annual deposits from provider fee charges (pharmacy scripts, ICF/DD beds, nursing home beds)
$16,434,518	Go Zone Repayments
$16,493,932	Nursing Home Provider Bed Fee Increase
$18,000,000	Funding derived as a result of R.S. 22:842
$157,857,988	**Total**

Note: Funds collected annually in the MATF are from fees imposed on nursing home providers, ICF/MR providers, pharmacy scripts, and premium taxes on Medicaid Managed Care premiums written (beginning FY 13). In addition to these recurring revenue deposits, the fund has received one-time revenue deposits from various sources. All revenues deposited into the fund (less any balances) are used as a state match source to draw Title 19 federal financial participation funding for general Medicaid expenditures. Reflected below are historical appropriations in the MATF since FY 11.

FY 11	FY 12	FY 13	FY 14
$403,715,644	$451,471,418	$344,754,959	$157,857,988

Note: $18 M appropriated in the MATF: Currently, R.S. 22:842 imposes a tax on premiums written (collected) related to life, accident, and health (approximately 2.25% of premiums written). Any taxes assessed are collected by the Department of Insurance on behalf of the SGF. The current law does not exempt managed care entities. There is currently no revenue dedication to DHH in the insurance code (842) for Medicaid Managed Care. Tax revenues generated from managed care companies are appropriated in FY 14 and deposited in the MATF for general Medicaid expenditures (will be used as a state match source).

Note: The nursing home provider fee is increasing from $8.02 per bed to $10 per filled bed, resulting in an additional $16,493,932 to be deposited into the MATF for FY 14. These revenues will be used as a state match source to draw Title 19 federal financial participation funding for claims expenditures.

Department of Health & Hospitals
Office of Aging & Adult Services (OAAS)
Community-Based Waivers & Other Community Service Programs

The Community Choices Waiver (replaced the Elderly & Disabled Adult - EDA Waiver) allows for services to be provided in a home or community-based setting for a qualifying person who would otherwise require care in a nursing facility. In addition to personal care services, the waiver provides a variety of other services that assist people to remain in their homes and communities. Due to the increased demand for these services, there is a Request for Services Registry (waiting list).

FY 14 Funded Slots:	*5,303 (200 slots for Pitts vs. Greenstein settlement)*
FY 13 Funded Slots:	*4,803*
Slots Filled as of 12/31/2012:	*4,335*
Slots Funded but not Filled:	*468*
*Registry and/or Waiting List: **	*36,826*
Average Cost/Capped Cost:	*$25,946 ($39,445 cap)*
Expenditure Forecast (12/31/2013):	*$112,609,275*
Population Served:	*Ages 21 +, Medicaid eligibility, and meet nursing facility level of care criteria*

***Note:** 350 slots are unfilled as part of the FY 13 July FMAP reduction. In FY 13, 150 was filled and annualized in FY 14.*

The Adult Day Health Care (ADHC) Waiver provides certain services for 5 or more hours per day in a licensed and Medicaid enrolled ADHC facility. Services offered include assistance with activities of daily living, health and nutrition counseling, social services, and exercise programs. There is an ADHC Request for Services Registry that lists the people who requested these services along with the request date.

FY 14 Funded Slots:	*825*
FY 13 Funded Slots:	*825*
Slots Filled as of 12/31/2012:	*671*
Slots Funded but not Filled:	*154*
*Registry and/or Waiting List: **	*3,258*
Average Cost/Capped Cost:	*$22,225 ($46,292 cap)*
Expenditure Forecast (12/31/2013):	*$9,342,717*
Population Served:	*Ages 22 +, Medicaid eligibility, and meet nursing facility level of care criteria*

The Long Term Personal Care Services (LT-PCS) Program** provides help with activities of daily living for people who qualify for assistance under the program guidelines. The program also provides personal care workers to help people in their homes. Care provided includes help with bathing, toileting and grooming activities; eating and food preparation; performance of incidental household chores; assistance getting to medical appointments; and grocery shopping.

Slots Filled as of 12/31/2012:	*16,823*
Average Cost/Capped Cost:	*$14,448*
Expenditure Forecast (12/31/2013):	*$216,771,879*
Population Served:	*Ages 21 + who receive Medicaid benefits, nursing facility level of care and imminent risk criteria of nursing home admission*

Program for All Inclusive Care for the Elderly (PACE) Program** coordinates and provides all needed preventive, primary, acute and long-term care services so that older people can continue living in the community. The emphasis is on enabling senior citizens to remain in their communities while enhancing their quality of life.

Slots Filled as of 12/31/2012:	*284*
Average Cost/Capped Cost:	*$38,554*
Expenditure Forecast (12/31/2013):	*$10,896,111*
Population Served:	*Ages 55 +, live in PACE provider service area, nursing facility level of care, and meet Medicaid financial eligibility*

The Community & Family Support (CFS) Program** provides goods and/or services in a flexible manner to eligible people with severe physical and/or cognitive disabilities in order to help them live independently. Consumers represent a wide range of diversity in terms of disability, including acquired brain injury, spinal cord injury, stroke, visual impairment, muscular dystrophy, and individuals with multiple disabilities. The Office of Aging & Adult Services has contracted with the ARC of Louisiana to administer both the Community & Family Support Program and the State Personal Assistance Services Program for a total of $633,229.

Slots Filled as of 12/31/2012:	*17*
*Registry and/or Waiting List: **	*123*
Average Cost/Capped Cost:	*$16,083*
Expenditure Forecast (12/31/2013):	*$273,578*
Population Served:	*Ages 22 + with a severe physical and/or cognitive disability that manifested after attainment of age 22 but prior to age 55*

The State Personal Assistance Services (SPAS) Program** provides personal assistance services to people with significant disabilities to assist them with activities of daily living. The primary service provided with SPAS funding is Personal Assistance Services. *The Office of Aging & Adult Services has contracted with the ARC of Louisiana to administer both the Community & Family Support program and the State Personal Assistance Services program for a total of $633,229.*

Slots Filled as of 12/31/2012:	*14*
*Registry and/or Waiting List: **	*112*
Average Cost/Capped Cost:	*$20,678*
Expenditure Forecast (12/31/2013):	*$289,489*
Population Served:	*Ages 18 - 60, a significant disability, capable of hiring, firing, and supervising the persons who provide personal assistance services*

The LA's Traumatic Head & Spinal Cord Injury (TH/SCI) Trust Fund Program** provides services in a flexible, individualized manner to LA citizens with traumatic head or spinal cord injuries. The program enables individuals to return to a reasonable level of functioning and independent living in their communities. Services are provided on a first-come, first-served basis. Expenditures shall not exceed $15,000 for any 12-month period or $50,000 in total lifetime expenditures per individual.

Slots Filled as of 12/31/2012:	*635*
*Registry and/or Waiting List: **	*286*
Average Cost/Capped Cost:	*$9,676*
Expenditure Forecast (12/31/2013):	*$2,767,336*
Population Served:	*An individual must meet the definition of traumatic head injury or spinal cord injury.*

Note: Although the agency fills waiver slots as quickly as possible, not all waiver slots are filled at the beginning of the fiscal year.

*Registry and/or Waiting List as of 12/31/2012
**Programs without designated slots the reported data represent the number of participants.

Department of Health & Hospitals
Office of Public Health (OPH)

School-Based Health Clinics

School-Based Health Clinics (SBHCs) provide convenient access to comprehensive, primary and preventive physical and mental health services for public school students at the school site. Information from DHH indicates that approximately 70% of the students receiving services in SBHCs are Medicaid eligible. As such, the SBHCs may either bill Medicaid for certain services, or students may access medical services in the community through Medicaid. Currently, SBHCs may bill Medicaid for:

- Sick or injury visits
- Nurse only visits
- Hearing and vision screenings
- Comprehensive & interperiodic physical screenings through the Kid Med Program
- Behavioral Health (limited to one-time evaluation if intervention is needed)
- Immunizations
- Laboratory (specimen collection performed in-house during medical screening visit)

In FY 14, the OPH is appropriated $6,735,058 from the LA Fund for 62 school-based health clinics (53 full-time sites and 9 part-time sites) with 2 positions in the OPH. This represents an overall reduction of $2,073,624 and 4 positions from FY 13 Appropriated. These cuts are annualizing the mid-year reduction from operating services expenditures including state match funding for planning grants to establish new SBHCs and to provide an electronic medical records system in the SBHCs ($1,273,624). Information provided by OPH indicates that these cuts had no impact on SBHC services since the state match funding for new SBHCs was not eliminated from the base funding for current SBHCs. In addition, all SBHCs will convert to an electronic records system utilizing other available revenue from sponsor funding by August 2013. In addition to the mid-year cuts, another $800,000 and 4 positions were reduced in Act 14 from administrative costs and staff at the OPH central office that monitor the program and provide technical assistance and capacity building activities. This reduction is not anticipated to have any impact on service provision since it is administrative in nature. Currently, the following parishes have school-based health clinics: Allen, Avoyelles, Caddo, Calcasieu, Cameron, East Baton Rouge, E. Feliciana, Grant, Jackson, Jefferson, Lafayette, LaSalle, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Point Coupee, Rapides, Richland, St. Bernard, St. Charles, St. Helena, St. Martin, St. Mary, Washington, and W. Feliciana.

Parish Health Units (PHUs)

PHUs provide childhood immunizations, mental health counseling, vital records access, supplemental nutritional programs for mothers and their children, sexually transmitted disease (STD) treatment services, and family planning. Currently, 61 parishes have PHUs funded by OPH (versus local government or by a Federally Qualified Health Center or Rural Health Center). As such, some PHUs operate on a 2-3 days per week work schedule, and staff have a rotating schedule among multiple PHUs. There is an overall net increase of $82,676 in FY 14. This increase results from a $498,766 increase to PHUs from salary base adjustments, acquisitions, and rental expenditures within OPH that were distributed amongst its various programs, which is netted against a $416,090 and 11 T.O. reduction due to the consolidation of STD treatments and services into PHUs with the highest service volume and elimination in parishes with low volume. Patients in these parishes will retain access to services, but will have to travel longer distances in order to receive continued care. A comparison of funding and positions is given below:

	FY 12	FY 13	FY 14	Difference
SGF	$20,004,649	$18,273,640	$18,203,763	($69,877)
IAT	$4,345,866	$3,951,057	$4,185,537	$234,580
SGR	$7,490,781	$6,824,553	$6,880,250	$55,697
Federal	$17,341,962	$15,849,127	$15,711,403	($137,724)
Total	**$49,183,258**	**$44,898,377**	**$44,981,053**	**$82,676**
T.O.	**618**	**623**	**612**	**(11)**

Department of Health & Hospitals
Office of Behavioral Health

In FY 14, the Office of Behavioral Health (OBH) is appropriated $273 M by total means of finance (MOF). This represents an overall decrease of $52.2 M, or approximately 19.1%, from the FY 13 Existing Operating Budget of $325.2 M. The total decrease from the prior year is mainly the result of annualized reductions from the mid-year cuts, statewide adjustments, privatization and consolidations strategies, and programmatic changes.

Major Changes from FY 13

Annualizations and Statewide Adjustments – ($26.6 M decrease)
($1.4 M) – Annualization of SGF mid-year reduction to contractual services within the Behavioral Health Community Program.

($6.8 M) – Annualization of $401,904 SGF reduction and $6,439,367 reduction to IAT due to the elimination of the Early Childhood Supports & Services (ECSS) Program with the loss of Temporary Assistance for Needy Families (TANF) funds from the Department of Children & Family Services (DCFS).

($15.6 M) – Statewide adjustment reductions, including non-recurring carry forwards, group insurance base adjustment, and a salary base and attrition adjustment.

($2.8 M) – Annualized reduction to SGR budget authority associated with the privatization of the Tyler Psychiatric Acute Unit in FY 12.

Privatization and Consolidation – ($18.8 M decrease)
($17.8 M) – In FY 13, OBH privatized Southeast LA Hospital (SELH) and reduced 395 positions. See *Privatization of Southeast LA Hospital (SELH)* in FY 14 Major Budget Issues for further details.

($0.5 M) – SGF savings from privatization and realignment of Access to Recovery services, which will be transferred to a Low Income Needy Care Collaboration Agreement (LINCCA) in FY 14.

($0.5 M) – Reduction of food supply funding and 35 positions due to privatization of dietary services at Eastern LA Mental Health System (ELMHS).

Programmatic Changes – ($6.8 M decrease)
($13.5 M) – Transfer of the funding tied to the Acadiana Area Human Services District (AAHSD) since funding is directly appropriated in FY 14.

($1 M) – Reduction to contractual services within the Hospital Based Treatment Program.

$4.5 M – Increase in SGF for the provision of services for OBH's non-Medicaid population. Due to a delay in the approval of the 1915i waiver, which increases Medicaid eligibility to 150% of the Federal poverty level (FPL) for mental health services for adults under the LA Behavioral Health Partnership (LBHP), costs for services that were supposed to transition to Medicaid in FY 13 are still being serviced by OBH. This funding will allow OBH to continue providing services to this non-Medicaid population in the absence of the 1915i waiver.

$3.2 M - SGF to replace one-time money from Statutory Dedications (Overcollections Fund) for the 8% administrative fee paid to Magellan for managing care for OBH's non-Medicaid populations.

The one-time money from Overcollections was intended as bridge funding until the Centers for Medicare & Medicaid Services (CMS) approved the 1915i waiver, which increases Medicaid eligibility to 150% of the Federal poverty level (FPL) for mental health services for adults under the LA Behavioral Health Partnership (LBHP). Due to the delay in CMS approval, current non-Medicaid participants in the LBHP that were supposed to transition to Medicaid in FY 13 are still being serviced by OBH. This adjustment replaces the one-time money with SGF until the 1915i waiver is approved by CMS.

Department of Health & Hospitals
Office for Citizens with Developmental Disabilities (OCDD)

Community-Based Waivers

The New Opportunities Waiver (NOW) is offered on a first-come, first-served basis. There is a Developmental Disability Request for Services Registry (RFSR) that lists individuals who meet the LA definition for developmental disability and their request date.

FY 14 Funded Slots:	*9,032*
FY 13 Funded Slots:	*8,832*
Slots Filled as of 12/31/2012:	*8,513*
Slots Funded but not Filled:	*319*
*Registry and/or Waiting List:**	*10,166*
Average Cost/Capped Cost:	*$53,336*
Expenditure Forecast (12/31/2013):	*$418,319,888*
Population Served:	*Ages 3 + who have a developmental disability that manifested prior to age 22*

The Children's Choice Waiver offers supplemental support to children with developmental disabilities who currently live at home with their families, or who will leave an institution to return home. Children's Choice is an option offered to children on the Request for Services Registry (RFSR) for the New Opportunities Waiver (NOW) as funding permits. Families choose to either apply for Children's Choice, or remain on the RFSR for the NOW.

FY 14 Funded Slots:	*1,475*
FY 13 Funded Slots:	*1,475*
Slots Filled as of 12/31/2012:	*1,314*
Slots Funded but not Filled:	*161*
*Registry and/or Waiting List:**	*5,239*
Average Cost/Capped Cost:	*$11,994 ($16,410 waiver cap only)*
Expenditure Forecast (12/31/2013):	*$15,394,032*
Population Served:	*Ages Birth - 18 who meet the federal definition for a developmental disability*

**Also subset of individuals under 19 from the NOW waiver and the number is included in the NOW registry.*

The Support Services Waiver has reserved capacity for individuals who were receiving state general funded vocational and rehabilitation services as of 3/31/2006 or who were listed as waiting for those services prior to 5/31/2006. The Supports Waiver is intended to provide specific, activity focused services rather than continuous custodial care.

FY 14 Funded Slots:	*2,050*
FY 13 Funded Slots:	*2,050*
Slots Filled as of 12/31/2012:	*1,725*
Slots Funded but not Filled:	*325*
*Registry and/or Waiting List:**	*854*
Average Cost/Capped Cost:	*$8,156*
Expenditure Forecast (12/31/2013):	*$13,105,172*
Population Served:	*Ages 18 +*

The Residential Options Waiver (ROW) offers services designed to support individuals to move from ICFs/DD and nursing facilities to community-based settings, and to serve as an alternative to being institutionalized. ROW was approved by CMS on 10/1/2009.

FY 14 Funded Slots:	*210*
FY 13 Funded Slots:	*210*

Slots Filled as of 12/31/2012:	*28*
Slots Funded but not Filled:	*182*
*Registry and/or Waiting List:**	*0*
Average Cost/Capped Cost:	*$21,425*
Expenditure Forecast (12/31/2013):	*$700,455*
Population Served:	*Ages Birth to end of life who have a developmental disability which manifested prior to the age of 22*

*Registry and/or Waiting List as of 12/31/2012

Note: Although the agency fills waiver slots as quickly as possible, not all waiver slots are filled at the beginning of the fiscal year.

Update on Privatization of the Supports & Services Centers

Beginning in FY 10, the OCDD has consolidated, closed or privatized a number of publicly operated supports and services centers (formerly known as developmental centers) as well as significantly reduced the number of residents in the centers. In FY 13, OCDD privatized North Lake Supports & Services Center and Northwest Supports & Services Center that resulted in Pinecrest Supports & Services Center being the only remaining publicly operated ICF/DD.

Facility	Location	Status	Date
North Lake Supports & Services Center	Hammond	Privatized	10/01/2012
Northwest Supports & Services Center	Bossier City	Privatized	10/01/2012
Acadiana Region Supports & Services Center	Iota	Privatized	07/01/2011
Pinecrest Supports & Services Center	Pineville	Operating	--
Leesville Residential & Employment Services	Leesville	Privatized	06/30/2011
Bayou Region Supports & Services Center	Thibodaux	Closed	12/31/2010
Northeast Supports & Services Center	Ruston	Closed	06/30/2010
Columbia Community Residential & Employment Services	Columbia	Closed	06/30/2010
Greater New Orleans Supports & Services Center	New Orleans	Consolidated	07/01/2012

The following centers have privatized via cooperative endeavor agreements (CEA):

North Lake Supports & Services Center - OCDD privatized North Lake SSC (Tangipahoa Parish) on 10/01/2012. OCDD entered into a 5-year CEA with Evergreen Presbyterian Ministries. In FY 12, OCDD reduced $28,928,373 in Title 19 Medicaid IAT funds and eliminated 620 positions in its budget due to the privatization. Cost savings from the privatization of North Lake SSC are based on the difference between the Medicaid public reimbursement rate for the state-operated North Lake SSC ($687.26) versus the negotiated Medicaid private reimbursement rate with Evergreen ($302.08). The CEA authorized the use of 214 of North Lake's existing licensed beds.

Northwest Supports & Services Center - OCDD privatized Northwest SSC (Bossier Parish) on 10/01/2012. OCDD entered into a 5-year CEA with the Arc of Acadiana. In FY 12, OCDD reduced $14,937,349 in Title 19 Medicaid IAT funds and the eliminated of 360 positions in its budget due to the privatization. Cost savings from the privatization of Northwest SSC are based on the difference between the Medicaid public reimbursement rate for the state-operated Northwest SSC ($543.27) versus the negotiated Medicaid private reimbursement rate with the Arc of Acadiana ($208.49). The CEA authorized the use of 220 of Northwest's existing licensed beds.

Acadiana Region Supports & Services Center **-** Act 11 of 2010 authorized the privatization of Acadiana Region Supports & Services Center (Acadia Parish). In FY 11, OCDD eliminated 250 positions and only 10 positions remained at Acadiana Region SSC as part of community support teams that provided training and technical assistance to caregivers, families and schools that serve people with disabilities. Act 12 of 2011 transferred the remaining funding for ARSSC and 10 positions to

Pinecrest Supports & Services Center (Rapides Parish). The FY 12 budget reduced $10,208,725 ($9,639,125 IAT and $569,600 SGR) from OCDD due to the privatization of Acadiana. OCDD privatized Acadiana on 7/01/2012. OCDD entered into a 5-year CEA) with the Arc of Acadiana. The CEA authorized the use of 70 of Acadiana's existing licensed beds.

Department of Children & Family Services

Modernization Project

The Modernization project will reduce the number of clients that need to visit a physical DCFS office location to apply or receive information about services. Clients will be able to apply for services in multiple ways. The Modernization project includes: (1) customer service call center; (2) electronic case records and document imaging; (3) customer portal that has a web based application for services and allows clients to access their case record to view basic case information; (4) a provider portal that allows providers to view and update basic information regarding invoices, payments, and fees; and (5) worker portal that allows DCFS staff to update and maintain client case information therefore reducing duplicate work effort and increasing efficiency. A detailed outline of the Modernization project is included in Section IV.

In FY 14, the department will continue the implementation of the service delivery Modernization project with a total budget of $44.6 M and 98 non-T.O. positions.

FY 14
MODERNIZATION PROJECT

MOF	AMOUNT
State General Fund	$17,856,976
IAT	$2,616,270
Federal	$24,169,193
TOTAL	**$44,642,439**

Temporary Assistance

The recommended TANF initiatives budget for FY 14 is $100.5 M, which is an increase of $1.9 M from FY 13. Significant changes to TANF initiatives include an increase of $2.3 M in funding for LA 4 and $3.9 M for the Child Welfare as well as $49,900 for the Fatherhood Initiative within DCFS. Also, the FY 14 TANF initiatives budget has a decrease in funding of $1.4 M for Family Violence and $2.8 M for Early Childhood Supports. A breakdown of TANF initiatives and funding allocations for FY 14 is included in Section V.

Retirement

Cash Balance Plan Ruled Unconstitutional

On 6/28/2013, the LA Supreme Court affirmed the district court's judgment that Act 483 of 2012 was enacted in violation of the constitutional requirements found in Article X, Section 29(F) of the LA Constitution. The suit, which was brought fourth by the Retired State Employees Association, alleged that HB 61 (Act 483) did not receive approval of 2/3 of the elected members of the House of Representatives. Article X, Section 29(F) of the LA Constitution states "no such benefit provisions having an actuarial cost shall be enacted unless approved by 2/3 of the elected members of each house of the legislature." The actuarial note prepared by the Legislative Auditor reported an actuarial cost.

During the 2013 Legislative Session, a resolution was passed that delayed the implementation date of the Cash Balance Plan to 7/1/2014. HCR 2, which suspends the provisions of the Cash Balance, passed unanimously by the House (99-0) and the Senate (35-0). The resolution suspends the implementation of the Cash Balance Plan while the Division of Administration seeks a determination from the IRS regarding the Social Security equivalency of the new plan. However, since the Supreme Court ruling, the Cash Balance Plan will no longer take effect and HCR 2 will no longer apply.

Act 483 of 2012 provided for the creation of a Cash Balance Plan for new hires. The cash balance plan is very similar to a defined benefit plan, but with some elements of a 401(k) plan. Like a defined benefit plan, members do not direct the investments or investment choices. However, as a member of a cash balance plan, an individual does have his or her own account and has some portability features. In cash balance plans, new employees are automatically enrolled in the plan with some percentage of salary deposited annually into a separate "notional" account for each worker. Unlike employee accounts under the defined contribution plans, notional accounts are used for record keeping purposes only; the pension funds are not invested through these separate accounts, but are instead invested as a whole. The state (employer) would contribute a percent of salary to the employee's account. In addition, the notional funds are credited with interest at a rate determined by the employer; this interest credit is like the "return" for the assets in the account. The interest credit is often benchmarked to a specified rate, such as that on long-term Treasury bonds or on the performance of the systems overall investment returns.

Payments Towards the UAL Fund

As a result of Act 420 of 2013, the Payments Towards the UAL Fund was created. The purpose of the fund is to pay for increases to the UAL portion of the employer contributions for postsecondary education institutions. The Payments Towards the UAL Fund will replace the Incentive Fund for FY 13. The source of funding will be a yet to be determined portion of unexpended monies returned to the SGF at the end of FY 13. Payments for defraying the increased costs will be made from the fund to LASERS and TRSL, which both have postsecondary employees in their respective systems. The payment to the systems will be based on projected payroll for FY 14.

At this time, it is unknown how much FY 13 unexpended SGF monies will be deposited in the UAL Fund. In addition, the increased amount to postsecondary institutions is unknown since the retirement systems have to certify the cost. However, to the extent the monies in the fund do not cover the entire cost of the increase, the amount will be applied proportionally to each system based on the number of employees participating in each system. In the event there is excess money, it will be used to pay down the Original Amortization Base (O.A.B.), which is the debt from 1989 and prior years.

It should be noted that the balance in the fund was not appropriated during the legislative session. Appropriation of funds to the systems will have to be done through either a BA-7 or supplemental appropriation during the next legislative session. To the extent an appropriation is made early in the fiscal year, postsecondary institutions will have budget flexibility to use the funding, which would have paid for the increase in the UAL portion of the employer contributions, to pay for other services throughout the institution.

Unfunded Accrued Liability (UAL)

Many years of insufficient contributions from the State resulted in a large initial UAL, or IUAL. However, in 1987 a constitutional amendment was passed that required all state retirement systems be funded on an actuarially sound basis, which ultimately requires the IUAL be eliminated by FY 2029. The UAL equates to the difference between the total amount of benefit obligations minus the current actuarial value of the assets of the retirement systems. Any benefit obligations not met by actuarial value calculate to the UAL. In order to meet the constitutional mandate, the legislature established a 40-year amortization schedule with increasing annual payments beginning 7/1/1988, which were ultimately back-loaded. Of the 4 state retirement systems, LASERS and TRSL still have an IUAL balance not yet paid, which must be paid in full by 2029. The current statewide UAL is approximately $19.3 B ($7.13 B – LASERS; $10.95 B – TRSL; $0.34 B – State Police Retirement; and $0.87 B – School Employees

As of 6/30/2012, the UAL for each system is as follows:

Teachers	$10,955,670,910
LASERS	$7,131,481,688
School Employees	$875,008,244
State Police	$343,686,976
TOTAL	$19,305,847,818

Note: Funded percentages of the 4 state retirement systems as of 6/30/2012 are as follows: State Police - 54.76%; School Employees – 61.6%; LASERS – 55.9%; and TRSL – 55.4%. The funding percentages represent the percentage of assets on hand to pay all current/future liabilities.

The LASERS UAL, which represents approximately 37% of the total debt, will begin making principle payments in FY 14, which decreases the amount of the UAL balance. According the existing debt payment schedule, in 10 years the debt balance will have decreased by approximately $1.4 B and in 20 years the debt balance will have decreased by approximately $4.4 B.

Based upon its latest actuary reports, Louisiana has approximately 56% of its pension obligations funded within the state retirement systems. According to the Pew Center on States 2012 Report, there are 16 of 50 states with their state retirement system funding levels less than 80%. The average among those states that do not offer social security to its state employees (Alaska – 60%, Colorado – 66%, Nevada – 70%, Ohio – 67%, Maine – 70%, Massachusetts – 71%, Louisiana – 56%) is approximately 66% future pension obligations funded.

Note: *Article X, Section 29(E)(2)(a) states that upon elimination of the unfunded accrued liability (UAL), a member's contribution shall not exceed an amount contributed on his behalf as an employer contribution.*

Elementary & Secordary Education

FY 14 Minimum Foundation Program (MFP)

Appropriation: Act 14 of 2013 appropriates $3,510,142,422 to the MFP agency for the FY 14 MFP formula. This amount also includes approximately $69 M that was provided as a line item in the Appropriations Bill. The Legislature did not adopt a new MFP resolution for FY 14; therefore, a prior resolution is being used to allocate funding to the local education agencies. HCR 130 of 2012 is being used to allocate funding for the 2013-14 school year due to the LA Supreme Court ruling that SCR 99 (the FY 13 MFP) was not valid. There is no 2.75% increase in the base per pupil amount; it remains at $3,855 for FY 13. The last time the 2.75% increase was implemented was FY 09 when the base per pupil amount increased from $3,752 to $3,855. While there is no 2.75% increase to the base per pupil amount, $69 M was provided as a line item appropriation in the MFP, which equates to a 2.75% increase. The funds are allocated to city, parish, special schools, lab schools, charter schools and the Recovery School District in the same manner as provided in the 2011-12 MFP formula. Approximately 50% of the funds will be used to provide salary supplements and pay raises to certificated personnel.

Inclusion of Students Outside of the City/Parish Districts in the MFP Membership: SCR 99 (FY 13 MFP formula) included students from the following schools in the MFP formula: Recovery School District (RSD); LA School for Math, Science & Arts (LSMSA); New Orleans Center for Creative Arts (full-day students) (NOCCA); LA Schools for the Deaf & Visually Impaired (LSDVI); Special School District (SSD); Office of Juvenile Justice (OJJ); Student Scholarships for Educational Excellence Program (SSEEP); and Type 2 Charter Schools (Legacy and Non-Legacy). Last year, the Department of Education was withholding a portion of a local school district's allocation to make payments to these schools for any students attending that reside in the associated local school district.

As a result of reverting to a previous formula (HCR 130 of 2012), SSD, LSDVI, and SSEEP (voucher) schools are not funded through the MFP. SSD and LSDVI schools are provided additional SGF to account for the MFP reduction in their individual budget. The SSEEP (voucher) students are funded with a line item appropriation through the Subgrantee Assistance Agency.

The Type 2 charter schools that were authorized prior to 7/1/2008 (Legacy Type 2 charter schools) are receiving the state and local per pupil share from the state. No local school district deductions will be made for these schools. In addition, the NOCCA and LSMSA are included in this formula, but the schools are only receiving the state per pupil share for enrolled students. The OJJ and RSD schools are continuing to receive a state per pupil share from the state and a local per pupil share, which will be deducted from the local school district's allocation.

Education Initiatives

Student Scholarship for Educational Excellence Program: Over $43 M may be used to operate the Student Scholarship for Educational Excellence Program for FY 14. The student scholarship program is statewide, allowing eligible students attending a "C", "D" or "F" school an opportunity to attend an eligible public or nonpublic participating school in the program. Student eligibility is based on family income. Income must not exceed 250% of the federal poverty guidelines. For example, a family of 4 currently may not have a household income exceeding $57,625. Students from all grades are eligible to participate. Due to the ruling by the LA Supreme Court, funding for the program is provided through a line item appropriation from the state instead of the MFP. No funding will be withheld from local school district allocations to make payments to participating schools.

The tuition and fees for participating nonpublic schools may not exceed the total MFP allocation for the student. The average annual tuition is approximately $5,100 (as reported by the Department of Education). The actual tuition amount for each participating school will be paid to the school by the Department of Education from the calculated MFP allocation for the student.

Course Choice: The demand for the Course Choice Program Pilot Program has exceeded the initial available slots. Originally, the funding that was made available was intended to serve at least 2,000 students. The Department of Education indicated as of Friday August 16th, over 3,500 requests have been received for students to enroll in courses for the 2013-14 school year. Out of the total requests, school's guidance counselors have approved approximately 2,800 students to enroll in the course selected by the student, while other students are waiting approval by a counselor or have been advised that they are not eligible to enroll in the course. Students had until August 27th to register for courses so these number will likely increase.

Pubic school students may enroll in Course Choice courses at no cost if they attend a C, D, or F school or if the A or B school they attend does not offer the course they are taking. Initially, the program was being funded with $2 M from statutorily dedicated 8(g) funds instead of the Minimum Foundation Program (MFP) due to the LA Supreme Court ruling the use of MFP funds as unconstitutional. The Board of Elementary & Secondary Education had to approve changes to the 2013-14 8(g) budget to allow for the funding to be used for the program. A reduction of $1 M was approved to the block grant piece of the 8(g) budget, which reduced the base amount and per pupil amount each entity would have received. These funds may have been used for activities such as Pre-K or other instructional activities. In addition, $800,000 was reduced from the LEAP allocation as well as a $200,000 reallocation of Expanding High School Choice activities. These changes allowed for $2 M to be available to fund the Course Choice Program.

Due to the significant number of students attempting to enroll in courses, the Department of Education announced on August 15th that they have made an additional $1 M available for the program. The Department has discontinued the administration of the Iowa Test of Basic Skills in 2nd grade as well as making cuts in the budget to travel and overhead expenses to come up with the $1 M in funding. The total funding available for the program is $3 M. The Department anticipates this funding level will be sufficient to account for the students enrolling through the August 27th deadline.

Higher Education Funding

FY 09 through FY 14 (millions)

Higher Education Funding Sources	FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Approp. Letters	Change FY 09 to FY 14	% Change FY 09 to FY 14
State General Fund (SGF)	$1,553	$1,153	$1,145	$1,060	$980	$525	($1,028)	-66.2%
Self-Generated Revenues	$735	$809	$801	$1,132	$1,200	$1,279	$544	74.0%
ARRA *	$0	$190	$290	$0	$0	$0	$0	N/A
Overcollections Fund	$0	$0	$0	$92	$0	$340	$340	100.0%
Other Funding Sources	$694	$681	$728	$733	$778	$485	($209)	-30.1%
Total	$2,982	$2,833	$2,964	$3,017	$2,958	$2,629	($353)	-11.8%
General Appropriation Bill Totals (Includes higher education and all other state agencies)								
SGF	$8,799	$7,144	$6,994	$7,657	$7,508	$7,778	($1,021)	-11.6%
Higher Education SGF as a Percentage of General Appropriation Bill SGF								
SGF	17.6%	16.1%	16.4%	13.8%	13.1%	6.7%		

* American Recovery and Reinvestment Act (ARRA).

State General Fund (SGF) support for higher education has decreased significantly over the last 5 years. The state's general operating budget included approximately $1.55 B in SGF for higher education in FY 09. SGF for higher education has decreased approximately 66% since FY09, decreasing by approximately $1 B to $525 M in FY 14. Furthermore, higher education funding from SGF represented approximately 17.6% of all SGF in the state's general operating budget in FY 09. This percentage has declined to approximately 6.7% in FY 14. SGF for higher education would need to increase by approximately $848 M to represent 17.6% of all SGF in the general operating budget in FY 14.

Self-generated revenues (SGR) for higher education have increased significantly over the last 5 years. The state's general operating budget included approximately $735 M in SGR for higher education in FY 09. SGR for higher education has increased approximately 74% since FY 09, increasing by approximately $544 M to $1.279 B in FY 14.

In addition, Higher Education funding for FY 14 includes $340 M appropriated from the Overcollections Fund as listed below.

BOARD OF REGENTS	***$5,917489***
LA UNIVERSITIES MARINE CONSORTIUM	***$977,910***
LSU Board of Supervisors	$10,461,903
LSU A&M College	$45,172,475
LSU Alexandria	$2,198,476
LSU Health Sciences Center - New Orleans	$29,156,691
LSU Health Sciences Center - Shreveport	$16,966,767
E A Conway Medical Center	$1,008,172
Huey P Long Medical Center	$652,671
LSU - Eunice	$1,957,544

LSU - Shreveport	$3,021,358
LSU Agricultural Center	$24,862,603
Paul M. Hebert Law Center	$1,947,681
Pennington Biomedical Research Center	$6,168,814
LSU SYSTEM TOTAL	***$143,575,155***
SU Board of Supervisors	$11,012,879
SU A&M College	$8,957,585
SU Law Center	$1,658,329
SU - New Orleans	$2,495,814
SU - Shreveport	$2,333,967
SU Agricultural Research/Extension Center	$1,008,205
SU SYSTEM TOTAL	***$27,466,779***
University of LA Board of Supervisors	$10,432,546
Nicholls State University	$6,262,344
Grambling State University	$5,381,028
LA Tech University	$11,598,255
McNeese State University	$8,685,462
University of LA - Monroe	$10,250,941
Northwestern State University	$8,539,165
Southeastern LA University	$12,358,846
University of LA - Lafayette	$18,812,403
University of New Orleans	$12,631,022
UNIVERSITY OF LA SYSTEM TOTAL	***$104,952,012***
LCTCS Board of Supervisors	$12,993,421
Baton Rouge Community College	$3,680,676
Delgado Community College	$10,560,489
Nunez Community College	$1,276,274
Bossier Parish Community College	$3,021,570
South LA Community College	$5,253,221
River Parishes Community College	$1,226,980
LA Delta Community College	$3,314,164
LA Technical College	$7,070,565
SOWELA Technical Community College	$2,233,117
L.E. Fletcher Technical Community College	$1,096,581
Northshore Technical Community College	$2,057,451
Central LA Technical Community College	$2,383,149
LCTCS Online	$542,047
LCTCS TOTAL	***$56,709,705***
HIGHER EDUCATION TOTAL	**$339,599,050**

LA Go Grants **($26.1 M including $24.6 M SGF and $1.5 M Federal)**

The Go Grant Program is a need-based grant program for low and moderate-income students who need additional funding to be able to attend college. Go Grant program costs for FY 13 were $26.1 M for 36,200 students. FY 14 funding for the GO Grant Program is $24.6 M in SGF and $1.5 M in Federal funding. LOSFA does not know how many students will receive GO Grants in FY 14 yet because the funding methodology changed. In FY 14 the award amounts per eligible students are based on the institution's allocation of GO Grant funding and their Packaging Policy. Institutions are expected to make a good faith effort to distribute their GO Grant allocation in a manner that reaches students with the most financial need to bring their maximum financial need met with gift aid to 60%. Per the new methodology, the FY 14 minimum award per student is $300 and the maximum annual award per student is $3,000. The BOR developed the program in accordance with the mandates of Act 695 of 2004 to create a comprehensive student aid plan, and BOR and LASFAC entered into a Memorandum of Understanding providing that LA Student Financial Assistance Commission (LASFAC) would administer the program in accordance with the framework developed by BOR.

Section IV

BUDGETARY ISSUES

FY 14 Major Budget Issues

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: LaGov

Due to FY 11, FY 12, FY 13 and FY 14 budget constraints, the DOA chose to pilot the implementation of the LaGov (the state's new financial system) for the Department of Transportation & Development (DOTD) in FY 11 and the Department of Environmental Quality (DEQ) in FY 13. However, included within the FY 14 budget is $950,000 to bring the Department of Natural Resources (DNR), Department of Wildlife & Fisheries (WLF) and the Office of Coastal Protection & Restoration (CPR) online with a go-live date of 7/1/2014. The original source of funds from these agencies is as follows: WLF (Conservation Fund $500,000), CPR (Coastal Protection & Restoration Fund $388,000) and DNR (Coastal Protection & Restoration Fund $62,000). Original projections of the total cost of the new system were approximately $100 M. Due to the decision to incrementally bring on state agencies, the projected cost to bring the entire state online will increase to approximately $133 M, or an increase of $33 M.

The majority of the $950,000 funding will be utilized for salaries and related benefits for DNR, WLF and CPR staff that will be housed at the DOA during the year of implementation (FY 14) and any adjustments needed to existing system modules to meet the needs of DNR, WLF and CPR. Specific adjustments include: coding, setup of agency master data, user security, direction, monitoring and assistance in user testing.

The FY 14 budget provides for $12.1 M of total funding ($9.9 M in SGF and $2.2 M in IAT) for the LaGov System. The $12.1 M expenditures will be budgeted for personal services ($3.9 M), operating services ($3.3 M) and professional services ($2.6 M). The original source of the IAT is Transportation Trust Fund - Regular (DOTD), Conservation Fund (WLF) and Coastal Protection & Restoration Fund (CPR & DNR).

The hardware and software infrastructure are in place for a statewide rollout. The basic consulting service costs for converting the entire state include data conversion and training for a projected total cost of approximately $33 M. If additional funding is appropriated in FY 14, the statewide rollout costs would be as follows: $7.1 M - FY 14; $19.2 M - FY 15; and $6.7 M - FY 16. Approximately $30 M would be for professional service contracts for the full implementation statewide. However, the further the rollout is delayed, the less relevant the LaGov System becomes and the increased risk that the current 17-year old legacy systems will crash beyond repair. To the extent the DOA is appropriated the needed FY 14 level of funding for a statewide rollout, the earliest the system could go live statewide is 7/1/2016 (FY 17).

DEPT/AGY: Executive/Division of Administration (DOA)
ISSUE: Consolidations

The FY 14 budget includes the back office consolidations within the DOA from various state agencies, as the DOA will now provide this service for 6 various state agencies. These consolidations include reducing 63 positions within various DOA sections and transferring a net 77 positions to the DOA.

Even though the DOA has not provided any detailed information concerning this consolidation, based upon LFO analysis, of the 140 positions identified by the administration as transfers in the FY 14 budget, 63 will likely be eliminated through layoffs or through normal attrition (retirements or voluntarily leaving position). The overall net state impact of these FY 14 budgetary adjustments is a reduction of $3.8 M in SGF ($10 M Total MOF) and a reduction of 63 positions. Also included within the cut is the reduction of 40 non-T.O. positions, which are in addition to the 63 T.O. positions being reduced. Thus, the potential exists for 103 individuals to be impacted by these FY 14 budgetary adjustments through either layoffs or normal attrition. See position analysis by agency below for FY 14:

State Agency	T.O. Transferred
Office of Group Benefits (OGB)	(71)
Office of Risk Management (ORM)	(14)
Office of Telecommunications Management (OTM)	(8)
Office of Elderly Affairs (OEA)	(3)
Office of Financial Institutions (OFI)	(2)
Department of Revenue (Revenue)	(39)
Community Development Block Grant (CDBG)	(3)
Total Transfers	(140)

FY 14 Major Budget Issues

After the 140 positions are transferred to the DOA, it appears DOA's FY 14 budget reduces 63 positions.

State Agency	T.O. Cut
Division of Administration	(57)
Community Development Block Grant	(3)
DOA/Administrative Services	(3)
Total Position Cut	(63)
DOA - Transfer In	140
Position Cut	(63)
Positions Remaining	77

Budgetary Impact: The LFO assumes that although the DOA will be performing these back office services for these state agencies, the agencies receiving the service from the DOA will likely be paying for this function through their existing budget via IAT agreements with the DOA. Due to the lack of information from the DOA, the LFO is unable to provide the specific amounts each agency will be sending to the DOA in FY 14 to perform these services. Based upon the FY 14 budgetary adjustments, the overall net state impact of this consolidation is a reduction of SGF $3,881,908, IAT $5,640,394, SGR $327,299, and Federal $1,102,860 for a total reduction of $10,952,461.

Termination Pay/ Retiree Group Insurance Cost Impact: In addition to the overall budgetary impact, there may be a termination pay impact incurred by the DOA, which includes unemployment costs and leave pay. If a state employee loses his/her job and claims unemployment benefits, the state agency from which the employee worked will be responsible for a portion of the unemployment benefit being paid by LA Workforce Commission. The LFO is uncertain as to which state agency will ultimately be responsible for these costs.

Pursuant to R.S. 42:851(E)(1), state employees with 20+ years of participation within the OGB provides for the state to continue to pay 75% of their insurance while in retirement. The LFO is uncertain as to which state agency will ultimately be responsible for these costs. In FY 12 (latest actual information), the DOA paid $28,265 in unemployment benefits expenditures.

DOA Section Impact: The DOA has approximately 30 different sections and the LFO cannot ascertain what the specific impact will be as a result of this back office consolidation. The broad areas that have been identified for consolidation include: fiscal, information technology, and human resources.

In addition, the Executive Budget presentation mentions other consolidations including: consolidation of statewide IT functions ($6.5 M savings); consolidation of State Purchasing & Contractual Review ($6.2 M); and DOA department-wide consolidation ($8.6 M). The total amount of DOA consolidations included within the FY 14 Budget equate to $21.3 M. <u>Unless these consolidations are included within the 63 net position reduction or the 40 non-T.O. position reduction discussed above, the savings depicted in the presentation are not included within the FY 14 budget</u>.

DEPT/AGY: Executive/Office of Homeland Security & Emergency Preparedness (GOHSEP)
ISSUE: Hurricane Isaac - 25% State Match (State Emergency Response Fund - SERF)

The GOHSEP estimates the total (federal & state share) costs to be approximately $161.6 M of which the state will be responsible for 25% (state match), or approximately $40.4 M.

The federal resources associated with this event are paid on a reimbursable basis. At the time of the event, state agencies expend existing funding for emergency response expenditures and then submit a request for reimbursement to FEMA through GOHSEP for the federal portion. State agencies are currently completing the necessary project worksheets (PW) in order to receive the federal reimbursement.

The commissioner of administration approved an in-house BA-7 request in September 2012 that appropriated the remaining fund balance of the State Emergency Response Fund (SERF). Thus, the total SERF appropriated in the DOA FY 13 budget is currently $17,491,175. These resources will be utilized to reimburse a portion of the state match requirement of Hurricane Isaac. To date, the DOA has transferred approximately $17.5 M of SERF resources to various state agencies as their state match reimbursement. The amounts transferred thus far are as follows:

FY 14 Major Budget Issues

Military Department	$4,355,114 (SERF)
Workforce Commission	$425,958 (SERF)
Agriculture & Forestry	$1,928,367 (SERF)
Children & Family Services	$10,780,000 (SERF)
TOTAL SERF	**$17,489,439**
Homeland Security & Emergency Preparedness	$11,832,754 (Overcollections Fund, Act 54)
GRAND TOTAL Isaac State Match	**$29,322,193**

To the extent all $17.5 M in SERF resources and $11.8 M in Overcollections Fund resources currently are utilized for the storm's state match, the state will still have to find an additional $11.1 M of resources or state agencies will likely have to absorb these costs.

Note: Act 54 of 2013 (Supplemental Appropriations Bill) appropriates $11,832,754, which is GOHSEP's 25% state match for Hurricane Isaac expenditures. Thus, as discussed above, the total amount appropriated in FY 13 for state match was approximately $29.3 M.

DEPT/AGY: Executive/ Office of Homeland Security & Emergency Preparedness (GOHSEP)
ISSUE: FY 14 Budget Impact to Local Emergency Preparedness Offices

($0.7 M) - Decrease in Local Share of Federal Emergency Management Program Grants (EMPG): These Federal funds (EMPG) are currently utilized to support operations of local/state emergency preparedness offices. In the current FY 13 budget, the state received approximately $5.5 M of which the locals were sent 62% of these funds ($3.4 M) and the state retained 38% ($2.1 M). The FY 14 budget reduces the local allocation from 62% to 50%. Thus, local governments will receive $683,025 less, which equates to a 20% reduction in funds from FY 13. Local governments will have to either absorb this reduction or utilize another revenue source to replace the lost funds.

EMPG provides federal grants to states to assist state and local entities in preparing for all hazards and emergency situations. GOHSEP receives the annual LA allocation and historically has transferred a portion (60% to 70%) to local governmental entities. As mentioned above, this allocation to the locals will be reduced from 62% in FY 13 to 50% in FY 14. Essentially, the state will be using more of these Federal funds to reduce GOHSEP's dependence on SGF for FY 14. Below is past year's history and proposed allocation for FY 13 of total federal award amount and the state/local allocation. The FY award amounts are based upon a federal fiscal year.

FFY	Award Amount	State Allocation	State Percentage	Local Allocation	Local Percentage
2013	*$5,496,590*	*$2,748,295*	*50.00%*	*$2,748,295*	*50.00%*
2012	$5,496,590	$2,065,270	37.57%	$3,431,320	62.43%
2011	$5,322,640	$1,919,496	36.06%	$3,403,144	63.94%
2010	$5,302,012	$1,904,868	35.93%	$3,397,144	64.07%
2009	$4,869,872	$1,472,728	30.24%	$3,397,144	69.76%
2008	$4,636,968	$1,388,590	29.95%	$3,248,378	70.05%

Notes:
House Appropriations Committee (HAC) amendments provide that the amount allocated to the local government entities and the state be split equally. The FY 14 Executive Budget provided for the local allocation to be reduced approximately 68% from approximately 62% local to 20% local. HAC amendments increase the amount allocated to locals from $1.1 M to $2.7 M for FY 14, or an increase of $1,648,977. HAC did not address the Federal funds reduction to GOHSEP's budget by increasing local allocation. Thus, HAC amendments reduced GOHSEP's budget by $1.6 M.

Senate Finance Committee (SFC) amendments provide for a SGF appropriation in the amount of $1,648,977. This additional SGF essentially restores the funding reduction incurred by GOHSEP after HAC amendments increased the local share up to a 50/50 split.

Senate Floor (SF) amendments reduced the SFC amendments that restored $1,648,977 of SGF in half. Thus, the total SGF restored to GOHSEP as a result of House amendments amending the state/local split from 80/20 to 50/50 is a SGF reduction of $824,488.

($0.1 M) - Local Satellite Phones: The FY 14 budget decreases SGF funding for operating services expenditures by $70,000 due to the elimination of satellite radio communications support funded by GOHSEP for all 64 parishes. GOHSEP previously purchased 64 satellite radios ($3,600/radio) and paid the monthly fee for all parishes. The reduction represents the annual amount paid by GOHSEP on behalf of the parishes for the monthly radio fee. If local entities would like satellite radio communications, the entity will be required to provide the necessary funding.

In addition to not paying the monthly radio fee, GOHSEP will require the local entities to purchase their satellite radio from GOHSEP at a cost of $500/radio. These local entities already have these radios in their possession as they were originally purchased by the state. If the local entity would like to keep the radios, the local governmental entities will be required to pay $500 to GOHSEP. To the extent the local entity does not want to purchase the radio, the radio will be returned to GOHSEP and GOHSEP will sell the radios through Surplus Property (LPAA). To the extent these radios either are surplused or purchased by the locals for $500, these sales could generate approximately $32,000 in revenues ($500 x 64 = $32,000).

DEPT/AGY: Executive/ LA Stadium & Exposition District (LSED)
ISSUE: LA Stadium & Exposition District

In FY 13 approximately $11,321,670 of CDBG funds was appropriated from hurricanes Katrina and Rita. The LSED originally received hurricanes Katrina and Rita CDBG grant funding in the amount of approximately $51 M that was spread over 4 fiscal years (FY 10 to FY 13). Due to the decrease in overall expenditures and the anticipated increase in SGR, there are no hurricane disaster dollars allocated in FY 14. The need for these funds was eliminated due to the following:

New Orleans Pelicans Arena Lease Extension: LSED's FY 14 budget was reduced by approximately $5.5 M ($5,451,626). As previously mentioned, the majority of this reduction is due to the new 10-year lease agreement with the New Orleans Pelicans (formerly the Hornets) which became effective 7/1/2012. The new lease agreement eliminated all exit options, attendance benchmarks and all ticket revenue shortfall payments (financial inducements). Thus, the Pelicans costs for FY 14 was reduced from approximately $14.6 M in FY 13 to approximately $10.2 M in FY 14. Of the $10.2 M budgeted for FY 14, approximately $2.9 M is team inducement payments. Under the old lease agreement, the Pelicans inducement payments were approximately $8 M and subject to attendance benchmarks.

Anticipated SGR Increase: In addition to reducing LSED's budget, the FY 14 Budget also increases the district's SGR by $6.5 M. The additional collections anticipated are due to an 8% increase in revenue projections from the 4-cent Hotel/Motel Tax. In addition, the district is utilizing approximately $3 M from its operating reserves. According to the district, after making the $5 M Saints Super Bowl Incentive payment (see below) and utilizing $3 M for FY 14, there is approximately $3 M remaining within its operating reserve account. *According to the LSED's previous budget request documents, the last fiscal year the district utilized its operating reserves was FY 11 in the amount of approximately $1 M.*

Upgrades to the New Orleans Arena: A major part of the new Pelicans lease extension includes $50 M in capital improvements to the New Orleans Arena. These improvements will be phased in over 2 NBA off-seasons. The first phase began after the 2012-2013 season. The district anticipates phase I costing approximately $28 M and phase II (mostly exterior work) costing approximately $22 M. Some of the arena improvements include: new club locations, internal bandstand/bar area, suite renovations, interior club renovations, exterior club space, expansion of the existing Capital One Club and Hub Club, a new V-VIP area and entrance, building a main entrance to the arena and improvements to locker rooms. Phase I is anticipated to completed before the start of the 2013-2014 season with phase II anticipated to be finished by the start of the 2014-2015 season. The funding for these capital improvements is currently appropriated in Act 23 of 2012 (Capital Outlay Bill).

Super Bowl Incentive Payment to the Saints: The New Orleans Saints and the state signed a new contract in April 2009 to keep the team in New Orleans through 2025. The agreement will ultimately save the state an estimated $280 M over the life of the new contract compared to the previous contract. However, the contract requires the state to make an incentive payment to the team if New Orleans hosts a Super Bowl. Pursuant to

Section 4.6 (Super Bowl Incentive) of the contract, the state is required to pay the New Orleans Saints $5 M for each Super Bowl that is played in New Orleans. Pursuant to the contract, the $5 M incentive payment is due at the conclusion of the fiscal year in which the game is played. The 2013 Super Bowl was played in New Orleans Sunday 2/3/2013. Thus, based upon Section 4.6 of the contract, the state owes the New Orleans Saints $5 M by 6/30/2013 (last day of FY 13). According to the LA Stadium & Exposition District (LSED), the $5 M payment will be funded with the district's operating reserve account. This amount is included within Act 54 of 2013 (FY 13 Supplemental Appropriations Bill).

2014 NBA Allstar Game: In addition to the $5 M Super Bowl Incentive payment included within Act 54, this Act also includes $3.25 M to be paid to the New Orleans Sports Foundation for the 2014 NBA Allstar Game.

DEPT/AGY: Executive/ LA Commission on Law Enforcement & Administration of Criminal Justice
ISSUE: Truancy Assessment & Service Center Program

The FY 14 budget has no funding for the evaluation and monitoring of local Truancy Assessment & Service Centers (TASC). The LA Commission on Law Enforcement (LCLE) contracted with LSU to perform the evaluations. Funding ($491,163) to the LSU School of Social Welfare's Office of Social Service Research & Development (OSSRD) was reduced from LCLE's FY 14 budget. OSSRD was responsible for monitoring and evaluating 16 TASC sites operating in 25 parishes and reporting this information to the legislature. The TASC Program was created in statute in 1998 to prevent students from dropping out and diverting at-risk youths from crime. Data that was previously collected by OSSRD is currently being collected by LCLE and the attorney general's office. The LCLE is currently attempting to secure additional funding to replace the funding that was removed from its budget.

This reduction along with LSU's exit from the TASC Program will not effect the TASC funding going to local governmental entities. TASC funding to local governmental entities is not being reduced. Local entities receiving TASC funding will continue to provide the truancy services it is currently providing.

DEPT/AGY: Culture, Recreation & Tourism/ Tourism
ISSUE: LA Tourism Promotion District (LTPD)

Act 1038 of 1990 created the LTPD as a special statewide taxing district and political subdivision of the state which receives three one hundredths of 1 cent of the sales and use tax for the purpose of assisting the state for out-of-state advertising and promoting tourism in LA. In FY 14, a number of initiatives that have historically been funded with SGF are to be funded from the Office of Tourism's SGR funds, which is the sales tax. The following pass-throughs are to be funded with SGR for FY 14:

Independence Bowl	$300,616
FORE! Kids Foundation	$314,108
N.O. Metropolitan CVB (Essence Festival)	$948,112
New Orleans Bowl	$280,577
Greater New Orleans Sports Foundation	$544,050
Bayou Country Superfest	$200,000
Jefferson Parish (Bayou de Famille Park)	$418,500
LA Special Olympics	$250,000
Senior Olympics (Office of Elderly Affairs)	$33,750
Total	**$3,289,713**

Additionally, funding for the following initiatives will be transferred to other agencies within the department via Interagency Transfer and LTPD Direct:

ENCORE Louisiana	$325,000
LA Book Festival	$25,000
World Cultural Economic Forum	$254,500
LA Sports Hall of Fame	$552,786
Kent House	$56,000
Arts Grants	$1,500,000

FY 14 Major Budget Issues

Office of the Management & Finance admin costs	$446,600
Decentralized Arts and Office of the Secretary admin costs	$523,930
Office of State Library for operating costs	$401,349
Office of State Museum	$562,779
Office of Cultural Development for Arts Grants	$190,942
Total	**$4,838,886**
Total Pass-throughs and Programs	**$8,128,599**

The funding level for the LTPD (excluding the Administrative Program and Welcome Centers Program) for FY 14 is $9,690,426. After the pass-throughs and programs are absorbed by the LTPD, $9,690,426 remains for normal expenditures related to advertising and promoting tourism in LA.

DEPT/AGY: Transportation & Development (DOTD)
ISSUE: State Transportation Funding

State Gas Tax: The 16-cent per gallon state gasoline and special fuels (gas tax) tax was enacted as a flat, non-indexed tax. The state gas tax has a current day buying power of approximately 7 cents. Historically, gas tax revenues have grown approximately 2.5% per year since 1992 but the rate has slowed substantially over the past decade. Construction and operating inflation substantially exceed the growth rate of the gas tax. (Note: The rate was increased from 8 cents to 16 cents in 1984.)

In 1984 the average price per gallon was $0.94 and individuals paid approximately 17% of the price of a gallon for road infrastructure with the 16-cent state gas tax. The average price per gallon for regular gasoline in LA as of 5/3/2013 was $3.29. Due to the tax being flat, and not indexed to inflation, the current 20-cent state tax equates to individuals paying approximately 6.1% of the price of a gallon for road infrastructure.

Federal Highway Trust Fund (Federal Gas Tax): The federal program is currently funded by the Moving Ahead for Progress in the 21st Century Act (MAP-21). MAP-21 is the first comprehensive, long-term highway authorization plan enacted since 2005. The federal Highway Trust Fund (HTF) is funded with an 18.4-cent per gallon federal gasoline tax and 24.4-cent per gallon federal diesel tax. Like the state gas tax, it has lost ground to inflation since its last increase in 1993.

TIMED Program Bond Debt Service Payments - $143.7 M: The TIMED Program was established by Act 16 of 1989 1st Extraordinary Session and designated 16 specific road/bridge projects. The original plan called for a designated funding stream in the form of a 4-cent per gallon gas tax which was in addition to the existing 16-cent per gallon state gas tax, providing for a pay-as-you-go construction program. By utilizing a pay-as-you-go-program, the projected completion date for the program was 2031. In 2002, the DOTD set out to accelerate the program by bonding out the remainder of the program in an effort to complete construction of all projects around FY 13. Due to rising construction costs and low cost estimates at the outset of the program, the program will only have sufficient funding to complete 14 of the original 16 road and bridge projects.

The projected FY 14 4-cent per gallon gas tax collections for the TIMED Program are not sufficient to cover the debt service payments of the 12 completed projects and the 2 currently under construction. A recent call modification on TIMED debt instruments resulted in a one-time refund of approximately $12 M. The refund will be used to make partial TIMED debt service payments in FY 14 of approximately $8 M to $9 M, with the balance being used for payments in FY 15. <u>Thus, approximately $15 M to $16 M of the 16-cent per gallon gas tax revenues will be needed to pay TIMED Program debt service payments in FY 14, the 4th consecutive year in which the 16-cent state gas tax will be used to make the TIMED debt service schedule whole.</u>

The portion of the 16-cent gas tax necessary in future years to fund TIMED debt service payments will continue escalating. Based upon estimates by DOTD, the department will use approximately 4.1 cents of the 16-cent per gallon state gas tax at its peak usage in FY 43, which equates to $123 M, or approximately 24.7% of the current 16-cent per gallon tax receipts. The growing use of TTF - Regular funds to pay TIMED debt service will impact DOTD's ability to match federal transportation funds (generally required at 10-20%) in the capital outlay budget and will result in decreased funds available for the department's operating budget. Currently, the total projected TIMED Program costs are $5.24 B (includes LA 3241, Florida Avenue Bridge), while total revenues for the program will be $4.65 B. DOTD is in the process of determining the best financing mechanism for completing the final 2 constitutionally required road/bridge projects.

Vehicle Sales Tax: Act 11 of 2008 2nd Extraordinary Session provided that vehicle sales taxes would begin to accrue to the TTF and be phased in over 7 years. A total of 10% was to be transferred to the TTF in FY 09. Due to the total SGF revenue projections decreasing for FY 09 and as provided by Act 11, these funds were not available to the TTF and will not be available in subsequent fiscal years until "… such time as the official forecast of the Revenue Estimating Conference equals or exceeds the official forecast in effect prior to the projected deficit, at which time the reduction shall cease." The SGF revenue forecast for FY 09 as of 5/9/2008 was $9.7 B. The latest adopted revenue forecast projects the following for SGF: FY 13 - $7.97 B; FY 14 - $8.2 B; FY 15 - $8.4 B; FY 16 - $8.7 B; and FY 17 - $9.13 B. Therefore, it is unlikely that these funds will be available to the TTF in the near future. The distribution to the TTF was originally projected to reach $335.6 M in FY 15 at 100% implementation.

DEPT/AGY: Public Safety & Corrections/Corrections Services
ISSUE: Healthcare Services for Offenders

Currently, all offenders and youths (approximately 38,500 adult and 450 juveniles) in custody are brought to the charity hospital system for health care needs that cannot be provided at a DOC/OJJ facility. As a result of the redesign of the charity hospital system the following issues regarding offender health care includes: the delivery of non-primary care at LSU hospitals and private providers, expansion of health care clinics and procedure rooms at DOC facilities and the expansion of the telemedicine program.

In addition to the approximately $45.3 M budgeted for on-site offender primary care an additional $50 M in SGF is allocated for off-site non-primary health care services for offenders. (See detailed breakdown on next page.) This funding is budgeted at the individual facilities and is based on historical utilization data from LSU-HCSD, DHH and several cost projections from insurance providers. These services include emergency, inpatient, outpatient specialists, diagnostics, surgery, and cancer treatments. The goal of the new model is to track utilization by billable code, which will ensure a more cost conscious and efficiency driven health care delivery system for offenders.

The $50 M will be used to fund offender costs at Bogalusa Medical Center and Huey P. Long for 6 months, LSU-Shreveport and E. A. Conway for 9 months, and Lallie Kemp, Interim LA, UMC Lafayette and W. O. Moss for 12 months in FY 14 (approximately $7,688,295). In addition, DOC will contract with the LSU partner hospitals and other private hospitals for inpatient and outpatient specialist care (approximately $42,311,705). With the exception of Our Lady of the Lake, LSU is currently negotiating with its partner hospitals to continue the provision of prisoner care on campus and/or in dedicated prisoner wards where those are available and bill DOC for services rendered. The contractual costs by private provider are unknown at this time; however, these costs will be determined based on offender utilization and rates, for which there were a total of 8,968 inpatient days at the LSU hospitals in FY 12. Lallie Kemp, which is not scheduled to move into a partnership model, will add 6 additional beds for prisoner care and will be utilized as the focus hospital for prisoner care for DOC facilities in the vicinity. DOC is also working with DHH to find hospitals that are willing to provide emergency care, inpatient hospitalization, intensive care, and any diagnostic or surgical procedure that cannot be done at prison facilities.

The other major component is to optimize services delivered at DOC facilities. This includes expanding clinical exam capacity, procuring 3rd-party mobile services to serve prisoners on site, and continuing the use of the LSU Telemedicine Network. Renovations are completed at Elayn Hunt Correctional Center, LA Correctional Institute for Women, and LA State Penitentiary. Renovations expenses were approximately $700,000 and include health care clinics and procedure rooms. This will potentially allow for more specialist services and procedures on site. DOC is determining the cost effectiveness of additional service provision at the facilities through portable diagnostics (CT scan, ultrasound, & MRI) and contracting with certain specialists based on high-volume utilization. DOC is currently working to identify providers that are willing to come to DOC facilities to see patients.

The Telemedicine Network allows patients to connect with doctors remotely on site with the use of video conferencing. All DOC prisons and 13 parishes are equipped for this purpose and DOC is looking to expand this network. According to DOC, the FY 13 telemedicine budget was approximately $600,000, which included the physician providers from the School of Medicine, the technical staff, and network that the telemedicine clinics require to operate, the clinical staff that supports the physician during the encounter and some review costs. Expenditure levels for the telemedicine program expansion with DOC are anticipated to be approximately $2 M in FY 14 for approximately 20,000 annual telemed checkups. Contracts have been awarded to U.S. Telehealth and LSU School of Medicine for these services. A breakdown of the known budgeted FY 14 offender health care expenditures is itemized below.

DOC on-site primary care	$43,764,517
Local costs for on-site primary care	$1,500,000
Subtotal on-site primary care costs	*$45,264,517*
Off-site non-primary care at LSU hospitals	$7,688,295
Off-site non-primary care via private providers	$42,311,705
Subtotal off-site non-primary care costs	*$50,000,000*
OJJ health care contract costs	$6,727,994
Total SGF offender health care costs	**$101,992,511**

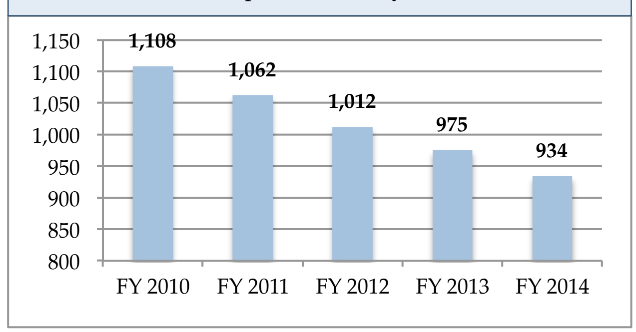
The LFO requested in August 2013 the following information from the DOC: capacity of current DOC clinics and expanded capacity needed at the DOC.

DEPT/AGY: Public Safety & Corrections (PS&C)/Public Safety Services
ISSUE: State Police Academy

Act 14 of 2013 includes funding in the amount of $5 M, payable from the Debt Recovery Fund, for the PS&C Office of State Police to conduct a training academy. Funding for the training academy was first added by a House Floor amendment in the amount of $4,141,440. The $4.1 M was a combination of $2.6 M from the Criminal Identification & Information Fund and $1.5 M from the Overcollections Fund. This funding was eventually stripped by the Senate Finance Committee and replaced with $5 M from the Debt Recovery Fund.

It should be noted that the $5 M allocated to the Office of State Police in Act 14 was not appropriated because the statutorily dedicated fund, Debt Recovery Fund, does not exist. During the debate of Act 399 of 2013, the fund was created through a House Floor amendment and later deleted from the bill through an amendment in the Senate Revenue & Fiscal Affairs Committee. However, Act 399 specifies that the first $5 M collected by the newly created Office of Debt Recovery would be allocated to fund a state police training academy. Funding for the training academy will have to be appropriated through a BA-7 in FY 14 or through a supplemental appropriation during the next legislative session.

Total Filled Trooper Positions By Fiscal Year (FY)



For the department to conduct a 50-cadet academy class, the cost would be approximately $5.3 M. The majority of the cost is associated with cadet salaries and related benefits, which make up 70% ($3.7 M) of the academy cost. Operating Expenditures for the academy total approximately $400,000 and include travel, uniforms, office and automotive supplies, and automotive maintenance. Additional expenses include $670,000 in academy costs for cadets, which include dormitory costs, classroom costs, facility rentals, and ammunition. Most acquisitions needed in a regular academy class such as vehicles, radars, and radios will not be needed since there is a surplus due to the decrease in troopers over the previous years.

The most recent class of new state troopers graduated in February 2009. Due to funding levels being insufficient to hold additional training classes and fill state trooper positions vacated through attrition, the statewide number of state troopers available to provide law enforcement activities on the state's highways has fallen by 133 since FY 10 *(See Table).*

In addition to the attrition of state troopers over the previous fiscal years, more state troopers will be retiring and become eligible to retire in the next 2 years. In FY 13, 4 state troopers became eligible for retirement with 78 working past eligibility and 8 more completing DROP. In FY 14 there are 28 state troopers that will become retirement eligible, followed by 60 in FY 15.

DEPT/AGY: Public Safety & Corrections/Youth Services
ISSUE: Reductions in the Families In Need Services (FINS) Program

The FY 14 budget for the Office of Juvenile Justice (OJJ) includes a reduction of $3.9 M in SGF revenue associated with the reduction in the Families in Need of Services (FINS) Program.

The impact of the reductions in the Contracted Services Program is as follows:
• Prevention/diversion contracts that provide Medicaid eligible services are eliminated and the remaining contracts are reduced by 35%.
• Tracker/mentor contracts – approximately 135 slots, based on the average number of vacancies, will be eliminated leaving 359 remaining slots.
• Community reintegration contracts – 120 slots will be eliminated leaving 125 remaining slots (based on the average number of vacancies).
• Counseling/psychological evaluations contracts will be eliminated since this is a Medicaid eligible service.

DEPT/AGY: Health & Hospitals (DHH)/Medical Vendor Payments (MVP)
ISSUE: Federal Medical Assistance Percentage (FMAP) Change for Title 19 Claims & DSH (Uncompensated Care Costs)

Title 19 claims payments FMAP:

Title 19 history:

FY 11: 74.76% federal financial participation (25.24% state match)
FY 12: 69.34% federal financial participation (30.66% state match)
FY 13: 71.38% federal financial participation (28.62% state match)

Note: The FMAP was adjusted down to 66.58% (blended) federal match in FY 13 due to a federal change in the calculation of the Disaster Recovery Rate. Based on the new formula, DHH lost $859 M in federal support during FY 13.

FY 14 Medicaid Budget FMAP

FY 14: 62.96% budgeted federal financial participation (37.04% state match), blended match rate

The FY 14 budget for Title 19 claims in Medicaid is based on a federal medical assistance percentage (FMAP) of 62.96% federal match. This match rate still assumes the state qualifies under the federal law that results in a disaster adjusted (enhanced) FMAP. According to the Federal Register (issuing the 2013 FMAP rates), "Section 2006 of the Patient Protection & Affordable Care Act of 2010 amended Section 1905 of the Social Security Act to provide for an increase in the FMAP rate for qualifying States for Medicaid" for certain states that have experienced a statewide disaster as declared by the President. States that qualify receive an adjustment to their annual FMAP according to a formula reflected in federal law.

Note: For FY 15, the FMAP for Title 19 claim payments is projected to decrease from the FY 14 FMAP of 62.96%. Although the final FY 15 FMAP will likely not be published by the Center of Medicare & Medicaid Services (CMS) until October or November 2013, the initial projected FMAP for FY 15 is a blended rate of 62.06%. Any reduction in the FY 15 FMAP from FY 14 will require additional SGF support in the FY 15 Medicaid budget to maintain the same level of claim payments.

Disproportionate Share Hospital (DSH) payments Federal Medical Assistance Percentage (FMAP):

DSH FMAP history:

FY 11: 63.69% federal financial participation (36.31% state match)
FY 12: 61.09% federal financial participation (38.91% state match)

FY 14 Major Budget Issues

FY 13: 61.24% federal financial participation (38.76% state match)

FFY 14: 60.98% federal financial participation (39.02% state match)

The impact in of both the Title 19 and DSH FMAP change in FY 14 is an increase of approximately $309 M in SGF requirement.

DEPT/AGY: Health & Hospitals (DHH)/Medical Vendor Payments (MVP)
ISSUE: Bayou Health - Medicaid Managed Care

Act 14 contains $1.46 B in premium payments for Medicaid Managed Care statewide for approximately 900,000 Medicaid recipients (for Per Member Per Month payments for Prepaid Health Plans and the management fee for Shared Savings Health Plans (SSHP). FY 14 represents the 2nd full year of Bayou Health (BH) implementation.

The BH Program is DHH's new program to manage the care of approximately 900,000 LA Medicaid and LaChip recipients. BH is Medicaid Managed Care, and includes both a prepaid, risk bearing MCO model (Prepaid Health Plan) and a primary care case management (PCCM) with shared savings model (Shared Savings Health Plan). The department implemented BH under the authority of Section 1932(a)1 State Plan Amendment and did not require waiver approval from the Center for Medicare & Medicaid Services (CMS). The Shared Savings Health Plan (SSHP) delivery model reimburses providers fee-for-service. This enhanced PCCM model requires that participating primary care physicians (medical home) join with a 3rd party (administrative entity) to better coordinate care. According to the department, the network of primary care providers and the 3rd party will be able to ensure a full continuum of care that is coordinated for the individual. Although the providers will continue to receive fee-for-service, the Administrative Entity will be reimbursed a monthly amount (administrative or management fee) for each member to ensure coordination of care. The monthly reimbursement is $10.54 for children and parents and $15.74 for people with disabilities and pregnant women based on the current contracts. The Prepaid Health Plan (PHP) is a full risk bearing financial model. Provider networks have been assembled and receive monthly payments (per member per month (PMPM) for each individual enrolled, and in turn will provide a basic level of benefits and assume full financial risk of health plan enrollees. The PMPM is based on the current average contract rate of $246.50.

Some benefits are 'carved out' and continue to be provided through the legacy fee-for-service Medicaid Program under this model. The current list of carve out services include dental, behavioral health, targeted case management, nursing home services, ICF/MR, and personal care services. In addition, individuals that receive home and community-based services (waivers) are not currently included in BH. Based on the February 2011 Rule, projected eligible recipients were to be evenly enrolled between the 2 types of networks. However, with 3 PHP contracts and 2 SSHP contracts awarded, the latest projection reflects an enrollment pattern of approximately 49% of eligible recipients enrolled in a PHP. All previous CommunityCare recipients and Medicaid enrolled pregnant women and Medicaid eligibles over age 65 are required to enroll.

Contracts: DHH has entered into contracts with 5 separate entities. Each health plan provides services statewide. The 3 PHP entities are Amerigroup, LaCare, and LA Healthcare Connections. Community Health Solutions and United Healthcare manage the 2 SSHP. Medicaid and LaChip recipients have an option to enroll in any of the 5 health plans.

BH Payment History: FY 12 appropriation for BH was approximately $363.6 M, and included both administrative cost and PMPM/management fee payments. These appropriations are reflected below. Due to claims lag (cost of beginning to reimburse for PMPM's up front expenses and paying prior claims within a given time frame), the FY 12 cost to implement is approximately $99 M.

$2,000,000	Funding in Medical Vendor Administration (MVA) for communication outreach
$476,250	Funding in MVA for CCN Network External Quality Review Organization
$361,187,145	Funding in Medicaid Buy-Ins Program for PMPM Payments for PHP and Management Fees for SSHP.

The FY 13 appropriation (payments) for BH was approximately $1,114,035,620. This appropriation is based on the following adjustments:

$361,187,145	Funding in the FY 12 base for BH (payments plus lag)
$921,722,843	Transfers of BH funding from Privates to Buy-Ins (FY 13)
$1,282,909,988	FY 13 total funding for BH that was removed from Private Providers
($106,551,345)	Removes (non-recur) lag payments appropriated in FY 12 in Buy-Ins for BH
($29,384,047)	FY 13 savings adjustment in the Buy-Ins Program
$1,146,974,596	FY 13 PMPM payments (includes $7,092,026 in bonus payments related to savings associated with the SSHP. Thus, FY 13 actual PMPM payments (less bonus) equal **$1,139,882,570** (include both PMPM's for PHP and management fees for SSHP.)
Less:	3.7% cut to BH (related to provider cuts) and cut related to shifting wrap around payments from the Medicaid Buy-Ins & Supplements to UCC Program (reflected below)
$1,146,974,596	Total payments in Buy-Ins for BH
($18,112,424)	Health Plan cut (other portion of entire 2% cut to Managed Care allocated to LBHP ($2,014,729)
($17,888,428)	Funding Health Plans in Buy-Ins moved to UCC Program for rural hospital wrap around payments
($15,803,719)	Cuts BH rates (other portion of 1.7% cut allocated to LBHP ($5,525,835)
Plus:	
$18,865,595	Funding from Community Hospital Stabilization Fund for non-state hospital funding for DRG's
$1,114,035,620	**FY 13 Total BH Funding (includes bonus payments for SSHP providers)**

As of 5/1/2013, the projected expenditures in BH for FY 13 were $1,318,108,990.

Note: FY 13 budget included a reduction in Medicaid payments by $29,384,056 from FY 12 ($8,409,717 SGF) as a result of projected savings from BH implementation (based on Mercer projections). In addition, the Private Provider Program was reduced by $42,483,300 in FY 13 as a result of including pharmacy as a benefit under 3 prepaid BH plans. Amerigroup, LaCare, and LA Healthcare Connections managed this benefit in FY 13.

FY 14 appropriation for BH is approximately $1.46 B. This appropriation is based on several new adjustments to FY 13 allocated expenditures that is reflected in Act 14 for FY 14.

$1,114,035,620	FY 13 BH Allocation (As of 1/1/2013, projected expenditures in BH were $1,326,763,258)
$296,562,209	Inclusion of pharmacy benefits as covered services under the prepaid plans as of 11/1/2012
$61,320,332	Pharmacy Utilization
$3,775,531	Transfer of LaChip Affordable Plan enrollees from OGB PPO plan to BH
($12,166,777)	Reduction in ePCCM payments to BH shared services savings plans
$1,463,526,915	**FY 14 Total Funding**

Note: DHH is covering the majority of the cost of the additional managed care payments for FY 14 with dollars from the Medicaid base budget (as reflected in the transfer of $296,562,209 from Privates to Buy-Ins).

DEPT/AGY: Health & Hospitals (DHH)/Medical Vendor Payments (MVP)
ISSUE: Medicaid Outlook

The FY 14 Medicaid budget contains approximately $216,434,518 in funding from 2 separate sources that will likely have to be replaced in FY 15. These sources of revenue include amnesty tax collections projected to be collected in FY 14 and Go Zone Bond repayments (which represents an early retirement of bond debt from the Orleans Parish Law Enforcement District that was collected in FY 13 but appropriated in FY 14).

Act 14 (the GAB) reflects $200 M in amnesty revenues appropriated in Medical Vendor Payments for FY 14. Any revenues anticipated to be generated through a tax amnesty program will be deposited into the 2013 Amnesty Collections Fund in the treasury. Act 421 establishes the 2013 Amnesty Collections Fund through the LA Tax Delinquency Amnesty Act of 2013. Up to $200 M of these revenues will be used as a state match source to draw Title 19 federal financial participation funding for claims payments to providers. Based on the FY 14 blended Federal Medical Assistance Percentage (FMAP) of 62.96% (37.04% state match) for LA Medicaid, $200 M in amnesty revenues will generate approximately $339.9 M in federal matching funds for a total of $539.9 M in Medicaid claims payments. To the extent amnesty tax revenues are not realized up to the level of appropriation in Medicaid for FY 14, claims payments to providers will be reduced by a proportionate amount (inclusive of federal match).

In addition, revenues appropriated in Medicaid from up front bond repayments (Go Zone Bond Repayments from the Orleans Parish Law Enforcement Division) will also be used as a state match source to draw federal matching funds. $16.4 M in Go Zone revenues will generate approximately $27.9 M in federal matching funds, for a total of $44.4 M in Medicaid claims payments. The sources of revenue are reflected in the table below:

Revenue Source	Amount
State Tax Amnesty Program Revenues	$200,000,000
Go Zone Bond Repayments	$16,434,518
Total FY 14 Revenues used as state match	$216,434,518

Note: The FY 14 5-year continuation budget reflects both Amnesty revenues and the Go Zone Bond Repayments as a SGF need in FY 15 and future fiscal years.

LA Medical Assistance Trust Fund (MATF): The FY 14 level of funding in the MATF is approximately $157,857,988. This funding includes the following projected deposits:

$106,929,538	Annual deposits from provider fee charges (pharmacy scripts, ICF/DD beds, nursing home beds)
$16,434,518	Go Zone Repayments
$16,493,932	Nursing Home Provider Bed Fee Increase
$18,000,000	Funding derived as a result of R.S. 22:842
$157,857,988	**Total**

Note: Funds collected annually in the MATF are from fees imposed on nursing home providers, ICF/MR providers, pharmacy scripts, and premium taxes on Medicaid managed care premiums written (beginning FY 13). In addition to these recurring revenue deposits, the fund has received one-time revenue deposits from various sources. All revenues deposited into the fund (less any balances) are used as a state match source to draw federal financial participation for general Medicaid expenditures. Reflected below are historical appropriations in the MATF since FY 11.

FY 11	FY 12	FY 13	FY 14
$403,715,644	$451,471,418	$344,754,959	$157,857,988

Note: $18 M appropriated in the MATF: Currently, R.S. 22:842 imposes a tax on premiums written (collected) related to life, accident, and health (approximately 2.25% of premiums written). Any taxes assessed are collected by the Department of Insurance on behalf of the SGF. The current law does not exempt managed care entities. There is currently no revenue dedication to DHH in the insurance code (842) for Medicaid Managed Care. Tax revenues generated from managed care companies are appropriated in FY 14 and deposited in the MATF for general Medicaid expenditures (will be used as a state match source).

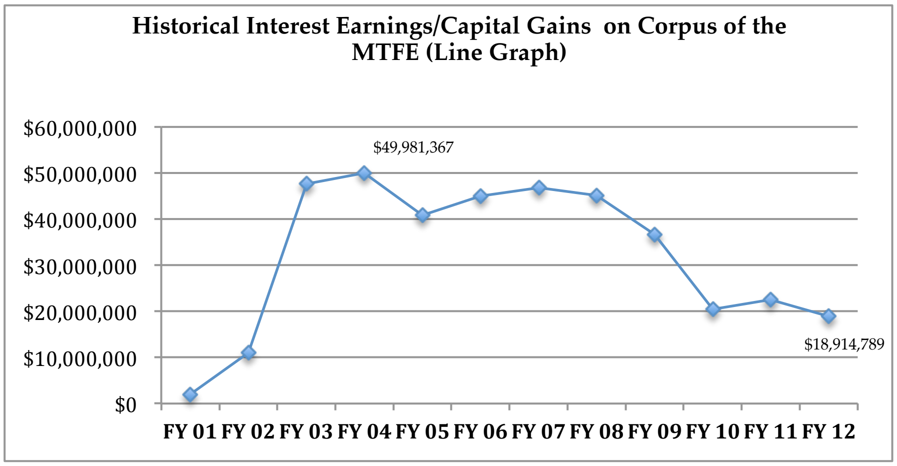
Note: The nursing home provider fee is increasing from $8.02 per bed to $10 per filled bed, resulting in an additional $16,493,932 to be deposited into the MATF for FY 14. These revenues will be used as a state match source to draw federal financial participation for claims expenditures.

DEPT/AGY: Health & Hospitals (DHH)/Medical Vendor Payments (MVP)
ISSUE: Medicaid Trust Fund for the Elderly Fund Balance

The Medicaid Trust Fund for the Elderly (MTFE) contains non-recurring revenues (with the exception of any interest earned on the corpus of fund revenues) that are utilized for nursing home payments as authorized under R.S. 46:2691. The revenues deposited in the fund were initially generated through an intergovernmental transfer (IGT) that non-state public nursing homes provided a state match source to pull down federal matching funds for Medicaid supplemental payments (Upper Payment Limit reimbursement) for eligible expenses in these facilities. State Treasury fund balance documents reflect initial federal receipts of $306 M were deposited into the fund in 2001, and reflect total federal receipts in excess of $800 M were deposited into the Medicaid Trust Fund for the Elderly from multiple IGT's (not including interest on the corpus of the fund). Specifically, these statutory dedicated revenues are used for annual nursing home rate rebasing, or re-calculation of the per day rate paid to certain nursing facilities for Medicaid patients.

The FY 14 Medicaid budget contains approximately $183.5 M from the Medicaid Trust Fund for the Elderly. These funds, in addition to other revenue sources allocated for nursing home payments, are used as a state match source to draw federal financial participation. In FY 14, these statutory dedication revenues will draw approximately $312 in federal matching funds. The balance in the MTFE is approximately $410 M as of July 2013 (including the FY 14 appropriation). Based on the current level of MTFE revenue appropriation allocated in FY 14 and historical interest earnings of the fund *(See Line Graph below)*, significant SGF replacement revenue is anticipated in FY 16 Medicaid budget for nursing home payments. The 5-year continuation budget reflects $201 M in SGF replacement funds will be required beginning FY 17 to draw federal matching funds sustain projected nursing home payments.

$410,860,765	FY 14 MTFE Fund Balance (State Treasury Fund Statement)
($183,505,794)	FY 14 MTFE Nursing Home Payments Allocated
$227,354,971	*FY 15 Projected Fund Balance (Excluding Interest/Gains)*



DEPT/AGY: Health & Hospitals (DHH)/Office of Public Health (OPH)
ISSUE: Nurse Family Partnership Program

The Nurse Family Partnership (NFP) Program is a prenatal and early childhood intervention program designed to improve the health and social functioning of low-income first-time mothers and their babies. Home visits by specially trained public health nurses begin before the 28th week of pregnancy and continue through the child's second birthday. The FY 14 budget allocates $20,315,240 ($2.6 M in SGF, $3.2 M in IAT, and $14.5 M in Federal) and 33 positions for the NFP Program, which represents a $1,476,790 decrease from FY 13 appropriated due to an annualization of the FY 13 mid-year cuts. Due to this reduction in the mid-year, 12 positions were eliminated from the program including 11 nurse home visitors and 1 clerical position. Due to these personnel reductions, services are reduced in Jefferson, Orleans, East Baton Rouge, Pointe Coupee, Rapides, Caddo, St. Tammany, Lafourche, Beauregard, Webster, and Calcasieu parishes and eliminated in St. Bernard, Plaquemines, St. Martin, Allen, and Evangeline parishes. This will result in 385 fewer families being served. In addition, funding for case management services will transfer to Medicaid since a majority of the women in the program are enrolled in a Bayou Health plan, and as such, are eligible for case management services through their health plans. OPH anticipates 3,064 individuals will be served through this program in FY 14.

DEPT/AGY: Health & Hospitals (DHH)/Office of Behavioral Health (OBH)
ISSUE: New Human Services Districts

In FY 14, there is a direct appropriation of $20,636,538 ($15,382,395 SGF, $3,023,861 IAT, $2,206,681 SGR and $23,601 Federal) for the Acadiana Area Human Services District (AAHSD), which was created as a Local Governing Entity (LGE) independent of the OBH in FY 13. In FY 13, AAHSD's budget consisted solely of IAT from OBH, the Office for Citizens with Developmental Disabilities (OCDD) and the Office of the Secretary (OS) within DHH, and it will receive its first direct appropriation in FY 14 in order to continue operations as an independent agency under schedule 09-325. AAHSD services the parishes of DHH Region 4 including: Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, and Vermillion. In addition to AAHSD, 4 other human service districts/LGEs will begin operations independent from OBH in FY 14 including the Northeast

Delta Human Services Authority (NEDHSA), the Imperial Calcasieu Human Services Authority (ICHSA), the Central LA Human Services District (CLHSD), and the Northwest LA Human Services District (NWLHSD). Like AAHSD in FY 13, these 4 new LGEs will receive their own schedule numbers along with IAT funding from OBH, OCDD, and OS in order to manage their own operations. Each new LGE's source of funding and personnel levels is detailed below.

Sch. #	Agency	IAT Source	IAT Amount	Personnel
09-310	NEDHSA	OBH	$8,607,657	94
		OCDD	$2,638,508	23
		OS	$297,000	0
		TOTAL:	**$11,543,165**	**117**
09-375	ICHSA	OBH	$5,810,419	55
		OCDD	$2,505,729	24
		OS	$297,000	0
		TOTAL:	**$8,613,148**	**79**
09-376	CLHSD	OBH	$6,609,806	64
		OCDD	$2,364,873	22
		OS	$297,000	0
		TOTAL:	**$9,271,679**	**86**
09-377	OBH	NWLHSD	$8,375,297	86
		OCDD	$2,839,527	26
		OS	$297,000	0
		TOTAL:	**$11,511,824**	**112**

Note: Personnel will be reclassified as non-T.O. and not reflected within each budget's Table of Organization since they are funded through the Other Charges expenditure category.

The mission of human service districts is to provide and coordinate, directly and through community collaboration, a range of services to address mental health, addictive disorders, and developmental disability needs among its citizens. The funding from OBH will provide for mental health and addictive disorders services; OCDD funding will provide for the developmental disabilities and waiver supports needs; and the Office of the Secretary will fund the Executive, Human Resources, and Fiscal directors' salaries. The funds being transferred from the Office of the Secretary, OBH and OCDD are what is currently expended on those services in Region 4. The operational plan for this agency is currently in development.

DEPT/AGY: Health & Hospitals (DHH)/Office of Behavioral Health (OBH)
ISSUE: LA Behavioral Health Partnership (LBHP)

The LA Behavioral Health Partnership (LBHP) is a cross-departmental project between the Office of Juvenile Justice (OJJ), Department of Children & Family Services (DCFS), DHH, and the Department of Education (DOE) to organize a coordinated, managed care network for LA's behavioral health populations. Services will be managed and coordinated by a single managed care entity known as the State Management Organization (SMO). The contract for the SMO was awarded to Magellan Health Services, Inc. for which there is $50.1 M allocated in Medical Vendor Administration (MVA). Magellan will be responsible for providing behavioral health services to an estimated 100,000 adults and 50,000 children, including 2,400 with significant behavioral health challenges or co-occurring disorders that are in, or at, imminent risk of out-of-home placement. The OBH will be responsible for supervising Magellan's compliance with the contract and state policy. Under the terms of the contract, the SMO will enroll members in need of services, enroll Medicaid providers to deliver services, and manage all services for providers. In addition, the SMO will be responsible for overseeing and managing the behavioral health services for Medicaid and non-Medicaid participants, including adults and youth. The LBHP launched March 2012.

The SMO reimburses providers on a fee-for-service model for children and a per member/per month capitated rate for adult behavioral health services to providers. For state agencies, this is reflected as an increase of SGR to be received from the SMO for services provided. Services and treatments covered under the LBHP include Early Periodic Screening, Diagnosis, & Treatment (EPSDT) for medically necessary mental health and addiction treatments for children, Psychiatric Residential Treatment Facilities (PRTF) & Therapeutic Group Homes (TGH) for youth under 21, school-based behavioral health services, and adult behavioral health services including major mental disorders and addiction services. Excluded adult populations include: refugee cash and medical assistance programs, tuberculosis populations, Qualified Disabled Working Individuals, alien emergency room services, public and private ICF/MR services, low income subsidies (welfare), family planning, public or private ICF/DD services, or Greater New Orleans Community Health Connection (GNOCHC) services and certain other populations. The same exclusions apply for children's populations with the exception of ICF/MR and ICF/DD services for children, which are covered under the LBHP.

In FY 13, there was $384,845,287 allocated in the Medicaid Medical Vendor Payments (MVP) Buy-Ins Program via a selective services 1915(b) Medicaid waiver for the LBHP. However, according to the Medicaid forecast as of 2/28/2013, only $322,981,609 in FY 13 total expenditures was anticipated. As a result, there is an estimated $61,863,678 surplus in the allocated funding to the LBHP for FY 13. Information provided by DHH indicates that the reasons for the surplus are a 2-month delay in the start-up of the LBHP and slower than anticipated enrollment of residential providers including therapeutic group homes and psychiatric residential treatment facilities. Additionally, the CSoC has not yet been implemented in half of the planned service regions since DHH is reworking eligibility and enrollment processes as well as revamping the way family support organization services are made available. Allocations in Medicaid (MVP and MVA) for the LBHP are listed below.

	FY 12 Actual	FY 13 Allocated	FY 14 Allocated
State Funds	$25,548,303	$117,606,171	$149,117,151
Federal	$52,805,686	$322,901,429	$289,194,811
TOTAL	**$78,353,989**	**$440,507,600**	**$438,311,962**
MVA	$9,452,616	$50,728,067	$50,728,067
MVP	$68,901,373	$389,779,533	$387,583,895
TOTAL	**$78,353,989**	**$440,507,600**	**$438,311,962**

The projected non-Medicaid administrative costs for OBH, DCFS, and OJJ are based on 8% of expenditures within these agencies for the non-Medicaid service populations they service and are estimated at $10.9 M in FY 14. This includes a $3.2 M increase over FY 13 EOB due to delay in the approval by the Centers for Medicare & Medicaid Services (CMS) of the 1915i waiver, which raises the Medicaid eligibility for all mental health adult populations to 150% of the FPL.

Note: Magellan will also manage services for non-Medicaid children currently served through OBH, OJJ, the LEAs and DCFS, but their services will continue to be funded by the requisite state agency. Non-Medicaid adult services will continue to be funded with federal grants and SGF from OBH.

Coordinated System of Care (CSoC): Within the LBHP, the Coordinated System of Care (CSoC) will serve LA's at-risk children with significant behavioral health challenges who are at imminent risk of out-of-home placement. On 11/3/2011, CMS approved a 1915(c) waiver to allow a specific benefit package that will provide wraparound planning, peer support and other specialty services for the CSoC population including individual living/skills building, short term respite care, and crisis stabilization. The CSoC was established to reduce the state's cost of providing services by using existing SGF to leverage Medicaid and reducing the high cost of institutionalization (e.g., residential treatment, psychiatric hospitals, long-term day treatment, foster care) by providing family driven services in homes, schools, and the community through Family Support Organizations (FSOs). These services will be coordinated through a Wraparound Agency (WAA) in each OJJ service region. By FY 14, DHH anticipates available capacity for up to 2,400 youth in the program at any given time.

FY 14 Major Budget Issues

DEPT/AGY: Health & Hospitals (DHH)/Office of Behavioral Health (OBH)
ISSUE: Privatization of Southeast LA Hospital (SELH)

On 12/3/2012, a cooperative endeavor agreement (CEA) was signed between DHH and Meridian Behavioral Health Services for the continuing operation of SELH in Mandeville beginning 1/2/2013 through 1/1/2016. SELH was originally scheduled to close in FY 13 due to an allocated cut as a result of the federally mandated FMAP reduction. In anticipation of closure, 60 intermediate adult beds transferred to Central LA State Hospital (CLSH), 34 to Eastern LA Mental Health System (ELMHS), 8 to River Oaks Hospital, 8 to Community Care Hospital, and 8 to the Bogalusa Medical Center in October of 2012 (118 beds total). DHH estimated an initial SGF savings of $555,893 ($1.6 M total MOF) as a result of personnel reductions from closure in FY 13, which was also allocated to OBH in the FMAP reductions from DHH in FY 13. As a result of privatization, SELH's budget will be reduced by $44,970,289 in FY 14, which is a combination of FY 14 reduction ($18,993,601) and transfer ($25,976,688) to ELMHS/CLSH as reflected below.

	FY 13 SELH Appropriated	**FY 14 State Reduction**	**Transferred to ELMHS/CLSH**	**FY 14 SELH Appropriated**
SGF	$9,088,467	($3,513,745)	$0	$5,574,722
IAT	$38,066,523	($15,236,728)	($22,829,795)	$0
SGR	$3,146,893	$0	($3,146,893)	$0
Federal	$681,247	($243,128)	$0	$438,119
TOTAL	**$50,983,130**	**($18,993,601)**	**($25,976,688)**	**$6,012,841**

Note: The $6 M allocated to SELH in FY 14 is to make continued payments on ORM premiums, OGB retiree insurance, and maintenance under state liability as the landowner (e.g. underground storage tanks for water, fuel & diesel) and for 6 positions that are performing continuing maintenance and administrative functions.

Under the CEA, Meridian operates the remaining 58 beds on the SELH campus including: 16 acute adult beds, 22 acute adolescent beds, and 20 adolescent DNP (Developmental Neuropsychiatric Program) beds at SELH. As a result of privatization, out of the 563 positions at SELH, 395 were eliminated from state employment as of 1/2/2013 and another 168 were transferred to ELMHS & CLSH. According to DHH, Meridian rehired 125 former SELH employees who were laid off. Under the CEA, Meridian receives payments for Medicaid services via the Statewide Management Organization (SMO) under the LA Behavioral Health Partnership. The state will also pay Meridian a per diem rate of $581.11 for uninsured patients not covered under Medicaid, Medicare, or a commercial payor and for service costs not fully covered by the SMO for which there is $14,690,831 budgeted in the Uncompensated Care Costs Program in FY 14. This $14.6 M is being transferred from public providers (SELH) to private providers (Meridian) and is not new funding in FY 14.

Note: The average cost per day at SELH before privatization was approximately $826, which generates a savings of $244.89 per patient/per day.

Note: There is $17.84 M transferred into the Overcollections Fund proposed in Act 420 (Funds Bill) for the sale of the SELH property to the parish governing authority of St. Tammany as authorized by Act 121 of 2013.

DEPT/AGY: Children & Family Services (DCFS)
ISSUE: Consolidation of Parish and Regional Offices

Beginning in FY 11, the reorganization of the DCFS, authorized by Act 877 of 2010, closed and consolidated 20 parish offices decreasing the number of DCFS offices from 148 to 128 and resulting in savings from rent payments of approximately $2 M ($778,000 SGF and $1.2 M in Federal). In FY 12, the closure and consolidation continued with another 17 parish offices resulting in savings of $3.5 M in rent and lease costs. In FY 13, DCFS continued the consolidation and closure of an additional 41 parish offices and utilized the savings within the department. In FY 14, savings from rent and lease payments is $2,941,176 ($1 M in SGF and $1,941,176 Federal). Presently, the department operates 70 parish offices listed below.

Also, in FY 11, DCFS began implementation of the Modernization Project. The goal of the Modernization Project is to transform the service delivery of DCFS to allow clients multiple ways to apply for services as well as access services. As a result, clients will no longer have to visit physical DCFS office locations or travel to multiple locations to do business with DCFS. The Modernization Project launched the Common Access Front End (CAFÉ) website that allows clients to create an online account, check the status of their application, complete a "smart" application and submit redeterminations for continued support all from a single point of entry. Clients can call the new Customer Service Center Helpline to access DCFS services. In addition, clients may visit another DCFS office either in the same or adjacent parishes or visit one of the over 500 community partners. Community partners are regional and community organizations that already serve the public. Community partners vary from school health centers and food pantries to councils on aging and churches. Community partners assist DCFS clients with varying levels of support, from providing information about DCFS services to guiding clients through the application process.

DCFS Offices*

Acadia	CW/ES	Many Neighborhood Place	ES
Allen	CW/ES	Monroe	CSE/ES
Ascension	CW/ES	Monroe Regional	CW
Avoyelles	CW/ES	Morehouse	CW/ES
Beauregard	CW/ES	Natchitoches	CSE/CW/ES
Baton Rouge	CSE/DDS	NO-Jefferson Area/Hearings	DDS
Baton Rouge Reg	CW	Orleans	CW
Caddo	CW/ES/CSE	Orleans Midtown	ES/CSE
Calcasieu	CW/ES	Ouachita	CW
Catahoula	CW/ES	Point Coupee	CW
Claiborne	ES	Rapides	CW/ES/CSE
Concordia	CW	Red River	ES
DeSoto	CW	Richland	CW
E. Jefferson	CW/ES	Sabine	CW
East/West Carroll	ES	Shreveport	DDS
East/West Feliciana	CW/ES	St. Mary	CW
East Baton Rouge	CW/ES	St. John	CW/ES
Evangeline	CW/CSE	St. Landry	CW/ES
Franklin	CW/ES	St. Martin	CW
Iberia	CW/ES	St. Tammany	CW/ES
Iberville	CW/ES	Tallulah	CSE
Jefferson Davis	CW	Tangipahoa	CW/CSE/ES
Lafayette	CW/ES/CSE	Terrebonne	CW/ES
Lafourche	CSE/CW	Vermillion	CW
Lake Charles	CSE/CW	Vernon	CW/ES
Lake Charles Reg	CW	W. Jefferson	CW/ES
Lincoln	CW/ES	Washington	CW/ES
Livingston	CW/ES	Webster	CW/ES
Madison	CW/ES	Winn	CW/ES
Mahalia Jackson	ES	Zwolle Neighborhood Place	ES

*As of February 2013
ES - Economic Stability (formerly Food Stamp) office
CW - Child Welfare office
CSE - Child Support Enforcement office
DDS - Disability Determination Services

Parishes with no DCFS offices: Assumption, Bienville, Bossier, Caldwell, Cameron, East Carroll, Grant, Jackson, LaSalle, Plaquemines, St. Bernard, St. Charles, St. Helena, St. James, Tensas, Union, West Baton Rouge, and West Feliciana.

DEPT/AGY: **Natural Resources (DNR)**
ISSUE: **Consolidation of Certain Management & Finance Functions with the Departments of Environmental Quality (DEQ) and Wildlife & Fisheries (WLF)**

Based on information in the FY 14 budget, the consolidation of certain management and finance activities between DNR, WLF and DEQ is projected to result in a savings of $1.8 M and the elimination of 36 positions. The management and finance functions being consolidated include information technology, human resources, contracts, grants and purchasing activities. The $1.8 M savings comes from a $640,137 reduction in SGF in the DNR's budget and a $1,157,096 reduction in Statutory Dedications funding from the Environmental Trust Fund in DEQ's budget. An additional $4.7 M in IAT revenue from DEQ was also added to DNR's budget to provide for the consolidation. WLF had no revenue reductions associated with the consolidation.

All 3 agencies' T.O. is reduced as a result of the consolidation. All positions associated with the consolidation at DEQ and WLF are being transferred to DNR's budget, where the T.O. reductions are taken. A total of 83 positions were transferred to DNR from DEQ (55) and WLF (28). DNR reduces 25 (16 from DEQ and 9 from WLF) of the 83 positions transferred for a net increase of 58 positions. No layoffs are anticipated as a result of the reduction, since most of the positions that were reduced were vacant.

DEPT/AGY: Revenue (LDR)
ISSUE: Tobacco Master Settlement

The Tobacco Master Settlement consists of payments resulting from the Master Settlement Agreement (MSA) between the states and the major tobacco companies. Each year in April, the state receives its allotted share of the settlement (2.2%) as a regular payment. The state securitized 60% of the settlement and that amount of the MSA payment is currently dedicated to the payment of the bonds. The remaining 40% is split between the LA Fund (25%) and the Millennium Trust Fund (the trust) (75%). An inflationary adjustment remains in the Trust; otherwise the remainder is used to fund TOPS.

The following are other budget issues related to tobacco this year:

Refunding of the Securitized Tobacco Settlement
Act 14 includes an appropriation of $67 M resulting from the refunding of the securitized Tobacco Settlement proceeds, which is 60% of the state's MSA payment, though only $61.3 M was made available from the actual sale. The additional funds are the result of lower interest rates available through the refunding and the delay of principle payments over the first three years of the amortization. Citibank was the lead underwriter with initial estimates of spendable cash of about $60 M in each of FY 14 and FY 15 as well as an additional smaller sum in FY 16. After the sale on July 2, 2013, the final amount available for budgetary purposes in FY 14 was $61.3 M and $22.1 M in FY 15 (compared to the initial expectation of about $60 M in each year).

It is estimated that the bonds will be paid in 2023, which is the same anticipated maturity date prior to the sale, and are structured with a modified turbo payment with annual callable bonds. This means the Tobacco Settlement Financing Corporation will determine in the early years whether to use the full amount of the regular payment received, including that in excess of the amortized payment, to pay tobacco debt service or make it available for other uses within the budget. However, if the excess payment is not applied to tobacco debt service in a manner similar to a turbo payment, the bonds may not pay out in 2023, since the underlying assumption is that all regular payment receipts will be applied to the bonds.

Non-Participating Manufacturers (NPM) Settlement
Act 14 includes an appropriation of $28.3 M from the settlement of the Tobacco Arbitration concerning the disposition of the withheld payments for the Non-Participating Manufacturers (NPMs) adjustments that have been deducted from Tobacco Settlement Proceeds between 2003 and 2012. Since the payment was not separated from the regular MSA payment, the funds are included in the REC forecast as recurring SGF revenue and budgeted as such, though may require additional review to determine the appropriate classification.

The payments included in the arbitration were withheld due to several factors, including the position maintained by the Original Participating Manufacturers (OPMs) that the state did not enforce the MSA by allowing NPMs, who are not subject to the MSA payments, to gain market share. The settlement has been signed by 19 states, including LA, out of 46 total states and was paid to the states in April 2013.

The agreement stipulates that the state will receive 100% of escrow funds and will repay 46% of the amount paid to the state under the regular payment that could qualify as retractable. The repayment will occur as a credit to the regular MSA payment over the following 5 years (50% in year 1 and 12.5% in the remaining 4).

The settlement paid out on April 15, 17 and 25 and, after deducting the first year credit, the state's portion (or

40%) of the MSA payment, including the regular payment and the settlement, was $84.3 M. However, 25% or about $7 M will be deposited to the LA Fund. The classification of the amount in excess of the regular payment is under question since it is not clear whether it will be distributed under current law to TOPS or under the law that was in place when the funds were placed in escrow, which was primarily contributing to the corpus of the Millennium Trust Fund. The Treasury Department has requested an opinion from the Attorney General that is expected to resolve the matter of determining how the funds will be classified for expenditure. It is of note that regular MSA payments between FY 14-17 will be subject to a 12.5% credit due to arbitration (estimated to be $5 M to $7 M per year or $30 M to $35 M in total), which will be deducted from the MSA payment. The credit amount may be offset by a reduced NPM adjustment but there is no certainty.

Exact amounts of MSA payments received by Treasury are below, subject to changes as official calculations are finalized:

	4/15/2013	4/17/2013	4/25/2013	To Date 2013
Bonds	$69,756,592	$44,521,388	$12,097,414	$126,375,394
State	$46,504,395	$29,680,925	$8,064,943	$84,250,263
Total	$116,260,987	$74,202,313	$20,162,357	$210,625,657

DEPT/AGY: Higher Education
ISSUE: FY 14 Funding and Operation of LSU Hospitals in North LA

Act 14 provides funding through 9/30/2013 for LSU's 3 hospitals in central and north LA for FY 14. The Biomedical Research Foundation (BRF) is scheduled to operate LSU's Shreveport hospital and E. A. Conway Medical Center by 10/1/2013. The plan for operating H. P. Long Medical Center in FY 14 has not been finalized; however, LSU is in the final stages of developing a partnership between Rapides Regional Medical Center and Christus St. Francis Cabrini Hospital to take over H. P. Long Medical Center. It is anticipated operations will be moved to the England Airpark in Alexandria by October 2014. The FY 14 budget for H. P. Long includes funding through 9/30/2013, with the remaining funding provided under the Department of Health & Hospitals private vendor budget. The partnership will ensure patient care will be provided and funded in central LA after H. P. Long's 3 months of funding as a public hospital is exhausted.

Note: FY 14 SGF for all 3 hospitals has decreased by $44.2 M compared to FY 13. Overall funding for all 3 hospitals in FY 14 has decreased by approximately $355 M compared to FY 13.

DEPT/AGY: LSU Health Care Services Division/ LSU HSC-HCSD
ISSUE: New Orleans Adolescent Hospital (NOAH) Lease & Funding

In FY 13, there was $35 M in Statutory Dedications funding from the Overcollections Fund, which was contingent upon the sale or lease of the New Orleans Adolescent Hospital (NOAH). Without this contingency funding, HCSD would have to implement further service reductions in FY 13. Act 867 of 2012 authorized LSU to transfer NOAH to the Division of Administration (DOA) for the lease of the facility to Children's Hospital. On 1/25/2013, a lease for the NOAH property was executed between Children's Hospital and the DOA for a term of 99 years. Lease payments are to be made by Children's Hospital in the amount of $652,362 each year with an annual inflation increase of 3.23%. However, Children's Hospital opted to prepay the rent in the amount of $29 M, with $4 M as an advance payment due upon signing of the lease and the remaining $25 M to be held in escrow. The $25 M shall continue to be held in escrow until one of the following conditions is met:

1) An act of sale of the property to Children's Hospital is executed upon authorization by an act of the 2013 Legislative Session;
2) The lease is terminated by Children's or the DOA before 6/20/2013; or
3) On the first business day after 6/20/2013 if neither party elects to terminate the lease before then.

<u>Information from HCSD reflects that the $4 M from Children's Hospital was transferred to HCSD, but the remaining $25 M has yet to be received.</u>

FY 14 Major Budget Issues

<u>There is no known source of funding to eliminate the remaining $6 M deficit from the $35 M appropriated in Statutory Dedications funding to HCSD in FY 13.</u> The LFO is investigating agency action regarding this issue and its impact on service provision.

Note: *Act 335 of 2013 authorizes and empowers the commissioner of administration to convey, transfer, assign or deliver any interest in title (excluding mineral rights) to the Children's Hospital.*

DEPT/AGY: LSU Health Care Services Division/ LSU HSC-HCSD
ISSUE: Construction of University Medical Center-New Orleans (New Charity Hospital)

In conjunction with LSU HCSD, the University Medical Center Management Corporation (UMCMC) plans to build the University Medical Center-New Orleans (UMC-NO) as a new teaching and research hospital that will replace the former Medical Center of LA at New Orleans (MCLNO) that was damaged by Hurricane Katrina. As an independent, non-profit entity, UMC-NO will no longer be a state hospital; however, its funding mechanisms will remain the same. The UMCMC is a not-for-profit corporation, created by LSU to finance the $1.06 B project and has final authority concerning financing decisions. The Joint Legislative Committee on the Budget (JLCB) will have final approval of the cooperative endeavor agreement entered into between the Department of Health & Hospitals (DHH), the Division of Administration (DOA), LSU, and the UMCMC, which is not expected until FY 15. The projected total cost of the project is $1.06 B for a projected 424-bed hospital, diagnostic and treatment facility, an ambulatory care clinic, structured parking, and a utility building (inclusive of all equipment). In 2008, DHH hired Verite Consulting to evaluate the size of the planned hospital, and Verite made the 424-bed recommendation (364 acute beds and 60 psychiatric beds), which was adopted by DHH and Governor Jindal's administration. UMC-NO is currently set to open in 2015 and drafted to be a total of 2,211,799 square feet. The hospital will be on a site bound by Tulane Avenue, Canal Street, Claiborne Avenue and South Galvez Street adjacent to the new Veterans Affairs (VA) Hospital currently being built. The 2 hospitals will potentially share cancer services, some physician services, OB/GYN services, trauma, some parking, and laundry (the final list of shared services will be determined by the UMC-NO administrative team once the hospital is operational). The VA hospital is anticipated to open in 2014.

As of 8/23/2012, the state has secured approximately $801.4 M of the $1.06 B. The $801.4 M consists of $300.6 M from Capital Outlay and $500.8 M from FEMA for replacing the former main charity hospital building & other parts of the MCLNO complex including capital assets and building contents. Of the $300.6 M in the Capital Outlay Bill (Act 23 of 2012), $600,000 is SGR collected by LSU, $35.5 M is SGF from the Overcollections Fund, $39 M from CDBG funds, $170 M Priority 1 (cash line of credit), $35.5 M in Priority 5 (non-cash line of credit), and $20 M in general obligation bonds that have been sold. It is currently anticipated by DOA that additional FEMA settlement and Office of Risk Management (ORM) insurance money from the damages to MCLNO will soon be secured for an estimated $129 M depending on arbitration. The FEMA funds are being held in the Federal Health & Human Services (HHS) payment management system (SMARTLINK) and will be allocated to the state through the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) through reimbursement payments as work is performed. According to Facility Planning & Control, as of 4/1/2013, approximately $304.2 M of the currently awarded FEMA funds have been transferred to the state as reimbursement for capital outlay expenditures on the project.

The UMCMC and JLCB approved a business plan in September 2011 prepared by Verite Consulting for constructing the $1.06 B hospital. Due to a public/private partnership between LSU and LA Children's Medical Center (LCMC) beginning in FY 13, the state will receive a total of $143 M as an upfront lease payment for the ambulatory building and parking garage, for which approximately $132 M will be utilized for their construction according to the Division of Administration. A breakdown of the financing for the new hospital according to the approved business plan is detailed below.

FEMA Funds

Charity Hospital Replacement	$474.8 M
Secured FEMA Funds	$26 M
FEMA Funds Awaiting Obligation	<u>$129 M</u>
Subtotal	*$629.8 M*

State Capital Outlay

FY 14 Major Budget Issues

Priority 1 General Obligation Bonds (cash line of credit extended)	$190 M
Priority 5 (non-cash line of credit)	$35.5 M
Overcollections Fund	$35.5 M
LSU SGR	$0.6 M
CDBG Funds	$39 M
Subtotal	*$300.6 M*

Third Party Financing

Ambulatory Clinic, Structured Parking	
Subtotal	*$132 M*

Total Financing Cost **$1.06 B**

Note: The total construction budget decreased from $1.088 B to $1.06 B due to a decrease in the arbitration awards received from FEMA and ORM. The reduced level of funding from arbitration will not affect the planned number of beds.

DEPT/AGY: LSU Health Care Services Division/ LSU HSC-HCSD
ISSUE: Earl K. Long Medical Center (EKL) Closure

Transition & Financing: In February 2010, LSU entered into a cooperative endeavor agreement (CEA) with Our Lady of the Lake (OLOL) for operation of EKL's inpatient indigent populations with the exclusion of OB/GYN services and prisoner care. OLOL is adding 100-140 new inpatient beds and plans to expand Graduate Medical Education. Under this arrangement, in addition to quarterly advance UPL payments for the upfront care costs of servicing LA's indigent populations, DHH has agreed to reimburse OLOL for 100% of UCC costs and 95% of Medicaid costs for inpatient services.

Closure of EKL and the transition of inpatient services took place in FY 13. This allowed HCSD to close EKL ahead of schedule and save on labor and operational costs. In addition to amending the CEA in order to advance the transition date, HCSD also negotiated with OLOL to take over operation and management of EKL's outpatient clinics DHH has also agreed to reimburse OLOL at 95% of Medicaid costs and 100% of UCC costs for the outpatient clinics. These financing arrangements will require approval by the Centers for Medicare & Medicaid Services (CMS).

Personnel Layoffs: There are 964 positions allocated for EKL in FY 13, of which 666 are reduced as a result of the public/private partnership with OLOL and 298 are reduced as a result of the FMAP reductions in FY 14. These 964 T.O. were laid off from state employment on 4/14/2013 as approved the state Civil Service Commission on 4/2/2013. OLOL is obligated under the CEA to give EKL's current employees first consideration for employment.

Prisoner Care: Prisoner care is not contemplated under the existing CEA with OLOL. As a result, HCSD currently plans to work with the Department of Corrections (DOC) to increase utilization of on-site prison clinics and telemedicine, and transport prisoners to Lallie Kemp Regional Medical Center if deemed medically necessary. In FY 12, EKL had 2,130 prisoner visits and expended approximately $11.7 M ($8.5 M budgeted for FY 13). Prisoner care is reimbursed with 100% SGF as these costs are generally unallowable for Federal match. The FY 14 budget reflects no funding at EKL for prisoner care. However, there is $50 M budgeted to DOC for statewide prisoner care costs in FY 14 including $3.2 M budgeted for IAT to Lallie Kemp. See *Healthcare Services for Offenders* issue for further details regarding prisoner care continuation through the Department of Corrections.

Mental Health Emergency Room Extension (MHERE) Unit: Previously at EKL, the Capital Area Human Services District (CAHSD) owned and operated a 10-bed MHERE unit attached to the Emergency Department. This unit redirected critical behavioral health patients that enter the ER to a more stable environment so that they do not immobilize needed ER beds that are necessary for other emergency health issues. Once the patients were stabilized, CAHSD arranged for follow-up care in the community or residential treatment as necessary. Based on information provided by CAHSD, the MHERE unit served more than 3,400 patients and saved the state approximately $20.6 M by avoiding hospitalizations for 68% of the patients admitted to the emergency department at EKL. With the closure of EKL, the MHERE unit ceased operations.

Closing Costs: Liabilities for which the state will still be responsible after EKL closes include retirees' life insurance premiums & health insurance. According to a report issued by the Legislative Auditor on 5/8/2013, there is an estimated $28.6 M in termination pay costs resulting from layoffs due to the public/private partnerships with the HCSD hospitals. Approximately $8.6 M in termination pay costs were funded in FY 13 from HCSD's operational budget and supplemented with its cash reserves; and $20 M allocated from the Overcollections Fund in FY 14. In addition, until the state is able to sell or lease the property, certain costs associated with security, maintenance, and insurance with the Office of Risk Management (ORM) are estimated to be approximately $1,062,000 annually and will be funded through Medicaid under HCSD Central Office costs in FY 14. The market value of EKL is currently unknown; however, to increase sale potential, the state could choose to demolish the hospital in order to capitalize on land value. According the Office of Facility Planning & Control, it would cost the state an estimated $3,791,552 to demolish EKL's 18 buildings (236,972 square feet), which sit on 14.27 acres of land.

Land Transfer: Act 227 of 2013 authorizes and directs LSU and the Commissioner of Administration to transfer the EKL property to the East Baton Rouge Parish Housing Authority in exchange for consideration equal to the appraised value of the property.

Woman's Services: Under a current CEA with Woman's Hospital, women's hospital and clinical care are now operated by Woman's Hospital. These services include obstetrical and gynecological care and medical education and training for LSU residents. Under the CEA, DHH has agreed to pay Woman's hospital up to $8.4 M in UPL supplemental Medicaid payments.

Section V

OTHER MISCELLANEOUS INFORMATION
&
TABLES

Department of Children & Family Services
Temporary Assistance for Needy Families (TANF)
Funding for FY 14

For FY 14, Act 14 of 2013 contains funding of $100.5 M for TANF, which is an increase of $1.9 M from FY 13.

FEDERAL INITIATIVES	FY 13	FY 14	DIFFERENCE
Literacy:			
Jobs for America's Graduates	$3,950,000	$3,950,000	$0
LA 4	$34,205,913	$36,456,588	$2,250,675
Family Stability:			
CASA	$4,436,500	$4,436,500	$0
Drug Courts	$6,000,000	$6,000,000	$0
Child Welfare	$34,219,534	$38,203,204	$3,983,670
Family Violence	$3,791,534	$2,350,000	($1,441,095)
Homeless	$637,500	$637,500	$0
Nurse Family Partnership	$3,365,000	$3,196,750	($168,250)
Substance Abuse	$3,059,458	$3,059,458	$0
Early Childhood Supports	$2,775,000	$0	($2,775,000)
Abortion Alternatives	$1,260,000	$1,260,000	$0
Community Supervision (OJJ)	$900,000	$900,000	$0
Fatherhood Initiative	$0	$49,900	$49,900
TOTALS	**$98,600,000**	**$100,499,900**	**$1,899,900**

Louisiana Education Quality Trust Fund - 8(g) 1986-87 to 2012-13

Beginning 1986-87 Fund Balance - $540,699,504 with Annual Interest and Royalty Deposits

Permanent Fund:	**1995-96**	**1996-97**	**1997-98**	**1998-99**	**1999-2000**	**2000-2001**	**2001-2002**	**2002-2003**	**2003-2004**
Cash Value	$689,578,656	$707,258,020	$728,166,189	$762,108,629	$799,726,036	$822,498,152	$841,538,930	$852,195,675	$868,402,048
Investment Income	$13,186,900	$14,303,306	$27,795,972	$33,409,785	$18,104,819	$10,001,192	$5,723,829	$11,519,457	$14,372,777
Royalties Income	$4,492,464	$6,604,864	$6,146,468	$4,207,622	$4,667,297	$9,039,586	$4,932,916	$4,686,916	$9,030,898
Total	$707,258,020	$728,166,190	$762,108,629	$799,726,036	$822,498,152	$841,538,930	$852,195,675	$868,402,048	$891,805,723
Permanent Fund:									
Market Value	**$713,702,637**	**$760,195,407**	**$817,056,699**	**$817,998,820**	**$823,520,329**	**$831,338,021**	**$812,737,083**	**$877,000,364**	**$925,090,380**
Support Fund:									
Investment Income	$38,689,042	$38,077,244	$39,941,397	$40,406,672	$43,836,613	$40,992,264	$36,463,986	$37,779,199	$37,606,959
Royalties Income	$33,760,696	$13,477,394	$19,814,592	$18,439,406	$12,622,864	$14,001,891	$14,798,746	$14,060,747	$27,092,693
Total	$72,449,738	$51,554,638	$59,755,989	$58,846,078	$56,459,477	$54,994,155	$51,262,732	$51,839,946	$64,699,652

A History of the Support Fund and Permanent Fund Income in Millions of Dollars

	1995-96	**1996-97**	**1997-98**	**1998-99**	**1999-2000**	**2000-2001**	**2001-2002**	**2002-2003**	**2003-2004**
Support Fund	$72.4	$51.6	$59.8	$58.8	$56.5	$55.0	$51.3	$51.8	$64.7
Permanent Fund	$707.3	$728.2	$762.1	$799.7	$822.5	$841.5	$852.2	$868.4	$891.8

Permanent Fund:	**2004-2005**	**2005-2006**	**2006-2007**	**2007-2008**	**2008-2009**	**2009-2010**	**2010-2011**	**2011-2012**	**2012-2013**	Cumulative Growth Permanent Fund
Cash Value	$891,805,723	$916,081,258	$936,295,533	$956,625,141	$977,990,329	$1,000,182,756	$1,014,497,848	$1,031,048,104	$1,051,147,849	
Investment Income	$15,307,935	$12,877,985	$13,433,082	$13,110,162	$12,687,191	$9,060,555	$11,131,777	$14,711,773	$43,963,840	$387,767,852
Royalties Income	$8,967,600	$7,336,290	$6,896,526	$8,255,026	$9,505,235	$5,254,537	$5,418,479	$5,387,972	$5,721,149	$136,262,962
Total	$916,081,258	$936,295,533	$956,625,141	$977,990,329	$1,000,182,755	$1,014,497,848	$1,031,048,104	$1,051,147,849	$1,100,832,838	$524,030,814
Permanent Fund:										
Market Value	**$975,661,638**	**$958,642,904**	**$1,021,316,556**	**$968,122,567**	**$872,736,756**	**$997,888,851**	**$1,082,169,386**	**$1,129,938,382**	**$1,255,509,896**	
Support Fund:										Cumulative Growth Support Fund
Investment Income	$41,587,080	$42,233,206	$44,460,712	$42,952,072	$40,358,067	$34,670,951	$30,654,199	$31,075,809	$40,675,700	$981,416,412
Royalties Income	$26,902,801	$21,401,616	$20,689,576	$24,765,079	$28,515,706	$15,763,612	$16,255,436	$16,163,917	$17,163,448	$419,396,991
Total	$68,489,881	$63,634,822	$65,150,288	$67,717,151	$68,873,773	$50,434,563	$46,909,635	$47,239,726	$57,839,148	$1,400,813,403

A History of the Support Fund and Permanent Fund Income in Millions of Dollars

	2004-2005	**2005-2006**	**2006-2007**	**2007-2008**	**2008-2009**	**2009-2010**	**2010-2011**	**2011-2012**	**2012-2013**
Support Fund	$68.5	$63.6	$65.2	$67.7	$68.9	$50.4	$46.9	$47.2	$57.8
Permanent Fund	$916.1	$936.3	$956.6	$978.0	$1,000.2	$1,014.5	$1,031.0	$1,051.1	$1,100.8

Constitutional Uses of Support Fund Dollars:
Board of Regents: 1) The carefully defined research efforts of public and private universities in Louisiana. 2) The endowment of chairs for eminent scholars. 3) The enhancement of the quality of academic, research or agricultural departments or units within a university. These funds shall not be used for athletic purposes or programs. 4) The recruitment of superior graduate students.

Board of Elementary & Secondary Education: 1) To provide compensation to city or parish school board or postsecondary vocational-technical professional instructional employees. 2) To insure an adequate supply of superior textbooks, library books, equipment and other instructional materials. 3) To fund exemplary programs in elementary, secondary or vocational-technical schools designed to improve elementary, secondary or vocational-technical student academic achievement or vocational-technical skill. 4) To fund carefully defined research efforts, including pilot programs, designed to improve elementary and secondary student achievement. 5) To fund school remediation programs and preschool programs. 6) To fund the teaching of foreign languages in elementary and secondary schools. 7) To fund an adequate supply of teachers by providing scholarships or stipends to prospective teachers in academic or vocational-technical areas where there is a critical teacher shortage.

Notes: The cumulative growth figures for both the Permanent and Support Fund include balances from 1987-88, 1988-89, 1989-90, 1990-91, 1991-92, 1992-93, 1993-94 and 1994-95 (history for these years is not shown above). The Cash Value for 1988-89 through 2012-13 equal the Permanent Fund balance at 6/30 of the prior fiscal year.

Taylor Opportunity Program for Students (TOPS)
TOPS Awards for Public and Private Colleges & Universities

	FY 11	FY 12	FY 13	Projected FY 14	Projected FY 15
Number of Awards	43,748	44,805	44,979	46,290	47,743
Total Amount of Awards (millions)	$146.21	$165.68	$191.28	$216.73	$244.74
Average Award Amount	$3,342	$3,698	$4,253	$4,682	$5,126

FY 13 TOPS Awards for Public Colleges & Universities

	# of Awards	*# of Awards Statewide*	*Amount per Award*	*Total Amount of Awards*	*% of Total Amount of Awards Statewide*
LSU - Alexandria	425	1.0%	$3,249	$1,380,729	0.8%
LSU - Baton Rouge	13,159	30.7%	$5,193	$68,332,343	38.8%
LSU - Eunice	479	1.1%	$1,826	$874,553	0.5%
LSU - Shreveport	761	1.8%	$3,627	$2,760,237	1.6%
LSU HSC - New Orleans	296	0.7%	$3,609	$1,068,341	0.6%
LSU HSC - Shreveport	19	0.0%	$4,519	$85,867	0.0%
LSU System Total	**15,139**	**35.3%**	**$4,921**	**$74,502,070**	**42.3%**
SU - Baton Rouge	540	1.3%	$3,633	$1,962,045	1.1%
SU - New Orleans	33	0.1%	$2,649	$87,426	0.0%
SU - Shreveport	42	0.1%	$1,869	$78,492	0.0%
SU System Total	**615**	**1.4%**	**$3,460**	**$2,127,963**	**1.2%**
Grambling	192	0.4%	$3,739	$717,794	0.4%
LA Tech	3,153	7.4%	$4,328	$13,647,035	7.8%
McNeese	2,365	5.5%	$3,648	$8,626,966	4.9%
Nicholls	2,178	5.1%	$3,773	$8,216,943	4.7%
Northwestern	1,963	4.6%	$3,809	$7,477,053	4.2%
Southeastern	4,424	10.3%	$3,707	$16,398,821	9.3%
UL Lafayette	5,837	13.6%	$3,815	$22,269,063	12.6%
UL Monroe	2,241	5.2%	$3,979	$8,917,956	5.1%
UNO	1,813	4.2%	$4,276	$7,752,637	4.4%
UL System Total	**24,166**	**56.4%**	**$3,891**	**$94,024,268**	**53.4%**
Baton Rouge CC	448	1.0%	$1,869	$837,269	0.5%
Bossier Parish CC	391	0.9%	$1,951	$762,930	0.4%
Delgado CC	670	1.6%	$1,813	$1,214,528	0.7%
LA Delta CC	160	0.4%	$2,439	$390,180	0.2%
LA Technical College	338	0.8%	$1,310	$442,830	0.3%
Northshore Technical CC	22	0.1%	$1,865	$41,039	0.0%
Central La. Technical CC	68	0.2%	$2,023	$137,593	0.1%
L. E. Fletcher CCC	197	0.5%	$1,908	$375,788	0.2%
Nunez CC	68	0.2%	$1,959	$133,205	0.1%
River Parishes CC	146	0.3%	$1,934	$282,419	0.2%
South Louisiana CC	181	0.4%	$1,746	$316,008	0.2%
SOWELA Technical CC	239	0.6%	$1,953	$466,879	0.3%
LCTCS Total	**2,928**	**6.8%**	**$1,844**	**$5,400,668**	**3.1%**
Statewide Total	**42,848**	**100.0%**	**$4,109**	**$176,054,969**	**100.0%**

* Includes LA approved proprietary and cosmetology schools and institutions that are a part of the LA Association of Independent Colleges & Universities.

Source: LA Office of Student Financial Assistance

Higher Education Enrollment

	Fall 2009	Fall 2010	Fall 2011	Fall 2012	Increase 2011 to 2012	% Increase 2011 to 2012
Acadiana Technical College * ****	N/A	4,649	3,842	N/A	N/A	N/A
Baton Rouge CC	8,102	8,332	8,275	8,893	618	7.5%
Bossier Parish CC	5,430	6,473	7,077	7,917	840	11.9%
Capital Area Technical College *	N/A	3,900	4,260	3,890	(370)	-8.7%
Central LA Technical College *	N/A	3,193	2,435	2,283	(152)	-6.2%
Delgado CC	16,700	18,741	20,436	18,093	(2,343)	-11.5%
LA Delta CC	1,640	2,485	2,954	4,123	1,169	39.6%
LA Technical College **	26,565	N/A	N/A	N/A	N/A	N/A
L. E. Fletcher Technical CC	1,843	2,395	2,486	2,502	16	0.6%
Northwest LA Technical College *	N/A	3,037	3,071	2,626	(445)	-14.5%
Northeast LA Technical College * ****	N/A	1,834	1,536	N/A	N/A	N/A
Northshore Technical CC *	N/A	3,531	3,353	3,111	(242)	-7.2%
Nunez CC	1,837	2,415	2,421	2,269	(152)	-6.3%
River Parishes CC	1,805	2,566	2,673	3,566	893	33.4%
South Central LA Technical College *	N/A	3,018	3,531	2,885	(646)	-18.3%
South Louisiana CC	4,087	4,218	3,897	7,458	3,561	91.4%
Sowela Technical CC	2,133	2,616	3,054	2,741	(313)	-10.2%
LCTCS System Total	**70,142**	**73,403**	**75,301**	**72,357**	**(2,944)**	**-3.9%**
LSU - Alexandria	2,456	2,667	2,612	2,426	(186)	-7.1%
LSU - Baton Rouge	27,992	28,771	28,985	29,549	564	1.9%
LSU - Eunice	3,332	3,431	2,982	3,075	93	3.1%
LSU - Shreveport	4,635	4,504	4,562	4,535	(27)	-0.6%
LSU HSC - New Orleans	2,644	2,699	2,777	2,788	11	0.4%
LSU HSC - Shreveport	823	839	867	888	21	2.4%
UNO ***	11,724	11,276	N/A	N/A	N/A	N/A
Paul M. Hebert Law Center	656	682	737	681	(56)	-7.6%
LSU System Total	**54,262**	**54,869**	**43,522**	**43,942**	**420**	**1.0%**
SU - Baton Rouge	7,619	7,294	6,904	6,611	(293)	-4.2%
SU - New Orleans	3,141	3,165	3,245	3,046	(199)	-6.1%
SU - Shreveport	3,014	2,834	2,820	2,931	111	3.9%
SU Law Center	598	718	706	755	49	6.9%
SU System Total	**14,372**	**14,011**	**13,675**	**13,343**	**(332)**	**-2.4%**
Grambling	4,992	4,994	5,207	5,277	70	1.3%
LA Tech	11,251	11,743	11,518	11,304	(214)	-1.9%
McNeese	8,645	8,941	8,791	8,579	(212)	-2.4%
Nicholls	7,184	7,102	6,802	6,621	(181)	-2.7%
Northwestern	9,247	9,244	9,191	9,447	256	2.8%
Southeastern	15,160	15,351	15,414	15,602	188	1.2%
UL Lafayette	16,361	16,763	16,885	16,740	(145)	-0.9%
UL Monroe	8,967	8,777	8,626	8,548	(78)	-0.9%
UNO ***	N/A	N/A	10,903	10,071	(832)	-7.6%
UL System Total	**81,807**	**82,915**	**93,337**	**92,189**	**(1,148)**	**-1.2%**
Statewide Total	**220,583**	**225,198**	**225,835**	**221,831**	**(4,004)**	**-1.8%**

* Counts for these Technical Colleges were included in the LA Technical College in 2009 and prior years.

** Counts for LTC-Ascension and LTC-Tallulah were merged with River Parishes CC and LA Delta CC respectively in 2010 and 2011.

*** The University of New Orleans (UNO) was moved to the University of LA (UL) System in 2011.

**** Counts for Acadiana Technical College were included in the South LA CC in 2012. Counts for Northeast LA Tech. CC were included in LA Delta CC in 2012.

Higher Education Funding by Board and Institution
(FY 13 Budgeted compared to FY 14 Appropriated)

	FY 13 6/30/2013 SGF	FY 13 6/30/2013 Total	FY 14 Appropriated SGF	FY 14 Appropriated Total	Difference FY 13 to FY 14 SGF	% Diff. SGF	Difference FY 13 to FY 14 Total	% Diff. Total
LSU Board	$3,495,054	$3,495,054	$2,033,151	$12,495,054	($1,461,903)	-42%	$9,000,000	258%
LSU - Alexandria	$6,344,969	$16,300,916	$3,057,546	$15,970,474	($3,287,423)	-52%	($330,442)	-2%
LSU - Baton Rouge	$129,047,991	$442,098,085	$62,823,923	$448,680,923	($66,224,068)	-51%	$6,582,838	1%
LSU - Eunice	$4,798,562	$12,584,772	$2,722,468	$12,455,573	($2,076,094)	-43%	($129,199)	-1%
LSU - Shreveport	$9,349,540	$28,652,611	$4,201,974	$28,439,647	($5,147,566)	-55%	($212,964)	-1%
LSU HSC - New Orleans	$74,502,632	$168,473,606	$41,249,864	$169,004,492	($33,252,768)	-45%	$530,886	0%
LSU HSC - Shreveport	$46,552,324	$436,160,360	$20,343,446	$212,694,317	($26,208,878)	-56%	($223,466,043)	-51%
E. A. Conway Med Center	$8,567,527	$107,888,550	$0	$18,293,582	($8,567,527)	-100%	($89,594,968)	-83%
Huey P. Long Med Center	$9,386,516	$53,430,963	$0	$11,535,382	($9,386,516)	-100%	($41,895,581)	-78%
LSU Agricultural Center	$64,524,623	$89,611,032	$39,577,832	$89,404,109	($24,946,791)	-39%	($206,923)	0%
Paul M. Hebert Law Center	$5,403,171	$23,565,508	$2,708,751	$23,548,499	($2,694,420)	-50%	($17,009)	0%
Pennington Biomedical	$12,357,376	$13,279,623	$7,188,562	$14,275,607	($5,168,814)	-42%	$995,984	8%
LSU System Total	**$374,330,285**	**$1,395,541,080**	**$185,907,517**	**$1,056,797,659**	**($188,422,768)**	**-50%**	**($338,743,421)**	**-24%**
SU Board	$2,421,547	$2,421,547	$3,408,668	$14,421,547	$987,121	41%	$12,000,000	496%
SU - Baton Rouge	$27,448,261	$74,386,919	$13,957,823	$71,258,158	($13,490,438)	-49%	($3,128,761)	-4%
SU - New Orleans	$7,383,830	$19,075,718	$4,971,070	$19,704,483	($2,412,760)	-33%	$628,765	3%
SU - Shreveport	$5,756,207	$13,009,491	$4,745,980	$14,325,138	($1,010,227)	-18%	$1,315,647	10%
SU Agricultural Center	$2,510,373	$7,971,663	$2,402,168	$8,869,292	($108,205)	-4%	$897,629	11%
SU Law Center	$3,964,660	$12,710,469	$2,306,331	$12,701,831	($1,658,329)	-42%	($8,638)	0%
SU System Total	**$49,484,878**	**$129,575,807**	**$31,792,040**	**$141,280,449**	**($17,692,838)**	**-36%**	**$11,704,642**	**9%**
UL Board	$1,034,112	$3,248,112	$601,566	$13,248,112	($432,546)	-42%	$10,000,000	308%
Grambling	$15,044,750	$51,623,934	$7,483,700	$49,167,283	($7,561,050)	-50%	($2,456,651)	-5%
LA Tech	$35,363,966	$96,158,450	$16,130,352	$94,468,837	($19,233,614)	-54%	($1,689,613)	-2%
McNeese	$21,431,349	$59,296,542	$10,224,503	$60,575,916	($11,206,846)	-52%	$1,279,374	2%
Nicholls	$17,197,459	$52,544,515	$8,709,396	$51,872,987	($8,488,063)	-49%	($671,528)	-1%
Northwestern	$24,775,323	$69,657,885	$11,875,901	$68,751,604	($12,899,422)	-52%	($906,281)	-1%
Southeastern	$37,178,075	$109,043,772	$17,188,149	$107,424,457	($19,989,926)	-54%	($1,619,315)	-1%
UL Lafayette	$53,968,471	$131,215,972	$26,163,476	$129,228,376	($27,804,995)	-52%	($1,987,596)	-2%
UL Monroe	$29,039,605	$72,779,593	$14,256,559	$71,678,050	($14,783,046)	-51%	($1,101,543)	-2%
UNO	$35,808,273	$109,297,446	$17,566,678	$105,280,185	($18,241,595)	-51%	($4,017,261)	-4%
UL System Total	**$270,841,383**	**$754,866,221**	**$130,200,280**	**$751,695,807**	**($122,399,508)**	**-45%**	**$846,847**	**0%**
LCTCS Board	$6,081,967	$16,081,967	$4,163,119	$27,156,540	($1,918,848)	-32%	$11,074,573	69%
Baton Rouge CC	$9,580,953	$27,930,618	$5,118,925	$28,379,369	($4,462,028)	-47%	$448,751	2%
Bossier Parish CC	$7,877,285	$29,726,889	$4,202,269	$29,807,256	($3,675,016)	-47%	$80,367	0%
Delgado CC	$27,586,236	$86,038,780	$14,687,072	$81,533,700	($12,899,164)	-47%	($4,505,080)	-5%
LA Delta CC	$8,048,802	$17,970,481	$4,609,197	$17,827,834	($3,439,605)	-43%	($142,647)	-1%
LA Technical College	$18,529,321	$27,992,326	$9,833,436	$26,142,608	($8,695,885)	-47%	($1,849,718)	-7%
LCTCS Online	$977,734	$977,734	$753,857	$1,295,904	($223,877)	-23%	$318,170	33%
L.E. Fletcher CC	$2,839,737	$8,244,532	$1,525,077	$8,020,860	($1,314,660)	-46%	($223,672)	-3%
Northshore Technical CC	$4,857,791	$10,199,471	$2,861,414	$9,750,969	($1,996,377)	-41%	($448,502)	-4%
Central La. Technical CC	$6,029,607	$9,930,507	$3,314,381	$9,586,870				
Nunez CC	$3,174,591	$7,566,576	$1,774,986	$7,437,000	($1,399,605)	-44%	($129,576)	-2%
River Parishes CC	$3,155,711	$8,178,234	$1,706,431	$7,950,251	($1,449,280)	-46%	($227,983)	-3%
South Louisiana CC	$13,760,285	$28,097,154	$7,305,953	$26,868,166	($6,454,332)	-47%	($1,228,988)	-4%
SOWELA Technical CC	$5,475,402	$12,541,787	$3,105,722	$12,695,131	($2,369,680)	-43%	$153,344	1%
LCTCS System Total	**$117,975,422**	**$291,477,056**	**$64,961,839**	**$294,452,458**	**($50,298,357)**	**-43%**	**$3,319,039**	**1%**
LOSFA	**$151,150,777**	**$305,920,413**	**$102,217,150**	**$312,035,520**	**($48,933,627)**	**-32%**	**$6,115,107**	**2%**
Board of Regents	**$14,291,547**	**$66,451,572**	**$8,229,791**	**$60,607,305**	**($6,061,756)**	**-42%**	**($5,844,267)**	**-9%**
LUMCON	**$2,337,946**	**$14,072,411**	**$1,360,036**	**$11,885,758**	**($977,910)**	**-42%**	**($2,186,653)**	**-16%**
Higher Ed Total	**$980,412,238**	**$2,957,904,560**	**$524,668,653**	**$2,628,754,956**	**($455,743,585)**	**-46%**	**($329,149,604)**	**-11%**
Higher Ed (w/o LOSFA)	**$829,261,461**	**$2,651,984,147**	**$422,451,503**	**$2,316,719,436**	**($406,809,958)**	**-49%**	**($335,264,711)**	**-13%**

STATE GAMING REVENUE - SOURCES AND USES

Legislative Fiscal Office

LOTTERY

($ in millions)

Calendar Year of Sales	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Fiscal Year Available	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Sales Outlets at Calendar Year End	2,842	2,820	2,486	2,562	2,603	2,656	2,780	2,854	2,882	2,925
Total Game Sales & Other Earnings	$331.2	$320.1	$297.4	$361.9	$362.4	$377.4	$385.0	$377.1	$400.3	$447.1
Operating Expenses of Corp. (not appropriated)	$31.0	$29.6	$27.0	$30.5	$29.6	$31.1	$32.3	$28.1	$25.4	$25.3
Retailer Commission Expense (not appropriated)	$18.0	$17.5	$16.7	$19.9	$20.0	$20.6	$21.3	$20.8	$22.0	$24.6
Effective Tax Rate (% net revenue after prize expense)	70.4%	70.9%	71.1%	71.8%	73.0%	70.2%	72.6%	73.6%	73.8%	76.2%
Share Of Gross Revenue Transfered To The State	35.3%	35.6%	35.8%	35.7%	35.9%	35.0%	35.6%	35.6%	35.4%	36.2%
Total Annual Transfers To The State	$116.9	$114.0	$106.4	$129.4	$130.2	$132.1	$137.3	$134.2	$141.7	$162.0
Compulsive and Problem Gaming Program	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
For Support Of Minimum Foundation Program *	$116.4	$113.5	$105.9	$128.9	$129.7	$131.6	$136.8	$133.7	$141.2	$161.5
Total Allocations Of Available Transfers	$116.9	$114.0	$106.4	$129.4	$130.2	$132.1	$137.3	$134.2	$141.7	$162.0

(*) As orignally adopted, lottery receipts were deposited to a special fund (the Lottery Proceeds Fund established by the State Constitution) that had no specific uses enumerated. For FY 91-92 and FY 92-93 lottery receipts were appropriated to support the operations of numerous state agenices, local allocations, and the state general fund. For the 1993-94 fiscal year, most lottery receipts ($140 million) were appropriated to the Minimum Foundation Program (MFP, K-12 education funding) and a like amount of state general fund support was removed from MFP financing. Lottery receipts have been appropriated to the MFP ever since. Act 1305 of the 2003 session amended the State Constitution to formally dedicate lottery receipts to the MFP beginning with FY 04-05 (including a maximum of $500,000 to compulsive and problem gaming services).

VIDEO DRAW POKER

($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Locations/Devices at Fiscal Year End	2,775/14,273	2,751/14,297	2,276/13,571	2,340/13,951	2,380/14,555	2,294/14,571	2,257/14,727	2,192/14,665	2,124/14,467	2,000/14,000
Total Device Net Revenue	$566.0	$583.8	$681.6	$684.7	$673.2	$667.2	$600.1	$607.74	$600.8	$602.2
Effective Tax Rate	29.3%	29.5%	29.8%	29.8%	29.9%	30.0%	30.1%	30.1%	30.1%	30.2%
Gaming Remittances	$166.0	$172.2	$203.1	$203.9	$201.0	$200.1	$180.4	$182.7	$181.1	$181.6
Device & Other Fees	$11.1	$11.6	$11.0	$10.5	$10.8	$12.1	$12.1	$12.3	$12.3	$12.3
Total Available To The State	$177.1	$183.8	$214.1	$214.3	$211.7	$212.1	$192.5	$195.1	$193.3	$193.9
Gaming Enforcement Activities	$4.4	$8.0	$5.6	$8.4	$8.4	$8.8	$8.2	$8.3	$8.6	$9.2
Non-Gaming Operations in State Police	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.00	$0.00	$0.00	$0.00
Local Govs. (~ Munis 40%, Parishes 30%, Sheriffs 30%)	$38.0	$39.7	$45.0	$47.2	$46.6	$44.4	$41.8	$42.5	$42.1	$43.1
District Attorney Support	$5.4	$5.4	$5.4	$5.4	$5.4	$5.4	$5.4	$5.4	$5.4	$5.4
Horse Racing Purse Supplements	$2.8	$2.9	$3.4	$3.4	$3.3	$3.3	$3.0	$3.0	$3.0	$3.0
Compulsive and Problem Gaming Program	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
State General Fund Share	$126.1	$127.4	$154.3	$149.5	$147.7	$149.8	$133.7	$135.5	$133.9	$132.8
Total Allocations Of Available Revenue	$177.1	$183.8	$214.1	$214.4	$211.8	$212.2	$192.5	$195.1	$193.3	$193.9

RIVERBOAT GAMING

($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Boats/Tables/Devices at Fiscal Year End	14/667/17,300	15/610/16,592	12/518/13,207	13/512/15,230	13/510/15,237	13/519/15,225	13/516/14,957	13/504/14,804	12/490/14,007	13/500/14,800
Total Gross Gaming Revenue	$1,566.7	$1,567.2	$1,838.1	$1,780.6	$1,827.7	$1,727.5	$1,644.4	$1,648.99	$1,653.73	$1,644.12
Effective Tax Rate	21.4%	21.4%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%
Gaming Remittances	$335.4	$334.7	$395.2	$382.8	$393.0	$371.4	$353.5	$354.5	$355.6	$353.5
Other Fee Revenue	$6.8	$4.2	$7.9	$6.4	$4.8	$3.4	$4.2	$3.8	$3.6	$3.6
Total Available To The State	$342.2	$339.0	$403.1	$389.3	$397.8	$374.8	$357.7	$358.3	$359.2	$357.1
Gaming Enforcement Activities	$19.0	$17.2	$18.1	$17.5	$18.5	$18.4	$19.8	$15.8	$14.7	$18.4
Non-Gaming Operations in State Police	$34.9	$35.7	$41.9	$49.5	$37.6	$48.2	$36.5	$39.1	$40.9	$32.5
Compulsive and Problem Gaming Program	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
SELF Fund (Teacher Payraise)	$70.7	$70.3	$85.4	$83.1	$85.3	$80.6	$76.7	$77.0	$77.2	$76.8
State General Fund Share	$217.0	$215.3	$257.1	$238.7	$255.8	$227.1	$224.1	$225.8	$225.8	$229.0
Total Allocations Of Available Revenue	$342.2	$339.0	$403.1	$389.3	$397.8	$374.8	$357.7	$358.3	$359.2	$357.1

STATE GAMING REVENUE - SOURCES AND USES

Legislative Fiscal Office

N. O. LAND-BASED CASINO

($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Tables/Devices at Fiscal Year End	120/2,035	134/2,023	117/2,112	129/2,077	130/2,043	103/2,041	103/2,055	103/2,003	117/1,953	117/1,953
Total Gross Gaming Revenue	$300.2	$339.2	$198.3	$390.1	$419.7	$380.7	$349.8	$351.8	$342.0	$327.4
Effective Tax Rate	20.0%	20.5%	30.3%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%	21.5%
Gaming Remittances and Other Transfers	$60.0	$69.6	$60.0	$83.9	$90.2	$81.9	$75.2	$75.6	$73.5	$70.4
Total Annual Transfers To The State	$60.0	$69.6	$60.0	$83.9	$90.2	$81.9	$75.2	$75.6	$73.5	$70.4
Compulsive and Problem Gaming Program	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
SELF Fund (Teacher Payraise)	$59.5	$69.1	$59.5	$83.4	$89.7	$81.4	$74.7	$75.1	$73.0	$69.9
Total Allocations Of Available Transfers	$60.0	$69.6	$60.0	$83.9	$90.2	$81.9	$75.2	$75.6	$73.5	$70.4

PARI-MUTUEL GAMING

($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Tracks/OTBs/Racing Days at Fiscal Year End	4/13/433	4/13/489	4/12/401	4/14/483	4/14/474	4/14/487	4/16/498	4/16/498	4/15/487	4/16/483
Pari-Mutuel Handle	$364.4	$341.8	$314.2	$357.5	$347.1	$320.5	$279.8	$264.9	$256.0	$247.5
Effective Tax Rate To Racing Commission	1.68%	1.78%	1.75%	1.79%	1.82%	1.86%	1.94%	1.94%	1.97%	1.86%
Taxes On Handle To Racing Commission	$4.6	$4.3	$4.1	$4.6	$4.7	$4.1	$3.6	$3.4	$3.2	$3.0
Other Fees To Racing Commission	$1.5	$1.7	$1.4	$1.8	$1.7	$1.9	$1.9	$1.8	$1.8	$1.6
Total Revenue To Racing Commission	$6.1	$6.1	$5.5	$6.4	$6.3	$6.0	$5.4	$5.1	$5.0	$4.6
Gaming Enforcement Activities: Racing Commission	$3.5	$4.1	$3.7	$4.2	$4.0	$4.1	$3.5	$3.3	$3.3	$2.8
Breeder Awards	$2.2	$2.1	$2.1	$2.3	$2.2	$2.1	$1.9	$1.8	$1.8	$1.8
Excess To State or Retained by Comm or Other Financing	$0.4	($0.1)	($0.3)	($0.01)	$0.1	($0.1)	$0.0	$0.0	$0.0	$0.0
Total Allocations Of Racing Commission Revenue	$6.1	$6.1	$5.5	$6.4	$6.3	$6.0	$5.4	$5.1	$5.0	$4.6

CHARITABLE GAMING

($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Avg. No. Organizations / Bingo Sessions	502/29,022	481/27,868	436/22,840	447/27,350	510/37,662	565/48,316	576/53,165	549/50,743	531/49,481	500/49,000
Gross Gaming Revenue	$46.8	$47.2	$52.2	$54.7	$61.6	$66.6	$62.8	$61.1	$58.7	$58.15
Operator Expenses (not appropriated)	$28.3	$28.1	$26.4	$30.1	$35.5	$40.3	$41.5	$40.2	$39.4	$39.0
Available To Charities (not appropriated)	$18.5	$19.1	$25.8	$24.6	$26.1	$26.3	$21.4	$20.9	$19.3	$19.1
Effective Total Fee Rate	2.4%	2.7%	2.6%	3.1%	3.4%	4.3%	3.6%	3.7%	3.7%	3.7%
Various Fees Paid To Support Regulation	$1.1	$1.3	$1.4	$1.7	$2.1	$2.8	$2.3	$2.2	$2.2	$2.2
Total Various Fees Paid To Support Regulation	$1.1	$1.3	$1.4	$1.7	$2.1	$2.8	$2.3	$2.2	$2.2	$2.2
Gaming Enforcement Activities	$1.1	$1.3	$1.4	$1.7	$2.1	$2.8	$2.3	$2.2	$2.2	$2.2
State General Fund Share	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Total Allocations Of Available Revenue	$1.1	$1.3	$1.4	$1.7	$2.1	$2.8	$2.3	$2.2	$2.2	$2.2

STATE GAMING REVENUE - SOURCES AND USES
Legislative Fiscal Office

RACETRACK SLOT MACHINE GAMING
($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Tracks/Devices at Fiscal Year End	3/4,447	3/4,489	3/4,487	3/4,444	4/5,008	4/4,850	4/4,742	4/4,714	4/4,746	4/4,746
Gross Gaming Revenue	$232.7	$315.0	$349.5	$365.9	$384.4	$409.5	$386.8	$390.0	$402.3	$391.6
Allocation to Horse Breeder Assns. (not appropriated)	$41.9	$56.7	$62.9	$65.9	$69.2	$73.7	$69.6	$70.2	$72.4	$70.5
Effective Tax Rate To State (after breeder allocations)	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%
Total Available To The State	$35.3	$47.8	$53.0	$55.5	$58.3	$62.1	$58.7	$59.2	$61.0	$59.4
Gaming Enforcement Activities	$1.3	$1.9	$1.7	$1.9	$2.0	$2.8	$2.6	$3.0	$3.0	$3.1
Non-Gaming Operations in State Police	$0.0	$0.0	$0.0	$0.1	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
Compulsive and Problem Gaming Program	$0.0	$0.0	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
Parish Funds	$1.8	$2.4	$2.7	$2.8	$2.9	$3.1	$2.9	$3.0	$3.1	$3.0
LA Agricultural Finance Authority	$12.0	$12.0	$12.0	$12.0	$12.0	$12.0	$12.0	$12.0	$12.0	$12.0
Blind Services	$1.5	$1.5	$1.5	$1.5	$2.0	$2.0	$2.0	$2.0	$2.0	$2.0
Southern Univ., Equine Health, N.O. DA, N.O. City Park	$2.2	$1.8	$1.8	$1.8	$1.8	$1.8	$1.8	$1.8	$1.8	$1.8
New Orleans Fairgrounds Allocations To Orleans Entities	$0.0	$0.0	$0.0	$0.0	$2.8	$5.8	$6.7	$6.4	$6.5	$6.5
State General Fund Share	$16.5	$28.2	$32.9	$34.9	$33.8	$33.7	$29.7	$30.0	$31.6	$30.0
Total Allocations of Available Revenue	$35.3	$47.8	$53.0	$55.5	$58.3	$62.1	$58.7	$59.2	$61.0	$59.4

INDIAN GAMING
($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Casinos/Tables/Devices Estimated at Fiscal Year End	3/189/6,448	3/184/6,056	3/195/6,301	3/204/6,131	3/195/6,360	3/194/6,249	3/194/6,249	3/200/6,444	3/212/6,194	3/212/6,194
Indian Gross Gaming Revenue (*)	$440.4	$386.4	$478.2	$418.1	$447.3	$416.7	$454.2	$468.3	$450.2	$450.2
Effective Fee Rate	0.3%	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%
Tribes Reimburse State Police For Enforcement Activity	$1.5	$1.4	$1.2	$1.5	$1.7	$1.6	$1.8	$2.1	$2.0	$2.2
Gaming Enforcement {Tribes Reimburse}	$1.5	$1.4	$1.2	$1.5	$1.7	$1.6	$1.8	$2.1	$2.0	$2.2
State General Fund Share	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Total Allocations Of Available Revenue	$1.5	$1.4	$1.2	$1.5	$1.7	$1.6	$1.8	$2.1	$2.0	$2.2

(*) Various methodologies have been employed over time to estimate Indian gaming activity in the state. Since the Indian casinos do not report their activity, the estimates above should be viewed with considerable caution.

TOTAL STATE GAMING RECEIPTS SUMMARY
($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Lottery	$116.9	$114.0	$106.4	$129.4	$130.2	$132.1	$137.3	$134.2	$141.7	$162.0
Video Draw Poker	$177.1	$183.8	$214.1	$214.3	$211.7	$212.1	$192.5	$195.1	$193.3	$193.9
Riverboat Gaming	$342.2	$339.0	$403.1	$389.3	$397.8	$374.8	$357.7	$358.3	$359.2	$357.1
N. O. Land-Based Casino	$60.0	$69.6	$60.0	$83.9	$90.2	$81.9	$75.2	$75.6	$73.5	$70.4
Pari-Mutuel Racing	$6.1	$6.1	$5.5	$6.4	$6.3	$6.0	$5.4	$5.1	$5.0	$4.6
Charitable Gaming	$1.1	$1.3	$1.4	$1.7	$2.1	$2.8	$2.3	$2.2	$2.2	$2.2
Slot Machines At Racetracks	$35.3	$47.8	$53.0	$55.5	$58.3	$62.1	$58.7	$59.2	$61.0	$59.4
Indian Gaming	$1.5	$1.4	$1.2	$1.5	$1.7	$1.6	$1.8	$2.1	$2.0	$2.2
Total Available To The State	$740.2	$762.8	$844.7	$881.9	$898.3	$873.4	$830.8	$831.8	$838.0	$851.7
annual growth	3.9%	3.1%	10.7%	4.4%	1.9%	-2.8%	-4.9%	0.1%	0.7%	1.6%
Total Used By State Gov. For Enforcement and Treatment	$32.8	$35.7	$34.2	$37.7	$39.1	$41.1	$40.7	$37.2	$36.3	$40.4
Share of Total Allocated to Enforcement and Treatment	4.4%	4.7%	4.1%	4.3%	4.4%	4.7%	4.9%	4.5%	4.3%	4.7%
Total Used By State Gov. For Non-Enforcement Purposes	$707.4	$727.1	$810.5	$844.2	$859.3	$832.4	$790.1	$794.6	$801.7	$811.4
Share of Total Allocated to Non-Enforcement Purposes	95.6%	95.3%	96.0%	95.7%	95.6%	95.3%	95.1%	95.5%	95.7%	95.3%
Total Allocated for State General Fund-direct Financing	$359.6	$371.0	$444.4	$423.1	$437.4	$410.6	$387.5	$391.3	$391.3	$391.8
Share of Total Allocated for SGF-direct Financing	48.6%	48.6%	52.6%	48.0%	48.7%	47.0%	46.6%	47.0%	46.7%	46.0%
Rev. Est. Conf. Total {Lott, Casino, Rvbt, VDP, Slots}	$731.5	$754.1	$836.6	$872.3	$888.2	$863.0	$821.3	$822.4	$828.8	$842.8

STATE GAMING REVENUE - SOURCES AND USES
Legislative Fiscal Office

SHARE OF TOTAL GAMING REVENUE TO STATE EACH ACTIVITY COMPRISES

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Lottery	15.8%	14.9%	12.6%	14.7%	14.5%	15.1%	16.5%	16.1%	16.9%	19.0%
Video Draw Poker	23.9%	24.1%	25.3%	24.3%	23.6%	24.3%	23.2%	23.5%	23.1%	22.8%
Riverboat Gaming	46.2%	44.4%	47.7%	44.1%	44.3%	42.9%	43.1%	43.1%	42.9%	41.9%
N. O. Land-Based Casino	8.1%	9.1%	7.1%	9.5%	10.0%	9.4%	9.1%	9.1%	8.8%	8.3%
Pari-Mutuel Racing	0.8%	0.8%	0.6%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.5%
Charitable Gaming	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%
Slot Machines At Racetracks	4.8%	6.3%	6.3%	6.3%	6.5%	7.1%	7.1%	7.1%	7.3%	7.0%
Indian Gaming	0.2%	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%
Total Available To The State	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

GAMING REVENUE AVAILABLE COMPARED TO:

	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
REVENUE ESTIMATING CONFERENCE TOTAL REVENUE	$8,314.8	$9,219.5	$10,027.9	$11,688.0	$12,055.0	$11,155.5	$8,919.9	$9,563.3	$9,939.8	$9,852.7
Revenue Estimating Conference Total State Tax Revenue	8.8%	8.2%	8.3%	7.5%	7.4%	7.7%	9.2%	8.6%	8.3%	8.6%

(REC revenue is taxes, licenses, and fees available for state general fund-direct appropriation plus numerous statutory dedications.)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
TOTAL STATE EFFORT BUDGET	$10,745.5	$11,320.6	$12,802.3	$14,917.9	$15,714.0	$14,072.1	$13,514.4	$13,172.3	$13,838.1	$14,387.4
State Funds Budget (w/o double counts and federal funds)	6.9%	6.7%	6.6%	5.9%	5.7%	6.2%	6.1%	6.3%	6.1%	5.9%

(Total state effort budget includes the state general fund-direct, statutorily dedicated, and self-generated revenue budgets of state government. Estimated double-counted funding has been removed.)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
TOTAL STATE BUDGET	$17,389.5	$17,662.8	$20,968.9	$26,069.1	$32,539.8	$25,023.1	$25,286.2	$24,090.6	$23,583.6	$25,733.5
Total State Budget (w/o double counts but w/ federal funds)	4.3%	4.3%	4.0%	3.4%	2.8%	3.5%	3.3%	3.5%	3.6%	3.3%

(Total state budget includes state and federal funds, but excludes double-counted amounts.)

ESTIMATED TOTAL ECONOMIC SPENDING ON LEGAL GAMING ACTIVITIES IN THE STATE
(spending by players = player losses = gaming operator revenue)
($ in millions)

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Lottery Receipts Net Of Prize Expense	$165.1	$159.8	$148.1	$177.8	$175.2	$179.7	$188.2	$179.6	$189.4	$210.8
Video Poker Net Device Revenue	$566.0	$583.8	$681.6	$684.7	$673.2	$667.2	$600.1	$607.7	$600.8	$602.2
Riverboat Gross Gaming Revenue	$1,566.7	$1,567.2	$1,838.1	$1,780.6	$1,827.7	$1,727.5	$1,644.4	$1,649.0	$1,653.7	$1,644.1
N. O. Land-Based Gross Gaming Revenue	$300.2	$339.2	$198.3	$390.1	$419.7	$380.7	$349.8	$351.8	$342.0	$327.4
Pari-Mutuel Net Of Payouts (Assumed Takeout of 20%)	$72.9	$68.4	$62.8	$71.5	$69.4	$64.1	$56.0	$53.0	$51.2	$49.5
Charitable Proceeds Net Of Prize Expense	$46.8	$47.2	$52.2	$54.7	$61.6	$66.6	$62.8	$61.1	$58.7	$58.1
Racetrack Slot Gross Gaming Revenue	$232.7	$315.0	$349.5	$365.9	$384.4	$409.5	$386.8	$390.0	$402.3	$391.6
Indian Gross Gaming Revenue	$440.4	$386.4	$478.2	$418.1	$447.3	$416.7	$454.2	$468.3	$450.2	$450.2
Estimated Total Spending On Legal Gaming	$3,390.7	$3,466.9	$3,809.0	$3,943.4	$4,058.5	$3,912.0	$3,742.3	$3,760.4	$3,748.3	$3,734.0
annual growth	3.6%	2.2%	9.9%	3.5%	2.9%	-3.6%	-4.3%	0.5%	-0.3%	-0.4%

The table above portrays spending by players engaged in each form of gaming on a comparable basis. Each estimate represents the amount of spending by players that is actually kept (or won) by gaming operators in an annual period, and is the operators gross gaming revenue from which business expenses are paid. Thus, each estimate is also the amount of losses that players incur in the aggregate each year, and is net of any rewagers. As such, the table is an estimate of the net economic flow of spending from players to gaming operators each year.

SHARE OF TOTAL ECONOMIC GAMING SPENDING EACH ACTIVITY COMPRISES

Fiscal Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	Projected 2013
Lottery Receipts Net Of Prize Expense	4.9%	4.6%	3.9%	4.5%	4.3%	4.6%	5.0%	4.8%	5.1%	5.6%
Video Poker Net Device Revenue	16.7%	16.8%	17.9%	17.4%	16.6%	17.1%	16.0%	16.2%	16.0%	16.1%
Riverboat Gross Gaming Revenue	46.2%	45.2%	48.3%	45.2%	45.0%	44.2%	43.9%	43.9%	44.1%	44.0%
N. O. Land-Based Gross Gaming Revenue	8.9%	9.8%	5.2%	9.9%	10.3%	9.7%	9.3%	9.4%	9.1%	8.8%
Pari-Mutuel Net Of Payouts (Assumed Takeout of 20%)	2.1%	2.0%	1.6%	1.8%	1.7%	1.6%	1.5%	1.4%	1.4%	1.3%
Charitable Proceeds Net Of Prize Expense	1.4%	1.4%	1.4%	1.4%	1.5%	1.7%	1.7%	1.6%	1.6%	1.6%
Racetrack Slot Gross Gaming Revenue	6.9%	9.1%	9.2%	9.3%	9.5%	10.5%	10.3%	10.4%	10.7%	10.5%
Indian Gross Gaming Revenue	13.0%	11.1%	12.6%	10.6%	11.0%	10.7%	12.1%	12.5%	12.0%	12.1%
Total Spending On Legal Gaming	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SELECTED MAJOR STATE AID TO LOCAL GOVERNMENTS PROJECTIONS

		2013-14 MFP Distribution	2013-14 Revenue Sharing	2013-14 Supplemental Pay	2013-14 Parish Transportation Fd	2013-14 Parish Severance & Royalty Dists.	2013-14 Video Poker Distribution	2013-14 Total of These Distributions
1	Acadia	$51,525,404	$1,233,626	$1,143,023	$602,982	$990,783	$1,714,132	$57,209,950
2	Allen	$28,682,060	$514,148	$483,332	$360,097	$1,156,285	$0	$31,195,922
3	Ascension	$98,914,717	$2,266,678	$1,865,222	$815,567	$60,642	$0	$103,922,827
4	Assumption	$23,341,644	$458,113	$335,619	$272,570	$745,350	$401,398	$25,554,694
5	Avoyelles	$31,909,478	$853,411	$822,275	$517,390	$174,734	$338,798	$34,616,086
6	Beauregard	$36,089,231	$730,429	$580,096	$490,434	$1,602,497	$0	$39,492,687
7	Bienville	$5,558,218	$291,331	$294,809	$274,725	$1,441,203	$0	$7,860,286
8	Bossier	$106,273,515	$2,343,808	$4,313,227	$933,753	$1,390,902	$690,543	$115,945,748
9	Caddo	$210,117,987	$4,873,948	$10,288,144	$1,525,315	$1,499,688	$2,375,153	$230,680,235
10	Calcasieu	$155,796,053	$3,805,560	$7,183,342	$1,564,017	$1,167,409	$3,060,131	$172,576,512
11	Caldwell	$11,732,288	$215,936	$252,617	$187,227	$345,241	$0	$12,733,309
12	Cameron	$3,393,023	$146,820	$380,794	$122,018	$5,239,623	$27,602	$9,309,879
13	Catahoula	$10,617,388	$226,198	$398,351	$185,013	$348,701	$0	$11,775,650
14	Claiborne	$11,571,371	$340,451	$180,979	$287,953	$1,314,920	$0	$13,695,674
15	Concordia	$22,057,837	$427,663	$752,361	$261,210	$1,089,478	$0	$24,588,549
16	DeSoto	$10,983,503	$561,659	$880,243	$372,876	$700,979	$602,984	$14,102,244
17	East Baton Rouge	$244,089,424	$8,526,373	$13,286,708	$2,328,546	$1,170,598	$0	$269,401,649
18	East Carroll	$7,614,285	$140,570	$147,750	$142,121	$18,354	$141,761	$8,204,841
19	East Feliciana	$11,932,494	$414,862	$233,291	$253,542	$631,195	$0	$13,465,384
20	Evangeline	$35,395,564	$682,954	$436,050	$455,743	$1,155,475	$0	$38,125,785
21	Franklin	$18,795,620	$432,239	$597,882	$304,030	$85,166	$0	$20,214,937
22	Grant	$21,505,887	$454,079	$325,101	$331,308	$581,354	$0	$23,197,729
23	Iberia	$74,319,418	$1,482,997	$1,699,675	$651,517	$6,186,478	$0	$84,340,085
24	Iberville	$16,326,093	$647,910	$852,929	$385,835	$1,033,960	$977,243	$20,223,970
25	Jackson	$10,050,579	$326,914	$262,919	$268,961	$997,850	$0	$11,907,223
26	Jefferson	$181,708,925	$8,341,123	$10,422,424	$2,159,063	$2,552,096	$5,304,947	$210,488,577
27	Jefferson Davis	$35,782,697	$622,872	$625,674	$425,826	$1,040,348	$472,849	$38,970,266
28	Lafayette	$115,769,517	$4,379,179	$5,768,684	$1,517,198	$833,928	$0	$128,268,506
29	Lafourche	$64,394,010	$1,964,163	$2,179,690	$854,728	$5,972,225	$2,492,692	$77,857,508
30	LaSalle	$15,786,533	$307,723	$459,331	$255,969	$1,364,711	$0	$18,174,268
31	Lincoln	$31,831,318	$896,622	$1,073,760	$532,942	$1,151,176	$0	$35,485,818
32	Livingston	$151,155,256	$2,617,600	$1,122,957	$1,004,245	$460,567	$0	$156,360,625
33	Madison	$10,724,859	$227,236	$544,224	$200,786	$43,027	$762,166	$12,502,299
34	Morehouse	$28,399,158	$552,438	$1,072,175	$384,243	$84,879	$0	$30,492,892
35	Natchitoches	$33,391,833	$774,831	$1,089,401	$547,859	$474,205	$0	$36,278,129
36	Orleans	$173,218,185	$6,799,580	$15,509,465	$2,084,362	$28	$2,701,082	$200,312,702
37	Ouachita	$165,417,550	$2,989,709	$5,628,624	$1,233,533	$324,330	$0	$175,593,746
38	Plaquemines	$11,516,390	$456,386	$1,254,070	$265,950	$20,909,551	$462,643	$34,864,990
39	Pointe Coupee	$12,547,386	$468,066	$462,162	$270,657	$906,236	$491,738	$15,146,245
40	Rapides	$129,320,932	$2,631,677	$5,117,176	$1,110,360	$480,625	$0	$138,660,770
41	Red River	$3,530,070	$180,080	$155,396	$154,717	$1,452,637	$293,882	$5,766,782
42	Richland	$19,350,074	$430,068	$663,536	$298,138	$35,592	$0	$20,777,407
43	Sabine	$21,291,532	$493,616	$371,517	$361,587	$646,288	$0	$23,164,540
44	St. Bernard	$34,195,410	$789,934	$1,871,232	$413,239	$2,229,403	$950,952	$40,450,170
45	St. Charles	$27,926,467	$1,054,443	$1,586,765	$503,004	$1,622,860	$652,052	$33,345,591
46	St. Helena	$6,857,047	$232,134	$181,895	$188,872	$1,070,191	$2,031,218	$10,561,357
47	St. James	$13,187,698	$445,669	$432,960	$250,616	$358,179	$1,155,073	$15,830,195
48	St. John	$29,854,576	$904,609	$1,260,726	$520,753	$61,649	$1,263,285	$33,865,598
49	St. Landry	$78,429,197	$1,654,054	$2,124,906	$800,135	$948,030	$1,484,981	$85,441,303
50	St. Martin	$44,696,783	$1,064,284	$1,120,318	$528,689	$1,013,650	$3,563,813	$51,987,537
51	St. Mary	$44,559,388	$1,071,795	$1,794,913	$482,570	$4,147,133	$1,128,383	$53,184,181
52	St. Tammany	$210,299,512	$4,813,630	$6,046,733	$1,589,218	$81,590	$0	$222,830,683
53	Tangipahoa	$104,633,700	$2,404,342	$2,437,224	$996,294	$276,048	$0	$110,747,608
54	Tensas	$4,708,017	$103,984	$118,572	$97,996	$253,467	$58,731	$5,340,767
55	Terrebonne	$88,179,554	$2,189,732	$2,884,274	$879,414	$6,534,898	$3,445,191	$104,113,063
56	Union	$15,968,104	$458,521	$321,575	$379,917	$785,388	$0	$17,913,505
57	Vermilion	$47,498,716	$1,164,451	$1,251,719	$580,168	$2,775,573	$0	$53,270,627
58	Vernon	$55,948,098	$1,026,698	$811,337	$542,977	$1,293,809	$0	$59,622,919
59	Washington	$50,918,314	$947,994	$856,127	$597,689	$173,263	$0	$53,493,387
60	Webster	$35,938,474	$836,098	$923,279	$522,879	$1,140,966	$1,260,921	$40,622,617
61	West Baton Rouge	$13,545,115	$477,960	$899,988	$269,111	$627,010	$2,336,595	$18,155,778
62	West Carroll	$12,984,173	$235,986	$132,715	$211,211	$742	$0	$13,564,827
63	West Feliciana	$10,432,707	$286,583	$306,966	$235,027	$153,347	$338,251	$11,752,881
64	Winn	$15,700,664	$305,453	$158,309	$298,308	$791,489	$0	$17,254,222
	TOTAL	$3,410,191,020	$90,000,000	$129,039,535	$38,445,000	$96,200,000	$42,981,190	$3,806,856,745

Notes:

1) The 2013-2014 MFP Initial Distribution (prior to audit adjustments) is generated based on estimated student counts and local school system tax revenues. The funds distributed to school systems will be based on the 2/1/2013 student counts and the previous year's local tax revenues. Funds for the school systems of the cities of Monroe and Bogalusa are contained in the amounts for the parishes of Ouachita and Washington, respectively. Funds for the school systems of the city of Baker, Central Community and the Zachary Community are contained in the amount for East Baton Rouge Parish. Funds for the Recovery School District are contained in the amount for Orleans, East Baton Rouge, Caddo, St. Helena and Pointe Coupee parishes.
2) Revenue Sharing distribution to each parish and the city of New Orleans is allocated in Section 12 of Act 397 (HB 692) of 2013.
3) Supplemental Pay is an estimation of how much money each parish will receive in supplemental law enforcement pay. The actual amount of funding each parish receives may be different than what is reflected in this table because this is an approximation based on the previous year. The total per month payment is $500 per month per individual.
4) The Parish Transportation Fund distribution of $38.4 M for FY 14 is based on population and mileage as per state law. The Mass Transit Program is funded at $4.955 M. The Off-System Roads & Bridges Match Program is not funded in FY 14. Of the allocation to the Mass Transit Program, $123,875 is retained by DOTD.
5) Parish severance, royalty, and video poker distributions are based on state level estimates of the aggregate amount of severance, royalty, and video poker receipts available for distribution to locals that are allocated to each parish based on the prior year's share of these monies distributed to each parish by the state Treasury.

Capital Outlay Appropriation By Parish

Act 24 of 2013

	SGF	IAT	SGR	St, Ded.	Reappro. Cash	Federal	Revenue Bonds	CASH PORTION	Priorit y 1	Priorit y 2	Priority 3	Priority 4	Priority 5	TOTAL GO BONDS	Bonds NRP/RBP	TOTAL
Acadia									$1,660,000	$2,195,000			$1,920,000	$5,775,000		$5,775,000
Allen									$1,550,000	$150,000				$1,700,000		$1,700,000
Ascension									$19,855,000	$1,300,000			$26,505,000	$47,660,000		$47,660,000
Assumption									$125,000	$75,000			$25,000	$225,000		$225,000
Avoyelles				$1,616,000		$160,000		$1,776,000	$3,090,000	$475,000			$225,000	$3,790,000		$5,566,000
Beauregard									$2,600,000	$1,065,000			$3,640,000	$7,305,000		$7,305,000
Bienville									$3,100,000	$410,000			$125,000	$3,635,000		$3,635,000
Bossier									$19,545,000	$3,250,000			$24,995,000	$47,790,000		$47,790,000
Caddo			$30,589					$30,589	$77,555,000	$20,335,000			$122,875,000	$220,765,000		$220,795,589
Calcasieu									$53,370,000	$9,935,000			$101,880,000	$165,185,000		$165,185,000
Caldwell									$9,635,000	$430,000			$14,710,000	$24,775,000		$24,775,000
Cameron				$3,480,000				$3,480,000	$5,100,000					$5,100,000		$8,580,000
Catahoula									$60,000	$4,905,000			$650,000	$5,615,000		$5,615,000
Claiborne									$845,000	$610,000				$1,455,000		$1,455,000
Concordia				$912,000				$912,000	$9,245,000	$200,000			$7,600,000	$17,045,000		$17,957,000
DeSoto									$1,040,000	$450,000			$1,115,000	$2,605,000		$2,605,000
E. Carroll									$3,290,000	$1,515,000				$4,805,000		$4,805,000
E. Feliciana									$11,370,000	$1,315,000			$8,200,000	$20,885,000		$20,885,000
EBR			$95,000,000	$3,000,000		$300,000	$165,950,000	$264,250,000	$95,440,000	$14,770,000			$184,285,000	$294,495,000		$558,745,000
Evangeline									$500,000	$575,000				$1,075,000		$1,075,000
Franklin				$1,002,000				$1,002,000	$2,275,000	$200,000			$970,000	$3,445,000		$4,447,000
Grant									$2,520,000	$350,000			$1,425,000	$4,295,000		$4,295,000
Iberia									$7,930,000	$1,210,000			$1,760,000	$10,900,000		$10,900,000
Iberville				$732,400				$732,400	$8,425,000	$1,280,000			$8,100,000	$17,805,000		$18,537,400
Jackson									$1,460,000	$985,000			$100,000	$2,545,000		$2,545,000
Jefferson					$976,400			$976,400	$130,365,000	$28,770,000			$40,450,000	$199,585,000		$200,561,400
Jefferson Davis			$97,767			$228,124		$325,891	$2,440,000	$1,335,000			$19,015,000	$22,790,000		$23,115,891
Lafayette			$2,205,133					$2,205,133	$47,275,000	$2,455,000			$58,550,000	$108,280,000		$110,485,133
Lafourche									$3,360,000	$3,850,000			$46,760,000	$53,970,000		$53,970,000
LaSalle									$765,000					$765,000		$765,000
Lincoln			$1,500,000					$1,500,000	$15,380,000	$9,700,000			$28,380,000	$53,460,000		$54,960,000
Livingston									$11,110,000	$1,250,000			$17,285,000	$29,645,000		$29,645,000
Madison									$2,735,000	$700,000			$405,000	$3,840,000		$3,840,000
Morehouse									$970,000	$895,000			$250,000	$2,115,000		$2,115,000
Multi				$15,000,000				$15,000,000	$241,470,000	$50,800,000			$114,715,000	$406,985,000		$421,985,000
Natchitoches									$5,265,000	$7,720,000			$38,775,000	$51,760,000		$51,760,000
Orleans					$13,000,000			$13,000,000	$374,835,000	$29,930,000			$144,755,000	$549,520,000		$562,520,000
Ouachita						$5,821,338		$5,821,338	$23,855,000	$6,355,000			$23,260,000	$53,470,000		$59,291,338
Plaquemines									$12,225,000	$25,000			$1,795,000	$14,045,000		$14,045,000
Pointe Coupee									$5,380,000	$580,000			$5,085,000	$11,045,000		$11,045,000
Rapides		$1,847,724		$49,000		$1,700,000		$3,596,724	$7,055,000	$14,705,000			$40,860,000	$62,620,000	$1,400,000	$67,616,724
Red River									$240,000	$50,000				$290,000		$290,000
Richland									$3,860,000	$1,060,000			$5,900,000	$10,820,000		$10,820,000
Sabine									$7,520,000	$800,000			$3,000,000	$11,320,000	$60,213	$11,380,213
St. Bernard									$21,705,000	$75,000			$1,200,000	$22,980,000		$22,980,000
St. Charles									$6,920,000				$630,000	$7,550,000		$7,550,000
St. Helena									$840,000	$190,000			$50,000	$1,080,000		$1,080,000
St. James									$12,300,000	$85,000			$5,800,000	$18,185,000		$18,185,000
St. John the Baptist									$8,325,000	$220,000			$5,285,000	$13,830,000		$13,830,000
St. Landry									$915,000	$495,000			$125,000	$1,535,000		$1,535,000
St. Martin									$5,525,000	$410,000			$4,550,000	$10,485,000		$10,485,000
St. Mary									$13,420,000	$5,295,000			$11,010,000	$29,725,000		$29,725,000
St. Tammany									$16,205,000	$7,595,000			$6,870,000	$30,670,000		$30,670,000
Statewide		$23,500,000	$15,000,000	$850,005,190	$6,052,448	$11,700,000		$906,257,638	$318,300,000	$96,060,000			$180,620,000	$594,980,000	$10,328,139	$1,511,565,777
Tangipahoa									$11,590,000	$1,075,000			$19,625,000	$32,290,000		$32,290,000
Tensas									$265,000	$700,000			$5,515,000	$6,480,000		$6,480,000
Terrebonne									$7,940,000	$1,300,000			$9,810,000	$19,050,000		$19,050,000
Union	$0	$0	$0	$0	$0	$0	$0	$0	$3,750,000	$0	$0	$0	$0	$3,750,000		$3,750,000
Vermilion									$3,290,000	$300,000			$1,000,000	$4,590,000		$4,590,000
Vernon									$23,595,000	$2,495,000			$2,905,000	$28,995,000		$28,995,000
W. Carroll									$580,000	$160,000				$740,000		$740,000
W. Feliciana									$5,760,000	$530,000			$19,015,000	$25,305,000		$25,305,000
Washington									$5,080,000	$3,985,000			$2,000,000	$11,065,000		$11,065,000
WBR									$4,685,000	$25,000			$2,600,000	$7,310,000		$7,310,000
Webster						$689,000		$689,000	$8,190,000	$850,000			$7,435,000	$16,475,000		$17,164,000
Winn									$4,600,000	$315,000				$4,915,000		$4,915,000
Total	**$0**	**$25,347,724**	**$113,833,489**	**$875,796,590**	**$20,028,848**	**$20,598,462**	**$165,950,000**	**$1,221,555,113**	**$1,721,470,000**	**$351,125,000**	**$0**	**$0**	**$1,386,390,000**	**$3,458,985,000**	**$11,788,352**	**$4,692,328,465**

Total State Spending Without Double Counting of Expenditures

	FY 99 Actual*	FY 00 Actual*	FY 01 Actual*	FY 02 Actual*	FY 03 Actual*	FY 04 Actual*	FY 05 Actual*	FY 06 Actual*
State General Fund	$5,818,159,735	$5,811,328,419	$6,279,796,406	$6,484,124,015	$6,593,839,128	$6,536,768,945	$7,179,361,987	7,750,084,805
Self Generated Revenue	$880,018,178	$907,226,026	$1,131,863,636	$1,063,917,530	$1,060,771,306	$1,279,607,742	$1,213,971,213	1,231,231,644
Statutory Dedication	$1,847,283,483	$2,120,666,811	$1,998,560,099	$2,582,272,904	$2,568,809,921	$2,499,947,780	$2,924,513,351	$2,966,045,493
Interim Emergency Bd.	$4,488,327	$2,092,944	$4,287,912	$4,764,095	$5,091,801	$1,855,193	$2,785,111	$3,368,411
Total State Funds	**$8,549,949,723**	**$8,841,314,200**	**$9,414,508,053**	**$10,135,078,544**	**$10,228,512,156**	**$10,318,179,660**	**$11,320,631,662**	**$11,950,730,353**
% Chg	*2.9%*	*3.4%*	*6.5%*	*7.7%*	*0.9%*	*0.9%*	*9.7%*	*5.6%*
% of Gross State Product	*8.2%*	*8.5%*	*8.5%*	*8.8%*	*8.5%*	*8.0%*	*8.5%*	*9.0%*
Federal	$4,204,178,286	$4,294,795,289	$4,713,910,763	$5,421,770,845	$5,812,966,128	$6,213,400,921	$6,342,171,627	$8,166,550,887
% Chg	*2.1%*	*2.2%*	*9.8%*	*15.0%*	*7.2%*	*6.9%*	*2.1%*	*28.8%*
Total Budget	**$12,754,128,009**	**$13,136,109,489**	**$14,128,418,816**	**$15,556,849,389**	**$16,041,478,284**	**$16,531,580,581**	**$17,662,803,289**	**$20,117,281,240**
% Chg	*2.6%*	*3.0%*	*7.6%*	*10.1%*	*3.1%*	*3.1%*	*6.8%*	*13.9%*
Classified	56,007	56,662	44,591	43,983	44,460	42,268	43,507	42,888
Unclassified	2,195	2,300	2,852	2,751	3,068	3,015	2,302	2,973
Total Authorized Positions	**58,202**	**58,962**	**47,443**	**46,734**	**47,528**	**45,283**	**45,809**	**45,861**
% Chg	*-1.0%*	*1.3%*	*-19.5%*	*-1.5%*	*1.7%*	*-4.7%*	*1.2%*	*0.1%*

	FY 07 Actual*	FY 08 Actual*	FY 09 Actual*	FY 10 Actual*	FY 11 Actual*	FY 12 Actual*	FY 13 Budgeted **	FY 14 Appropriated
State General Fund	9,327,485,627	$10,371,746,553	$9,404,455,045	$8,654,063,030	$7,585,083,993	$8,218,640,371	$8,264,306,075	$8,425,176,394
Self Generated Revenue	1,344,780,376	$1,237,953,868	$1,373,063,319	$1,428,207,083	$1,559,479,974	$1,979,835,429	$2,316,438,386	$2,237,587,452
Statutory Dedication	$4,244,609,938	$4,104,169,999	$3,287,472,706	$3,430,782,368	$4,025,813,002	$3,637,575,351	$4,375,486,104	$4,420,956,938
Interim Emergency Bd.	$973,121	$4,612	$1,718,869	$1,343,156	$1,897,824	$2,019,745	$2,199,617	$0
Total State Funds	**$14,917,849,062**	**$15,713,875,032**	**$14,066,709,939**	**$13,514,395,637**	**$13,172,274,793**	**$13,838,070,896**	**$14,958,430,182**	**$15,083,720,784**
% Chg	*24.8%*	*5.3%*	*-10.5%*	*-3.9%*	*-2.5%*	*5.1%*	*8.1%*	*0.8%*
% of Gross State Product	*11.2%*	*11.3%*	*9.1%*	*7.8%*	*7.1%*	*7.5%*	*8.4%*	*8.1%*
Federal	$11,151,125,271	$12,883,328,708	$10,951,001,370	$11,771,791,862	$10,918,294,287	$9,745,573,269	$11,613,666,237	$10,349,390,487
% Chg	*36.5%*	*15.5%*	*-15.0%*	*7.5%*	*-7.3%*	*-10.7%*	*19.2%*	*-10.9%*
Total Budget	**$26,068,974,333**	**$28,597,203,740**	**$25,017,711,309**	**$25,286,187,499**	**$24,090,569,080**	**$23,583,644,165**	**$26,572,096,419**	**$25,433,111,271**
% Chg	*29.6%*	*9.7%*	*-12.5%*	*1.1%*	*-4.7%*	*-2.1%*	*12.7%*	*-4.3%*
Classified	40,881	43,735	41,934	40,151	55,861	52,128	47,513	31,079
Unclassified	2,921	3,162	3,256	3,579	26,386	20,549	18,746	23,110
Total Authorized Positions	**43,802**	**46,897**	**45,190**	**43,730**	**82,247**	**72,677**	**66,259**	**54,189**
% Chg	*-4.5%*	*7.1%*	*-3.6%*	*-3.2%*	*88.1%*	*-11.6%*	*-8.8%*	*-18.2%*

* Executive Budget Yellow Pages
** As of 6/30/2012

Note: Reflects total state spending and avoids double counting of expenditures (primarily Ancillary Bill SGR, IEB Appropriations, Interagency Transfers, etc.).
FY 97 to FY 04 Governor Foster; FY 05 to FY 08 Governor Blanco; FY 09 to present Governor Jindal.
FY 01 forward does not include expenditures of the LSU Health Care Services Division that have been moved "off-budget".
FY 11 forward include positions of the LSU Health Care Services Division.

ITEMS EXCLUDED AS DOUBLE COUNTED
FY 12 - FY 14

	SGF	SGR	Stat Ded	IEB	Fed	Total
FY 12 ACTUAL Total	$8,218,640,371	$3,414,278,740	$3,679,618,033	$2,019,745	$9,745,573,269	$25,060,130,158
Ancillary Bill		($1,419,997,485)				($1,419,997,485)
Legislative Ancillary Enterprise Fund (24-924)		($350,000)				($350,000)
Legislative Auditor Fees (24-954)		($14,095,826)				($14,095,826)
LA Public Defender Fund (01-116)			($31,671,568)			($31,671,568)
Indigent Parent Representation Program Fund (01-116)			($856,982)			($856,982)
Indigent Patient Representation Program Fund (01-103)			($359,906)			($359,906)
LA Interoperability Communication Fund			($9,127,106)			($9,127,106)
IEB Board (20-905)			($27,120)			($27,120)
Total	**$8,218,640,371**	**$1,979,835,429**	**$3,637,575,351**	**$2,019,745**	**$9,745,573,269**	**$23,583,644,165**
FY 13 BUDGETED Total	$8,264,306,075	$3,643,798,730	$4,417,881,511	$2,199,617	$11,613,666,237	$27,941,852,170
Ancillary Bill		($1,355,671,758)				($1,355,671,758)
Legislative Ancillary Enterprise Fund (24-924)		($350,000)				($350,000)
Legislative Auditor Fees (24-954)		($14,003,425)				($14,003,425)
LA Public Defender Fund (01-116)			($31,849,500)			($31,849,500)
Indigent Parent Representation Program Fund (01-116)			(979,680)			($979,680)
Indigent Patient Representation Program Fund (01-103)			(331,431)			($331,431)
LA Interoperability Communications Fund (01-111)			(9,194,766)			($9,194,766)
IEB Board (20-905)			(40,030)			($40,030)
Total	**$8,264,306,075**	**$2,273,773,547**	**$4,375,486,104**	**$2,199,617**	**$11,613,666,237**	**$26,529,431,580**
FY 14 APPROPRIATED Total *	$8,410,978,989	$3,579,824,087	$4,459,541,706	$0	$10,349,390,487	$26,799,735,269
Ancillary Bill		($1,328,669,615)				($1,328,669,615)
Legislative Ancillary Enterprise Fund (24-924)		($350,000)				($350,000)
Legislative Auditor Fees (24-954)		($13,217,020)				($13,217,020)
LA Public Defender Fund (01-116)			($32,493,268)			($32,493,268)
Indigent Parent Representation Program Fund (01-116)			($932,680)			($932,680)
Indigent Patient Representation Program Fund (01-103)			($328,573)			($328,573)
LA Interoperability Communications Fund (01-111)			($7,263,404)			($7,263,404)
IEB Board (20-905)			($39,956)			($39,956)
Total	**$8,410,978,989**	**$2,237,587,452**	**$4,418,483,825**	**$0**	**$10,349,390,487**	**$25,416,440,753**

Previous Mid-Year Budget Deficits

Since December 2008, the state budget has been subject to a mid-year SGF budget deficit every fiscal year (FY 09, FY 10, FY 11, FY 12 & FY 13). These deficits have been "solved" in various ways from reducing the SGF budget, maximizing other means of financing, and reducing statutory dedicated appropriations and transferring these funds to the SGF. The following information summarizes the SGF reductions/SGF actions incorporated to solve these various mid-year SGF budget deficits by fiscal year. (only significant items are detailed)

FY 13 SGF Reduction Plan

($129.2 M)	SGF revenue forecast reduction
($30.0 M)	MFP underfunding due to October 2012 child count
($11.4 M)	TOPS underfunding due to student count
$5.1 M	Calculated SGF available in November after satisfying preamble reductions
($165.5 M)	Total SGF deficit

Solution:

$7.1 M	Hiring Freeze Savings (BJ 2012-6)
$68.3 M	MOF swaps replacing SGF *($1 M due to local government election cost sharing; $5.5 M offenders excess proceeds from canteen sales in Correctional Services; $30.5 M anticipated legal settlements (Average Wholesale Price) in DHH; $7.3 M redirection in TANF funding used in LA-4; $10 M in HIED tuition increase; and $11.3 M from Hurricane Katrina proceeds in ORM)*
$40.4 M	SGF funding due to the reducing Capital Outlay statutorily dedicated appropriations and transferring these funds to the SGF *(FY 13 Supplemental Bill)*
$49.7 M	SGF reductions *($0.8 M - DOA; $0.8 M – Military Death Benefits; $1.1 M – Correctional Services; $4.6 M – Youth Services; $20.5 M – DHH; $1 M – DCFS; $3 M – Local Housing of State Adult & Juvenile Offenders; and $2.2 M – Schedule 20-XXX)*

FY 12 SGF Reduction Plan

($197.8 M)	SGF Revenue Forecast Reduction
($42.6 M)	MFP Underfunding Due to October 2011 Child Count
($10.9 M)	FY 11 SGF Deficit
($251.3 M)	Total SGF Deficit

Solution:

$119.3 M	MOF swaps replacing SGF *($2.4 M in TTF funding for State Police; $50.4 M cost reports in DHH; and $66.2 M settlement receipts for TOPS)*
$38.2 M	SGF funding due to the reducing statutorily dedicated appropriations and transferring these funds to the SGF *(56 statutorily dedicated funds were impacted)*
$93.8 M	SGF reductions *($1.5 M – Secretary of State; $1.2 M – Agriculture & Forestry; $1.1 M – CRT; $6.3 M – Correctional Services; $6 M – Youth Services; $13.4 M – DHH; $8 M – DCFS; $50 M - Board of Regents; and $1.3 M – Dept. of Ed.)*

FY 11 SGF Reduction Plan

($106.7 M)	Total SGF deficit (FY 10 ending year SGF deficit)

Solution:

$106.7 M	SGF reductions *($5.1 M – Correctional Services; $3.4 M – Public Safety Services; $4.6 M – Youth Services; $20.8 M – DHH; $11.7 M – DCFS; and $34.7 M – HIED)*

Note: The LFO utilized the DOA Power Point Presentation on the FY 11 Mid-Year Reduction Plan. A portion of the $106.7 M in SGF reductions was likely replaced with other means of financing to mitigate the cut. This information was not presented within the DOA handouts.

FY 10 SGF Reduction Plan

($197.0 M)	SGF revenue forecast reduction
($52.6 M)	MFP underfunding due to October 2009 child count
$1.7 M	Calculated SGF available in November
($247.9 M)	Total SGF deficit

Solution:

$247.9 M	SGF reductions *($7.7 M – Executive Department; $108.1 M – DHH; $84 M – HIED; and $16 M – Dept. of Ed.)*

Note: BJ 2009-21 reduced SGF expenditures in the amount of $247.9 M. An example of a SGF reduction could be a means of financing swap that increases another revenue source and decreases SGF by a like amount. The LFO does not have this information pertaining to the FY 10 Mid-Year Deficit Reduction Plan.

FY 09 SGF Reduction Plan

($341 M)	SGF revenue forecast reduction

Solution:

$178 M	JLCB Approval *(inclusive of $24,378,056 from various statutorily dedicated funds)*
$163 M	SGF reductions *(BJ 2008-114 including $11 M – Correctional Services; $11.7 M – Youth Services; $118.1 M – DHH; $55.2 M – HIED; $11.1 M – Dept. of Ed.; and $20 M – GO Debt Services)*

Note: The FY 09 Mid-Year Reduction Plan reduced SGF expenditures in the amount of $341 M. An example of a SGF reduction could be a means of financing swap that increases another revenue source and decreases SGF by a like amount. The LFO does not have this information pertaining to the FY 09 Mid-Year Deficit Reduction Plan.

See table summarizing all of these fiscal years on the next page.

Department	* FY 09	FY 10	FY 11	* FY 12	** FY 13
01-EXEC	($6,257,189)	($7,740,854)	($6,094,311)	($2,196,294)	($20,841,311)
03-VETS	($1,454,402)	($637,278)	($350,495)	($228,476)	($596,943)
04-STATE	($4,213,831)	($1,632,209)	($2,430,964)	($1,490,918)	($1,000,000)
04-JUSTICE	($1,388,370)	($619,232)	($350,000)	($119,000)	$0
04-LT. GOV.	($121,766)	($122,053)	($93,129)	($46,371)	$0
04-TREAS	($116,640)	($46,881)	$0	$0	$0
04-AGRI	($2,732,951)	($1,554,442)	($1,646,031)	($1,183,683)	($102,412)
05-LED	($1,005,750)	($1,714,480)	($1,195,191)	($564,373)	($430,199)
06-CRT	($5,506,033)	($2,188,047)	($1,350,618)	($1,138,189)	($4,000,000)
07-DOTD	($6,806,761)	($132,296)	$0	$0	$0
08-CORR	($11,032,707)	$0	($5,071,813)	($6,272,005)	($9,414,276)
08-DPS	($5,840,693)	($2,740,923)	($3,485,973)	($2,351,002)	$0
08-OJJ	($11,744,321)	$0	($4,564,339)	($6,024,629)	($4,600,000)
09-DHH	($118,070,508)	($108,056,551)	($20,804,466)	($62,627,895)	($51,758,946)
10-DCFS	($20,445,097)	($14,129,547)	($11,711,646)	($8,000,000)	($3,153,009)
11-DNR	($1,959,852)	($375,881)	$0	($158,111)	($180,321)
12-REV	($3,393,660)	($1,060,656)	$0	$0	$0
13-DEQ	($1,815,028)	($321,667)	$0	$0	$0
14-WORK	($1,017,500)	($137,514)	($275,000)	$0	$0
16-WLF	$0	($7,561)	$0	$0	$0
17-CIVIL	$0	($176,384)	($152,859)	($174,695)	($111,055)
19-HIED	($55,182,262)	($83,961,506)	($34,745,030)	($116,223,039)	($22,834,387)
19-SPECIAL	($3,324,982)	($94,116)	($461,981)	($273,425)	($248,879)
19-DOE	($11,146,641)	($15,983,432)	($6,320,266)	($3,481,265)	($9,262,781)
19-HCSD	$0	($2,454,084)	($5,307,534)	$0	$0
20-OTHER	($20,493,234)	($2,024,315)	($319,900)	($540,000)	($36,930,170)
21-ANCIL	($1,000,000)	$0	($1,000)	$0	$0
22-NON-APPROP.	($20,000,000)	$0	$0	$0	$0
26-CAP	($500,000)	$0	$0	$0	$0
Statutory Dedicated Funds	***($24,378,056)***	***$0***	***$0***	***($38,186,107)***	***$0***
Total Mid-Year Deficit	**($340,948,234)**	**($247,911,909)**	**($106,732,546)**	**($251,279,477)**	**($165,464,689)**

Sources: FY 09 – BJ 2008-114; FY 10 – BJ 2009-21; FY 11 – BJ 2010-20; FY 12 – BJ 2011-25; and FY 13 BJ 2012-24 & 2012-25.

**Includes JLCB approval. The mid-year SGF budget deficits in FY 09 and in FY 12 required executive order action as well as JLCB approval. Thus, the two columns listed above include executive order actions and JLCB actions to solved the SGF budget deficit and those 2 executive order columns do not accurately reflect the specific total SGF reduction actions actually presented within the specific executive orders.*
***Due to the 3% per budget unit reduction limitation in R.S. 39:75(C)(1)(a), the DOA implemented the FY 13 Deficit Reduction Plan via 2 Executive Orders (BJ 2012-24 & BJ 2012-25). Executive Order 24 (Expenditure Reduction) reduced SGF appropriations $127,835,080, while the remaining $37,629,609 of SGF was reduced in Executive Order 25 (Expenditure Freeze). If all of the $165.5 M FY 13 Deficit Reduction Plan had been enacted in Executive Order 24, the 3% limitation would have been violated in the following budget units: Inspector General, Board of Tax Appeals, State Parks, Corrections Administration, Phelps, Youth Services, State Police Commission, Special School Districts and various other requirements. The DOA argues that this is possible due to R.S. 39:75(C)(3), which allows the governor to issue executive orders in the form of freeze orders prohibiting the expenditure of monies.*