REVENUE ESTIMATING CONFERENCE
May 18, 2021

Legislative Fiscal Office
State Revenue Forecast
(millions of $)

	Actual	Forecast=>				
	FY20	FY21	FY22	FY23	FY24	FY25
Total Tax Revenue	$12,243	$12,264	$12,296	$12,610	$12,832	$13,025
Less Dedications & NOW	($2,411)	($2,454)	($2,409)	($2,446)	($2,474)	($2,596)
SGF Revenue	$9,831	$9,810	$9,888	$10,164	$10,358	$10,429
Change From REC		$357	$320	$178	$160	$140
Yr/Yr SGF Change	($210)	($21)	$78	$277	$194	$71
Yr/Yr % Change	-2.1%	-0.2%	0.8%	2.8%	1.9%	0.7%
Yr/Yr Total Tax Change	($397)	$21	$32	$314	$222	$193
Yr/Yr % Change	-3.1%	0.2%	0.3%	2.6%	1.8%	1.5%

The table above depicts the total recommended forecast in terms of total tax receipts and general fund receipts. It excludes Budget Stabilization Fund monies added in FY21. The general fund baseline forecast has been increased for all years of the forecast horizon. Material changes from baseline reflect current assessments of collections streams, thirteen months into the coronavirus pandemic, versus assessments made in January of 2021. The baseline outlook has improved materially in the past three months, as recovery from the coronavirus pandemic has accelerated and federal support aid has continued. Pandemic distortions and uncertainties still have outsized influence, resulting in certain revenue stream forecasts being held to fairly conservative improvement of even retained at previous levels pending more observations of performance. Forecasts for the out-years are always more problematic; especially so under pandemic circumstances, and should be viewed with some caution.

From a year-over-year perspective, the pandemic negatively affected FY20, with FY21 and FY22 sputtering until stronger and more certain recovery is exhibited in FY23 and beyond. Caution and uncertainty in various revenue streams contributes to the uneven forecast in FY21 and FY22, with the timing and magnitude of sustained recovery still somewhat speculative. However, collections performance has been encouraging essentially across the board, and while the possibility of shocks to the economy is always present, there is likely more upside potential in the current year and going forward. While the pace of vaccinations is still a concern, the psychology of spending has been improving as the pace of virus infections, hospitalizations, and deaths declines. In addition, the rollout of the third round of federal support continues, and the possibility of a fourth round in the form of infrastructure spending of some scope is evident.

Aside from the total tax and general fund forecasts summarized here, numerous separate dedication and fee projections are presented on supplemental schedules. Those projections are constructed for budget development purposes by analysts of the various agencies and the DOA. The LFO columns of those schedules are simply filled with those agency and DOA values, and do not constitute independent analyses or projections.

Oil and Gas Price Forecast

	FY20	FY21	FY22	FY23	FY24	FY25
Oil, $/bbl	$46.78	$51.00	$58.93	$59.51	$61.36	$62.54
Change From REC		$10.90	$14.28	$9.37	$9.23	$9.61
Gas, $/mmbtu	$2.10	$2.65	$2.75	$2.83	$2.93	$3.14
Change From REC		($0.01)	$0.15	$0.21	$0.22	$0.28
Gas Sev. Tax, ¢/mcf	12.5	9.3	9.1	10.5	10.9	11.1

<u>Oil prices</u> remained range-bound in the $50 - $60/bbl range through FY19, as well as through the first half of FY20. The second half of FY20, however, oil prices experienced the impact of the worldwide demand contraction resulting from the coronavirus pandemic, falling dramatically to the $20/bbl range for a time in April and May of 2020. Prices rebounded into the $40+/bbl range, with an average price over all of FY20 of $46.78/bbl. The outlook for oil prices in FY21 and through the forecast horizon has strengthened as the U.S. and world economies return to pre-pandemic norms, and even exceed that norm for a while. OPEC and allied oil producers have been disciplined, and production from U.S. shale oil producers is still dampened. The current outlook for oil prices is reflected in the table above, but production will eventually respond to demand and place cap on prices.

<u>Natural gas prices</u> were relatively weak before the pandemic and fell off somewhat in response to the pandemic recession, although not nearly as dramatically as oil prices, and have rebounded somewhat in recent months. The average gas price in FY20 was about $2.10/mcf. The outlook for gas prices in FY21 and through the forecast horizon is somewhat improved from earlier in the year as the economy recovers from the pandemic. U.S. shale production is capable of a fairly rapid ramp-up in response to price improvement, effectively putting a cap on prices.

Price forecasts are based on an average of projections by Moody's Analytics, the Energy Information Administration, the New York Mercantile Exchange, and the Louisiana State Department of Natural Resources. Horizontal drilling / hydraulic fracturing of shale formations has become an industry norm, facilitating a supply-based ceiling range on oil and gas prices for the foreseeable future. These wells can be drilled relatively quickly and there is a substantial inventory of drilled but not yet completed (fractured) wells built up that can be quickly completed as prices rise. U.S. shale producers are increasingly efficient, and shut-in prices for horizontal oil wells have dropped into the $20 - $30 per barrel range and, for many gas wells, breakeven prices are less than $2.50 per mmbtu. Ultimately, U.S. shale production is likely to constrain both oil and gas prices. However, sustained output changes by other producers, variability in worldwide demand, and geopolitical events can still result in considerable volatility in prices, with relatively short-term cycling occurring under a ceiling range.

Severance and Royalty Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Severance & Royalty	$545	$407	$488	$490	$523	$548
Change From REC		$74	$73	$0	($3)	$0

Mineral revenue forecasts are increased in the first two years as improved price projections dominate, but by the third year rapid decline rates in severance oil production dominate flat royalty production. Over the long-term, rapid decline rates in severance oil production have been the norm since 2014, and the forecast continues that decline. Haynesville horizontal gas production is included, but this gas is exempt from severance tax for much of the first 24-months of production. While wells eventually come off exempt status, the most prolific production period has been exempted by the time that occurs. It should also be noted that while Haynesville gas production is largely the result of horizontal drilling, Louisiana is not a horizontal oil drilling state. Horizontal oil production volumes are very small, essentially immaterial, and have actually been declining since their peaks in 2015. Barring technological breakthroughs, other geologic formations in the state such as the Tuscaloosa Marine Shale, Smackover Brown Dense, and Austin Chalk are not expected to contribute materially to state oil production in the foreseeable future. While state production may eventually slow its decline or even flatten out, current prospects for oil and vertical gas production are for continued rapid decline.

Risks to the mineral revenue forecast always exist, as these revenues are significantly influenced by international and regional commodity prices that can experience dramatic swings. Regardless of current projections, oil prices will likely continue to cycle, but with those cycles exhibiting fairly short durations.

Sales Tax Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
General Sales Tax	$3,314	$3,396	$3,405	$3,480	$3,544	$3,597
Change From REC		$179	$128	$139	$164	$185
Vehicle Sales Tax	$456	$519	$497	$499	$492	$482
Change From REC		$33	$23	$19	$5	($11)

General sales tax has been materially upgraded throughout the forecast horizon, relative to the baseline. Confidence in the behavior and forecasts of this revenue stream had been relatively high since forecast errors have been small for the last few years. However, this confidence has eroded in the face of a pandemic recession and recovery. Pent-up demand spending on services is likely, and can be financed with pandemic-induced high personal savings rates. The timing of that spending has been uncertain, but the recent months of the second half of FY21 have experienced a material turn-around in performance that is now being incorporated into the forecast. Underlying projected base growth is still only about 1.5% - 2.5% per year over the forecast, consistent with the fact that this tax has not exhibited consistently stronger base growth for a number of years. However, further recovery from the pandemic may upgrade that growth. A caution is warranted here in that the spending from pent-up demand is a one-off event, and not a permanent phenomenon.

Vehicle sales tax forecasts continue to be upgraded as a surge in vehicle purchases in FY21 followed very modest FY20 growth. This is somewhat surprising in light of pandemic unemployment and uncertainty, but is further evidence of federal income and spending support in the economy. Surges in vehicle purchases are typically followed by fall-offs, and the FY22 forecast is for a year-over-year drop from FY21, and essentially a flat forecast after that, even though still an increase relative to the current baseline until FY25. Growth and forecasting of this revenue stream are more erratic reflecting the big-ticket nature and the largely discretionary timing of vehicle purchases.

Personal Income Tax Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Income Tax	$3,780	$3,654	$3,793	$3,977	$4,079	$4,069
Change From REC		$0	$0	$0	$0	$0

Personal income tax forecasts have been held steady even with recent months performance, with an expected year-over-year drop in FY21 as workers laid off during 2020 file returns and likely receive refunds. Modest bounce-backs are expected in FY22 and FY23 as pandemic-recovery continues. Relative strength in this tax has been attributable to federal tax law changes starting with tax year 2018, and taking nearly two years to fully transition into state tax collections, as well as the nature of the pandemic, affecting relatively low-wage employment more than higher-wage employment.

These significant influences, along with filing deferrals and changing unemployment benefit taxation have reduced confidence in personal income tax forecasts substantially in recent periods. While the Federal tax law change effects have probably been largely transitioned into the collections stream, the pandemic effects have not.

Corporate Tax Forecast
Combined Income & Franchise Tax
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Corporate Tax	$578	$550	$500	$500	$500	$500
Change From REC		$69	$120	$46	$18	($8)

Corporate tax forecasts are upgraded relative to the current baseline forecast for both FY21 and FY22, although still declining year-over-year from FY20 and FY21 out of caution for the uncertainty of these receipts. The FY22 change says more about the abnormally low baseline forecast in place than it does about the new baseline now being recommended. From FY22 the forecast is simply flatlined due to the volatility of the corporate tax base and consequent uncertainty of corporate receipts. The upgrades recognize some of the performance during FY21 to-date, presumably due in part to various enhancements to the effective state tax base enacted since the 2015 session and the federal tax law changes starting with 2018, as well as the strength of the U.S. and world economies in 2019, before the onset of the coronavirus pandemic. However, the Louisiana corporate tax base is highly capital intensive and, at some point, it is expected that the federal law change will result in an increase in the amount of capital expense deduction negatively affecting state returns, as well as the 2020 negative effects on trade attributable to the pandemic. Thus, some caution continues into the out-years of the forecast.

Regardless of tax law changes, corporate tax liabilities start with corporate profits, which are inherently erratic. Corporate receipts have always been the riskiest of all the taxes that finance the state general fund budget. The concentration of liabilities in a relatively small number of large national and international firms, the substantial tax planning potential of corporate tax filers, and the fact that one-half to two-thirds of total receipts are routinely collected in the last quarter of the fiscal year, mean that monthly receipts over much of the fiscal year impart little useful information, making it essentially impossible to forecast corporate tax collections, even near the end of the fiscal year. This risk exposure to the state fisc is mitigated somewhat by the dedication of corporate receipts over $600 million per year to the Revenue Stabilization Fund, although, collections volatility is still experienced beneath that cap.

Gaming Revenue Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
All Gaming	$781	$858	$828	$832	$826	$829
Change From REC		$30	$29	$20	$20	$20

Gaming forecasts in the aggregate are upgraded modestly from the current baseline, with a mix of stories within the gaming sector explaining the various forecast changes.

Lottery transfers in calendar year 2020, supporting the FY21 budget, are complete and reflect strong performance of the instant game products rather than outsized jackpot games. The Lottery has begun introducing instant games with higher prize percentages in response to Act 318 of the 2020 Regular Session which reduced the minimum transfer rate to the state from 35% of sales to 25%. This allows a greater allocation of sales to prize percentages, which has been shown to increase instant ticket sales. This process will continue over the next year or more as old games expire and new games are introduced. Instant ticket sales strengthened even before implementation of Act 318 began as the pandemic has reduced opportunities for alternative entertainment spending, resulting in more spending on lottery products. However, if by FY23, transfers do not exceed their FY20 levels (approximately $168 million), the transfer rate reverts back to its original 35% level.

Normal sales levels are utilized for projecting forward, until actual sales are realized and incorporated into the current year projection. The Mississippi Lottery began instant sales in late November 2019 and multi-state game sales by late January 2020. This competition is a concern for Louisiana sales, but have not appeared to materially affected sales so far. Some loss of Louisiana sales is hedged against in the forecast through the use of a monthly average sales level that includes some weaker months along with stronger months. As actual performance of the lottery is observed during calendar year 2021, adjustments will be made to the state projection for current and future years.

Land-based casino activity dropped to zero for the two months of April and May 2020 as shutdowns of gaming facilities were imposed in response to the coronavirus pandemic. Activity fell off before shutdowns occurred, and has recovered to somewhat more than 60% of the pre-pandemic level for the last few months. Regardless of the actual activity, the casino's monthly transfers to the state are fixed by contract, with a true-up to actual annual gaming activity in April of each year (reported in late May), at which point all influences on this gaming activity are realized by the state fisc for any given fiscal year. For projection purposes, transfers are expected to meet the current $60 million annual minimum compensation amount. Pursuant to Act 171 of the 2019 session, the casino will provide additional annual payments of $3.4 million beginning in FY20, another $3 million per year beginning in FY23, and the minimum compensation amount will rise to $65 million per year beginning in FY23. These provisions have been incorporated into the revenue forecast recommendation. Further single and installment payments associated with contract approval by the State JLCB and the City of New Orleans, and associated with a corporate restructuring transaction requiring multi-state regulatory approvals have also been incorporated.

Riverboat gaming fell by half in March of 2020 as coronavirus pandemic fears took hold, and was zero in April with all venues closed. Activity has recovered to about 80% of pre-pandemic levels. Relative to pre-pandemic levels, admissions to the facilities are down significantly but the spending per admission is elevated above pre-pandemic levels, offsetting the effect of a large portion of the lack of customers. However, it is unlikely that statewide activity will attain pre-pandemic levels simply because of the loss of two of the facilities; a Bossier facility closed permanently in April, and a Lake Charles facility is temporarily closed until possibly sometime in 2022 as the result of damage from Hurricane Laura. Current performance continues to improve, though, even with two missing facilities. Thus, an upgrade to the riverboat gaming forecast is made for FY21 anf beyond. The pace of the pandemic recovery as well as federal income support will be instrumental for continued improvement of riverboat gaming activity and tax receipts.

Video Poker gaming activity fell by 40% in March of 2020 as coronavirus pandemic fears took hold, and was zero in April with all machines disabled. Activity has recovered to more than 10% greater than pre-pandemic levels. Location and device counts are near pre-pandemic trends, although with more volatility from month-to-month, and with spending per device elevated above pre-pandemic levels. Relative to the current baseline projection, video poker receipts are revised up for FY21 and FY22 before falling back a bit and stabilizing, as alternative entertainment spending opportunities return.

Racetrack Slot gaming fell by half in March of 2020 as coronavirus pandemic fears took hold, and was zero in April with all venues closed. Activity has recovered to over 80% of pre-pandemic levels. Admissions to the facilities are down significantly but the spending per admission is elevated above pre-pandemic levels, offsetting much of the effect of fewer customers. However, a small downgrade is recommended relative to the current forecast baseline, and an essentially flat outlook in the future periods.

Fantasy Sports Gaming and Sports Wagering have both been authorized in the state, with fantasy sports farther along in the process. Statutory taxation has been enacted and a regulatory structure adopted. The gaming operator application process must still be completed before any taxable gaming can commence, but tax receipts from this gaming activity may begin being received in FY22, and a small amount of expected collections is included in the forecast. Sports wagering has been authorized by the electorate, but neither statutory taxation nor a regulatory structure have been enacted yet. Taxable activity may also occur in FY22, but the scope of activity allowed and the applicable tax regime must be decided. Tax receipts from sports wagering will not likely be incorporated into revenue forecasts until after some periods of performance have been observed.

Tobacco, Alcohol, and Beer Tax Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Tob, Alc, Beer Tax	$356	$365	$357	$357	$357	$357
Change From REC		($3)	($1)	($1)	($1)	($1)

Tobacco, Alcohol, and Beer personal excise taxes forecast are changed only slightly relative to the current baseline forecast. These forms of discretionary spending stepped up somewhat in response to the pandemic, and this revision only slightly corrects the baseline forecast. Tobacco eventually returns to its modest downward trend, while beer and liquors return to their traditional modest declines and growth, respectively.

Motor Fuels Tax Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Motor Fuels Tax	$581	$600	$605	$614	$623	$632
Change From REC		($8)	($23)	($23)	($23)	($23)

Motor Fuel tax forecasts have been slightly downgraded for FY21 and more materially for F22 and beyond, relative to the current forecast baseline, on the basis of collections in the current fiscal year, and a likely path to normal transportation levels over time. These receipts have responded to recovery slower than anticipated, but are expected to exhibit positive growth in FY21, although performance has been weak much of the year. Growth is expected to return to normal rates for fuels in the out years.

Excise License Tax Forecast
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Excise License Tax	$954	$1,016	$1,016	$1,041	$1,054	$1,080
Change From REC		$18	$5	$5	$5	$5

Premium tax forecasts are upgraded somewhat from the current baseline, but do not appear to be affected by the pandemic, as collections increased year-over-year in FY20 and are still forecast to increase in FY21. Collections have stepped up considerably in recent years as the traditional and expansion Medicaid population was brought into an insurance-based healthcare financing model. In addition, the tax rate on the premiums of health maintenance organizations, largely serving Medicaid recipients, have been increased, and ambulance services have also been added to the tax base. These changes, occurring together over a three-year period, also wieghted the collection of these receipts toward the end of the fiscal year.

The projection for the Medicaid premium tax allocated to the Medical Assistance Trust Fund is based on the actual allocations to the Fund for the last four years, and is nearly one-half of the total premium tax. Tax receipts attributable to the non-Medicaid premium base also have some dedications but, largely flow to the state general fund.

Tobacco Settlement
(millions of $)

	FY20	FY21	FY22	FY23	FY24	FY25
Tobacco Settlement	$99	$121	$102	$102	$102	$190
Change From REC		$22	$4	$4	$4	$6

Tobacco Settlement receipts step-up in FY21, primarily resulting from a larger annual payment received this spring. This is considered a one-off event since annual payments have shown little trending. A modestly growing trust fund balance and investment returns account for the modest upgrade to forecasts in FY22 and beyond. The FY25 step-up reflects the payoff of the securitization bonds in FY24. At that point the entire annual payment comes to the State. The tobacco settlement forecasts is made only once a year in the spring, because annual payments are received in April of each year, and comprise over half the total resources available for each year. This share will increase to over 75% in FY25 and beyond.

<u>Unclaimed Property</u> receipts have always been received by the state, and claims have always been paid by the state regardless of the annual receipts, although annual receipts have always exceeded annual claims payments. The excess has been used to administer the program, support the general fund, and the Leverage Fund bonds for I-49 construction. Starting in FY22, the excess receipts were constitutionally dedicated to making refunds to unclaimed property claimants. Thus, FY21 will be the last year that excess receipts, will be available to support the state general fund. Even after FY21, receipts will still be used to fund administrative costs within the State Treasury, as well as a statutory dedication to the Leverage Fund supporting bonded debt for I-49 construction, but the excess of collections over these allocations will be lost to the state general fund.

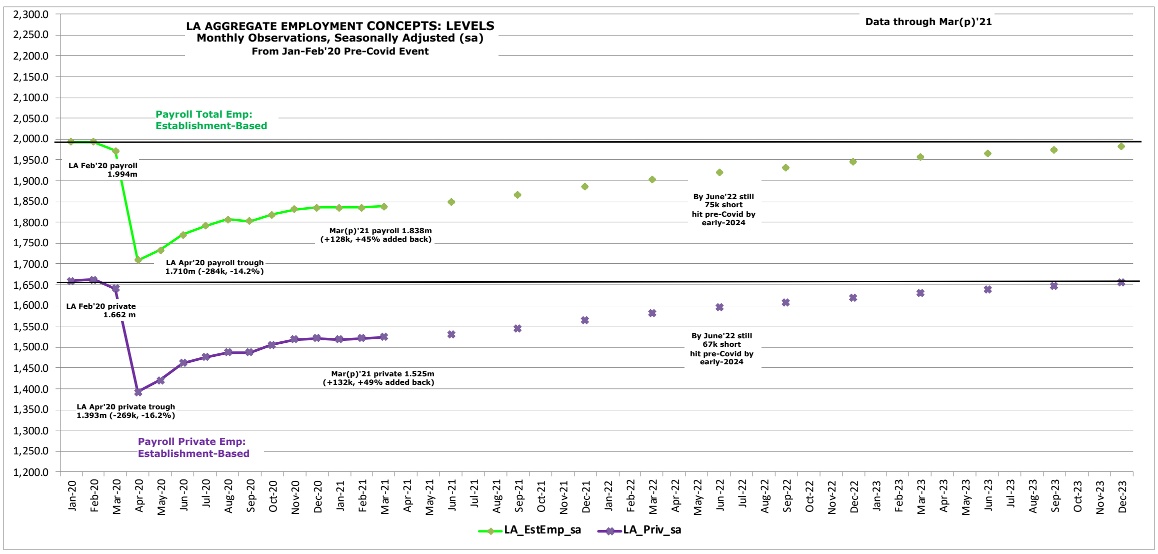
For FY21, receipts are projected at near historical norms, but are reduced by $10 million for an expectation of continued greater reimbursements to property owners as a result of the program between the treasury and the Department of Revenue to match records and proactively send refunds to property owners. In addition, for FY21, $12 million was added for excess receipts from FY19 that were transferred by the treasury to the general fund for FY21 use, although these monies are not related to FY21 program activity.

New Opportunities Waiver (NOW) allocation is estimated in this forecast. This allocation is calculated as 12% of the positive difference in the general fund revenue forecast relative to the forecast in place at the start of the fiscal year, up to a maximum of $50 million. At this point, for FY21 this calculation results in a $50 million allocation to the NOW program, reducing the forecast available to support the general fund budget by a like amount. The actual allocation will not be made until the end of the fiscal year, when the last forecast for the year is in place. The amount ultimately allocated can change as the forecast for the year changes.

The **Budget Stabilization Fund (BSF)** dedication is now set at $0 of FY21 general fund resources. Under current law, the BSF is to receive a minimum annual amount of $25 million from any source. Until a specific source is identified, the revenue forecasts account for this as a dedication of what would otherwise be general fund resources. Article VII, §10.3, (A)(3) of the State Constitution allocates 25% of any money designated as nonrecurring in the official forecast to the Budget Stabilization Fund. Budget surpluses are typically designated as nonrecurring by the REC, and upon that designation of the $270 million FY20 budget surplus, $67 million will be allocated to the Fund; well in excess of the $25 million minimum requirement. This will relieve FY21 general fund resources of this obligation in lieu of FY20 surplus resources.

For FY22 and beyond, the general fund dedication obligation is maintained at $25 million per year, prior to any alternative financing sources being identified. To the extent alternative financing of this dedication to the BSF is identified for a subsequent fiscal year, the general fund allocation projection will be reduced.

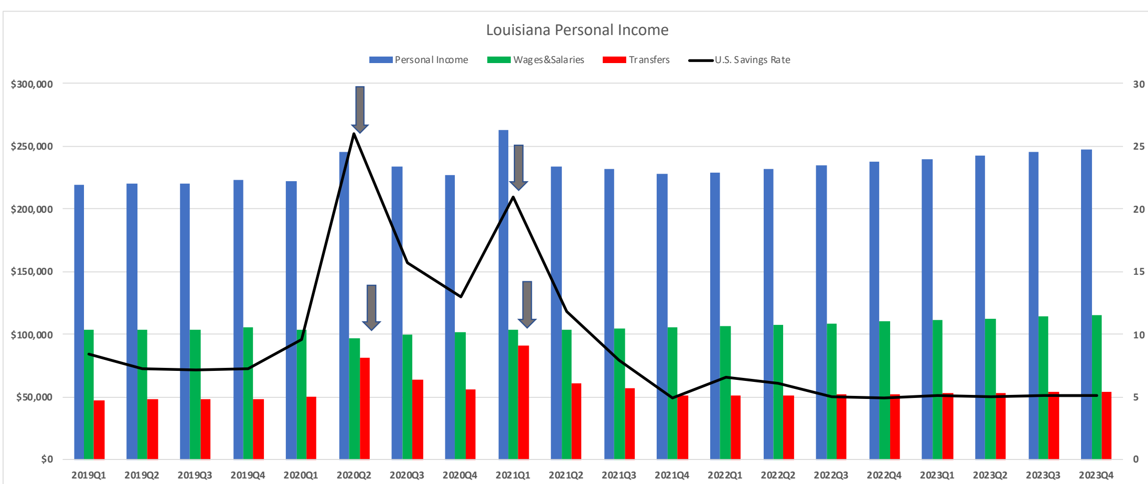
Underlying economic conditions are summed up in the following charts. The first displays monthly payroll employment from just before the coronavirus pandemic began to negatively affect the economy through the latest monthly estimates of March 2021 and projections to the end of 2023. Both total employment and private sector employment totals are depicted. For the two-month period from February 2020 to April 2020, the state economy lost 284,000 payroll jobs, a 14.2% drop from pre-covid levels. In the eleven months since then, through March 2021, the state economy has added 128,000 jobs, or 45% of the job loss. There was a somewhat larger private sector job loss, and there has been a somewhat larger private sector job add-back. In the early months of the recovery the job add-backs were relatively large, but have slowed over time and current expectations are that pre-covid levels of payroll employment won't be achieved until late-2023 or early-2024. Obviously, the path back to pre-covid levels is somewhat speculative, in that the covid event is unprecedented in modern times as is the federal support response. The employment recovery so far, though, does not make the current projected path depicted below seem unreasonable.



The table below breaks down the pandemic fall-off and subsequent months' recovery by major payroll employment sectors. For each sector the pre-covid level is shown along with two-month fall-off in jobs and that fall-off in percentage terms. Then job add-backs over the next eleven months and the percentage add-back for each sector are shown, with job count and percentage below pre-covid levels as of March 2021 as shown. Every sector experienced job losses in March and April of 2020, but not all have experienced job add-backs since then. Of particular note are the continuing lob losses in the mining (oil & gas extraction) and manufacturing sectors, along with the finance, real estate, education, and government sectors. These sectors are relatively well paid, and were it not for federal support, the state economy and the state government fiscal position would be significantly worse off.

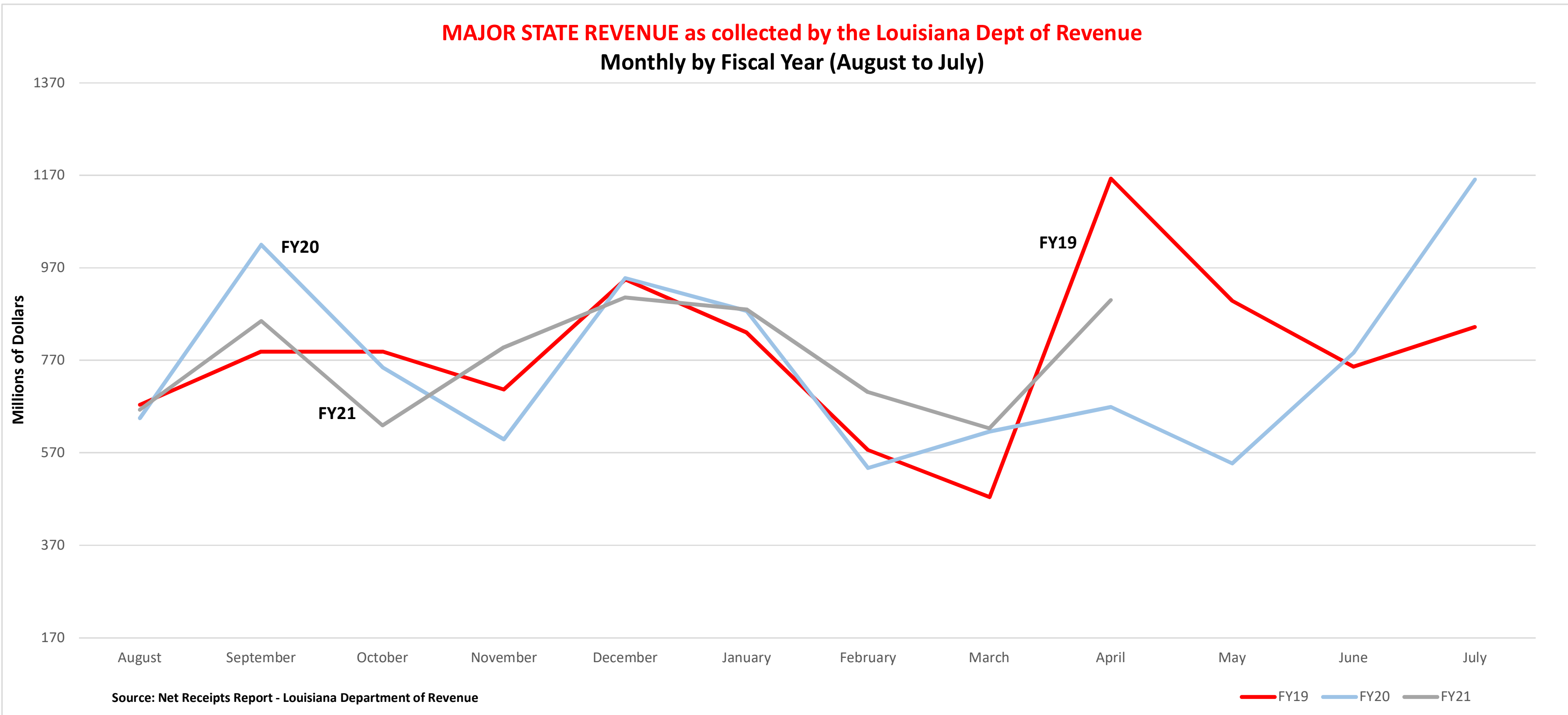
			As of Mar(p) 2021 BLS Employment Release, **SA**, thousands of jobs					
		COVID EVENT						
			Total Payroll Emp	Private Emp	Mining	Construction	Manufacturing	Retail
		Pre-Covid Peak, Feb'20	1,993.5	1,662.4	35.2	137.0	138.1	221.6
		Fall-off: Mar'20 & Apr'20	(283.9)	(269.5)	(3.2)	(23.5)	(7.0)	(29.4)
			-14.2%	-16.2%	-9.1%	-17.2%	-5.1%	-13.3%
	Total Payroll Emp							
	Incremental Add-Backs	Add-back: May'20 - Mar'21	128.2	131.7	(3.4)	3.3	(3.8)	27.4
May'20	23.2		45.2%	48.9%	-106.3%	14.0%	-54.3%	93.2%
June	37.3	Still (short)/over	(155.7)	(137.8)	(6.6)	(20.2)	(10.8)	(2.0)
July	20.9	% (short)/over	-7.8%	-8.3%	-18.8%	-14.7%	-7.8%	-0.9%
Aug	16.3							
Sep	(4.0)		TrpsWareUtils	Finance	RealRentLease	MgtComps	AdmnSupp	Prof & Busi Svcs
Oct	15.3	Pre-Covid Peak, Feb'20	87.5	94.1	31.0	22.2	106.0	218.2
Nov	12.1	Fall-off: Mar'20 & Apr'20	(7.1)	(4.5)	(3.6)	(1.3)	(18.6)	(25.7)
Dec	3.9		-8.1%	-4.8%	-11.6%	-5.9%	-17.5%	-11.8%
Jan	0.3							
Feb	0.0	Add-back: May'20 - Mar'21	0.9	(1.2)	(1.3)	(0.1)	10.3	12.9
Mar'21	2.9		12.7%	-26.7%	-36.1%	-7.7%	55.4%	50.2%
	128.2	Still (short)/over	(6.2)	(5.7)	(4.9)	(1.4)	(8.3)	(12.8)
	11 months	% (short)/over	-7.1%	-6.1%	-15.8%	-6.3%	-7.8%	-5.9%
	45.2%							
			Education Svcs	Health/Social	Leisure	Per Svcs	Government	State
		Pre-Covid Peak, Feb'20	48.5	278.3	238.6	73.9	331.1	91.2
		Fall-off: Mar'20 & Apr'20	(4.0)	(28.5)	(105.8)	(19.9)	(14.4)	(4.1)
			-8.2%	-10.2%	-44.3%	-26.9%	-4.3%	-4.5%
		Add-back: May'20 - Mar'21	(1.1)	20.0	64.4	12.5	(3.5)	(1.0)
			-27.5%	70.2%	60.9%	62.8%	-24.3%	-24.4%
		Still (short)/over	(5.1)	(8.5)	(41.4)	(7.4)	(17.9)	(5.1)
		% (short)/over	-10.5%	-3.1%	-17.4%	-10.0%	-5.4%	-5.6%

\While the state employment recovery is well below pre-covid levels, spending in the economy and the consequent state fiscal receipts have been supported by federal support and household savings, depicted in the chart below. While wages & salaries dip in the second quarter of 2020, personal income rises due to increased transfer payments from the federal government. Personal incomes stays somewhat elevated in the two quarters due to elevated transfers, with a spike up again in the first quarter of 2021. At the same time, the savings rate has been substantially higher over these periods as households avoided spending and entertainment and personal services opportunities were curtailed. These resources have been available to support spending in the economy even though employment has yet to recover from the pandemic trough of early 2020. In addition, as currently projected, the household savings rate may fall below pre-covid levels, supporting spending going forward even as transfer payment support returns to normal.



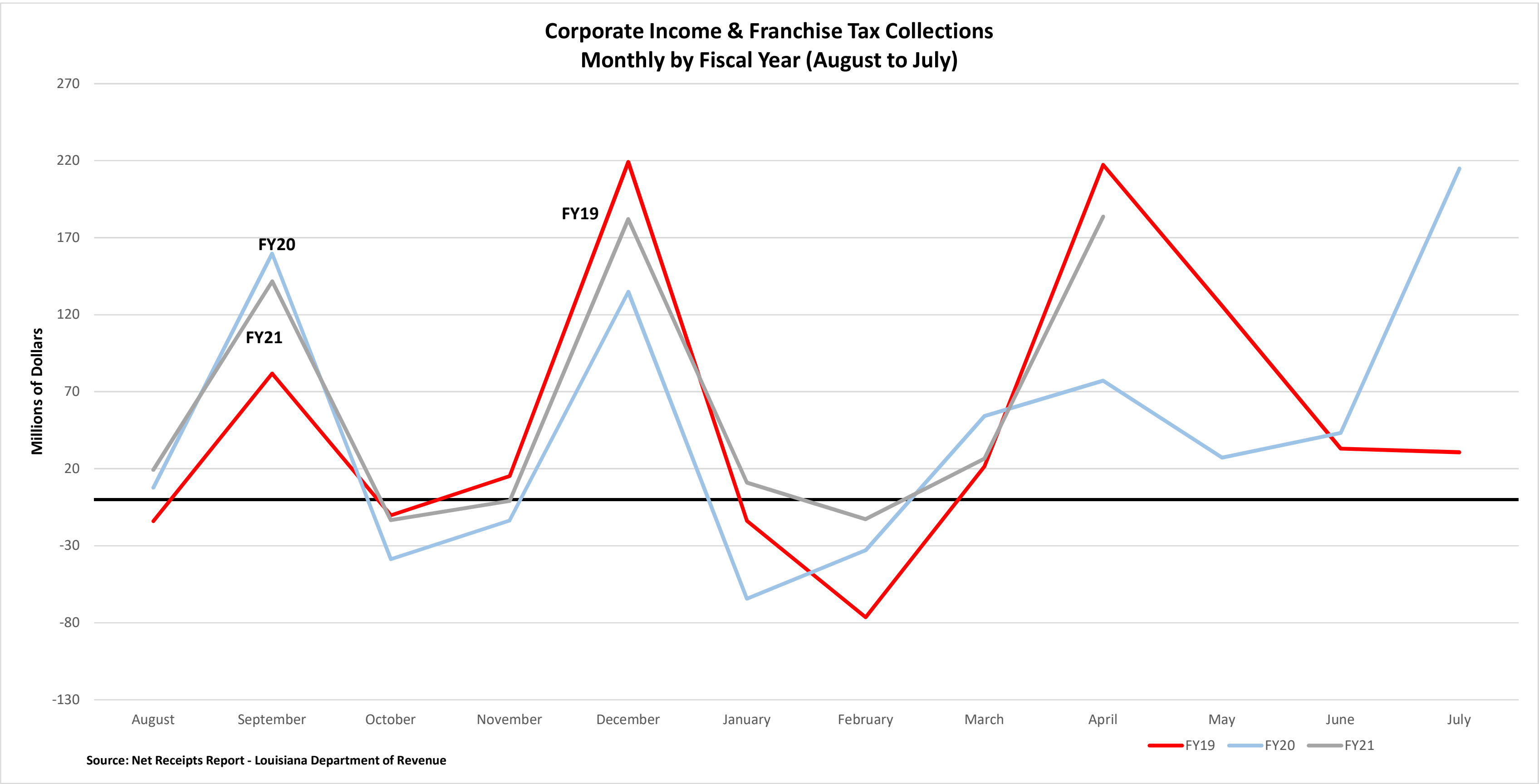
MAJOR STATE REVENUE - MONTHLY COLLECTIONS BY LDR
In millions of dollars (adjusted for Amnesty collections)

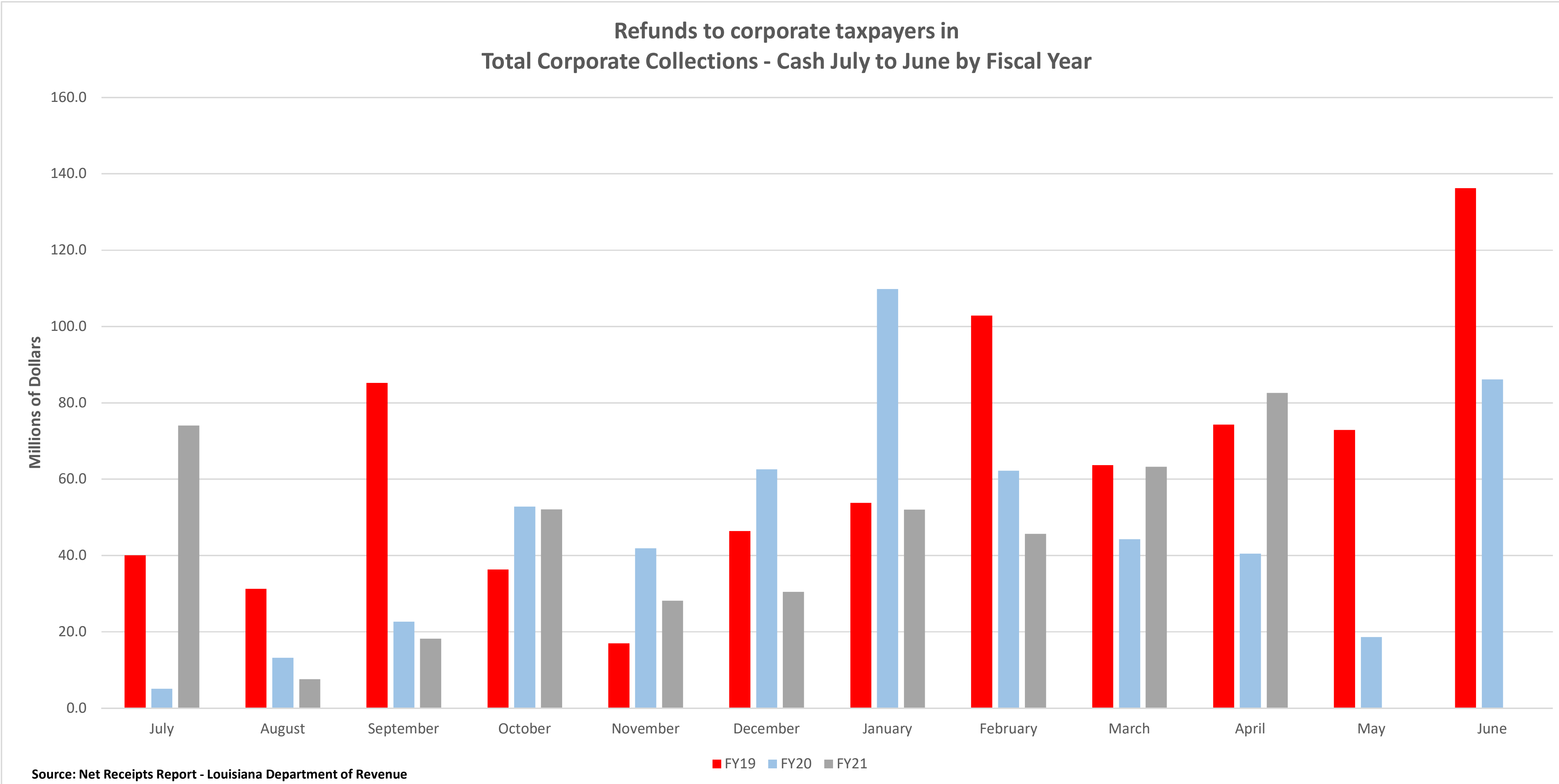
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	505	515	552	522	724	664	674	645	663
September	688	808	845	668	799	768	789	1020	855
October	597	579	525	439	683	753	789	755	629
November	565	592	595	619	697	645	707	599	798
December	661	536	872	639	530	818	945	948	906
January	794	759	665	699	990	1011	830	877	880
February	544	633	538	583	542	608	576	537	701
March	226	326	329	544	586	441	474	616	623
April	805	717	822	605	790	1078	1163	669	900
May	692	574	625	604	853	816	899	547	
June	702	780	654	828	787	755	756	786	
July	600	609	548	652	751	855	842	1161	



CORPORATE MONTHLY COLLECTIONS
In millions of dollars (adjusted for Amnesty collections)

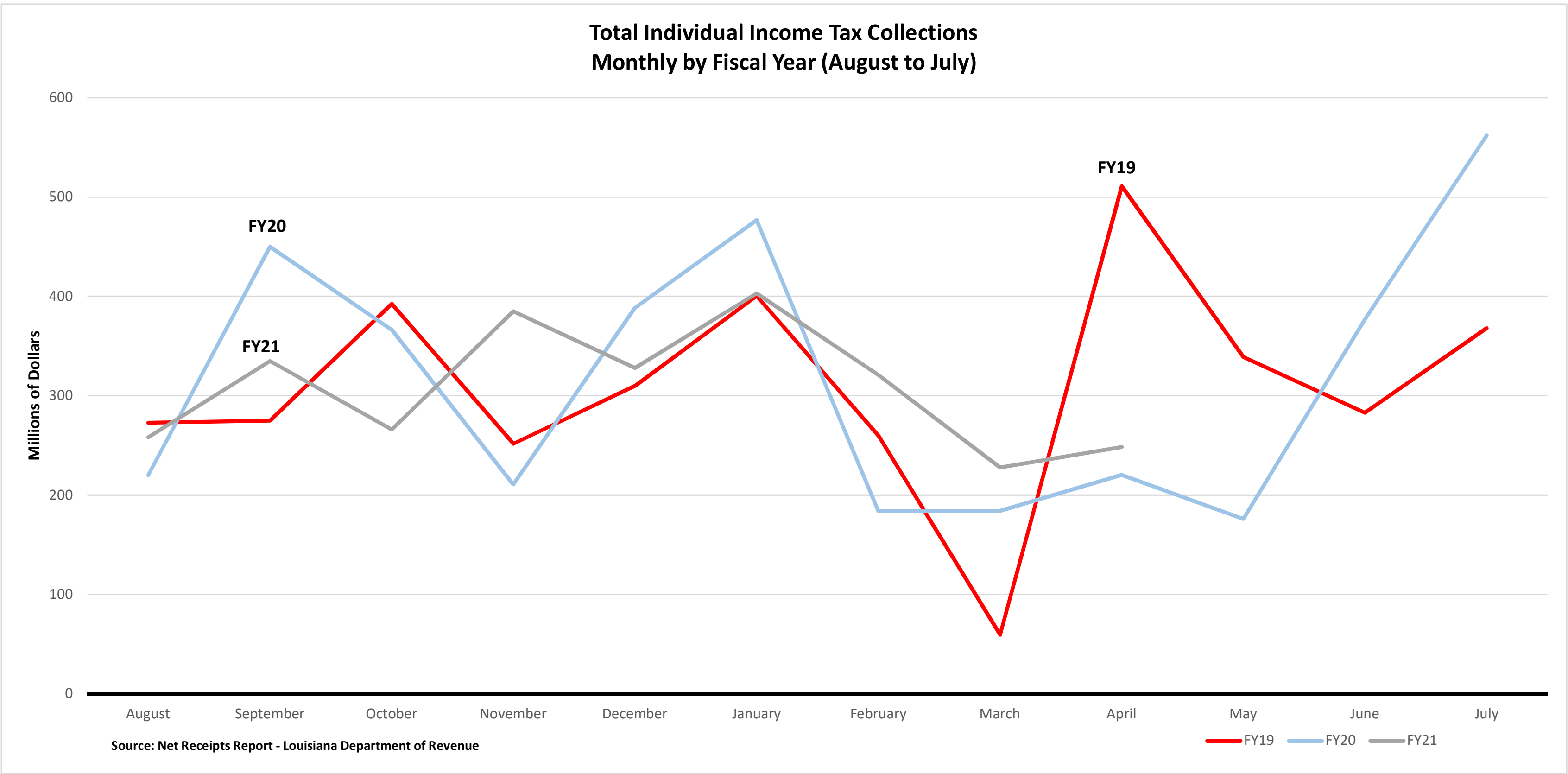
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	-9	-18	-4	-76	-4	-6	-14	8	19
September	111	114	136	59	118	97	82	160	142
October	-31	-14	-78	-117	-52	-78	-10	-39	-13
November	-5	44	15	-33	25	-22	15	-14	-1
December	59	-76	204	62	-56	140	219	135	182
January	-6	-9	-46	-19	36	-8	-14	-64	11
February	-18	72	-65	-8	-45	-48	-76	-33	-13
March	-10	55	31	66	59	3	21	54	27
April	155	146	236	217	113	170	217	77	184
May	40	-39	6	-23	107	171	126	27	
June	96	87	10	82	84	75	33	43	
July	-42	-37	-77	-19	12	-16	31	215	




Refunds to corporate taxpayers in
Total Corporate Collections - Cash July to June by Fiscal Year
Millions of Dollars
160.0
140.0
120.0
100.0
80.0
60.0
40.0
20.0
0.0
July
August
September
October
November
December
January
February
March
April
May
June
FY19
FY20
FY21
Source: Net Receipts Report - Louisiana Department of Revenue

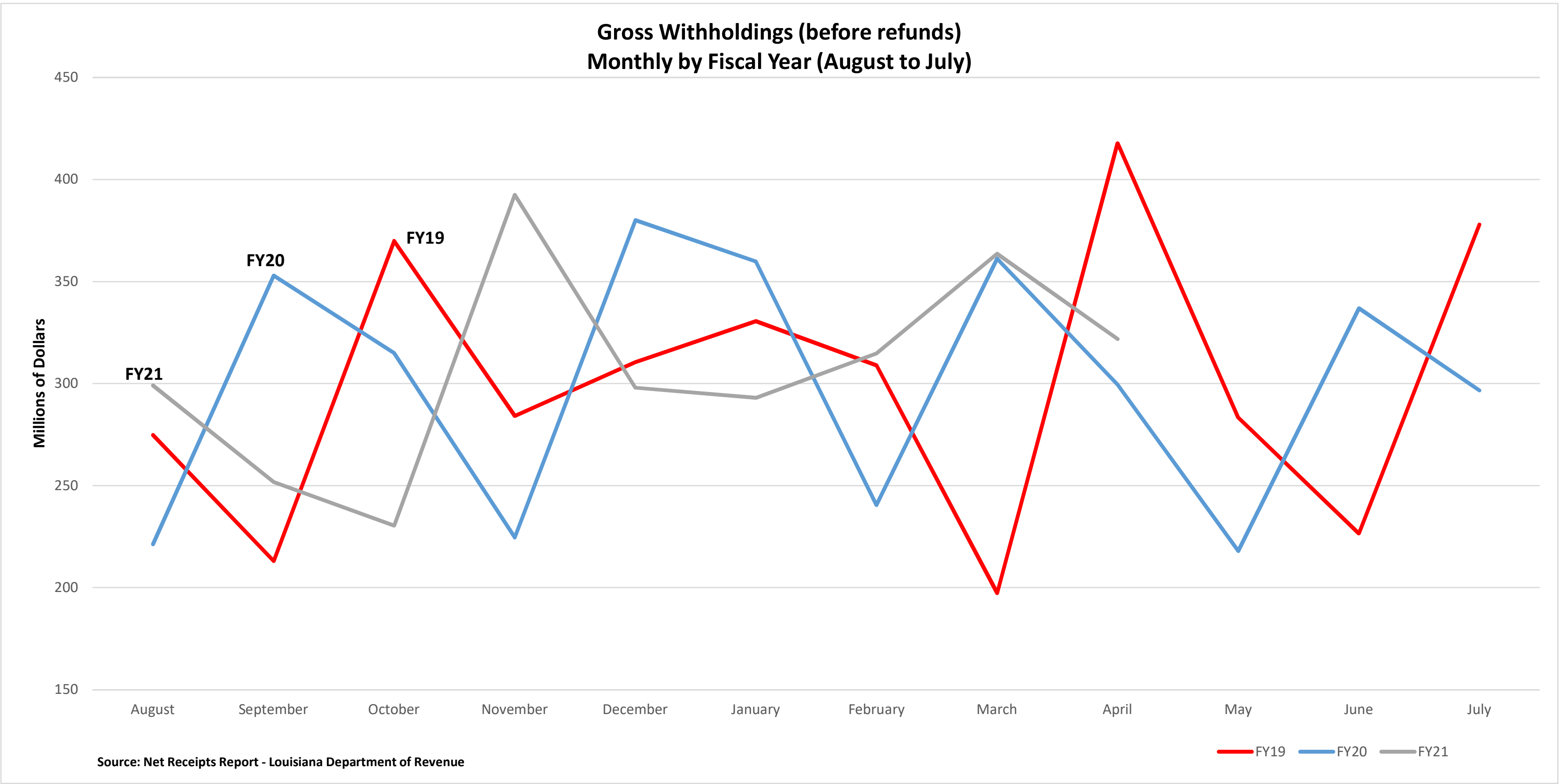
INDIVIDUAL INCOME TAX MONTHLY COLLECTIONS
In millions of dollars (adjusted for Amnesty collections)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	190	181	186	246	297	238	273	220	258
September	241	340	342	270	277	240	275	450	335
October	281	242	248	211	296	362	392	366	266
November	210	185	202	318	215	215	252	211	385
December	242	264	285	231	179	228	310	389	328
January	407	379	318	326	465	521	400	477	403
February	217	242	278	285	178	249	260	184	321
March	-100	-72	-31	130	104	16	59	184	228
April	277	207	235	43	183	416	511	220	248
May	271	219	279	253	289	193	339	176	
June	233	317	288	277	247	236	283	377	
July	280	253	261	210	277	375	368	562	



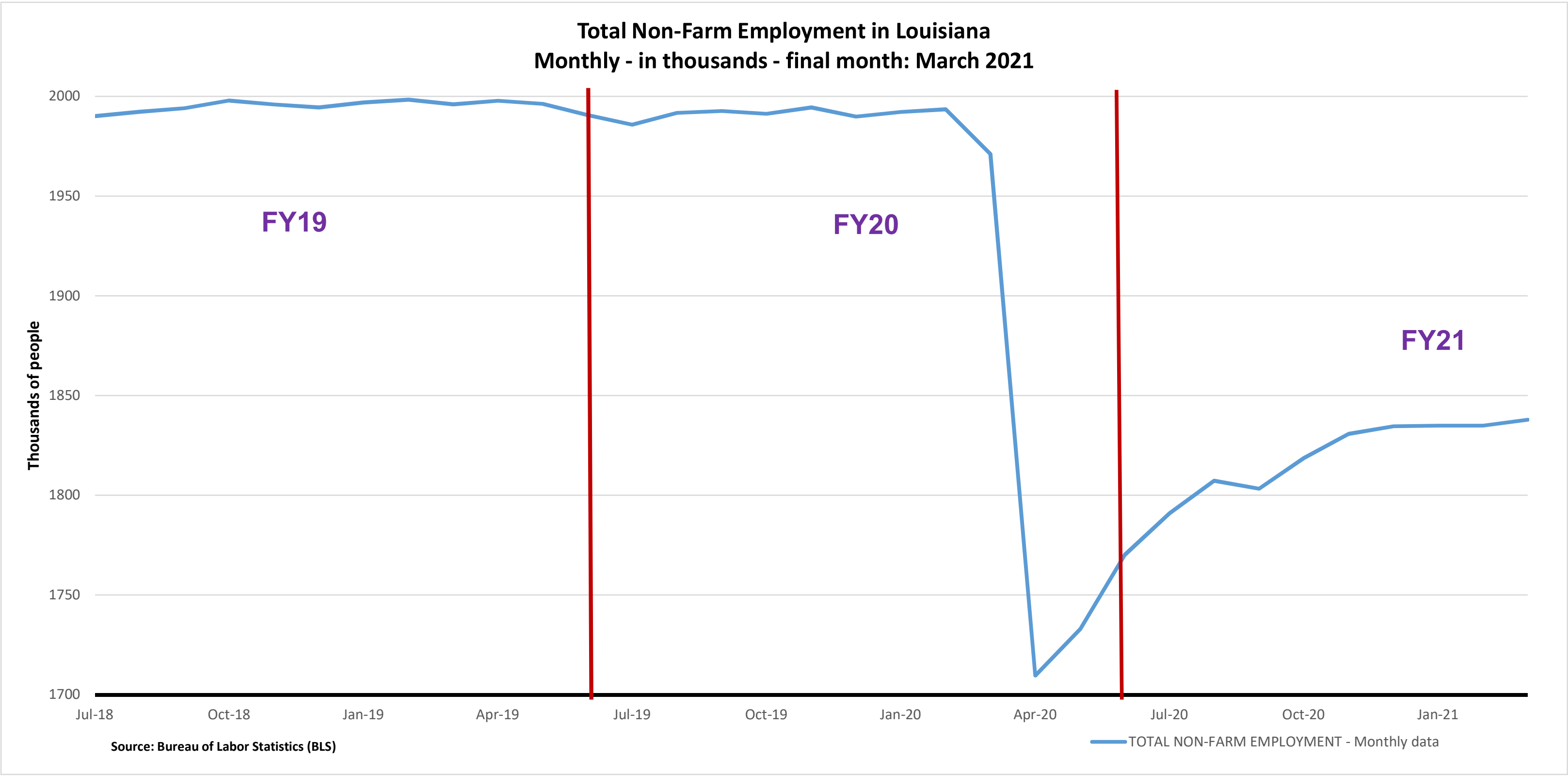
GROSS WITHHOLDINGS (BEFORE REFUNDS TO TAXPAYERS)
In millions of dollars (adjusted for Amnesty collections)

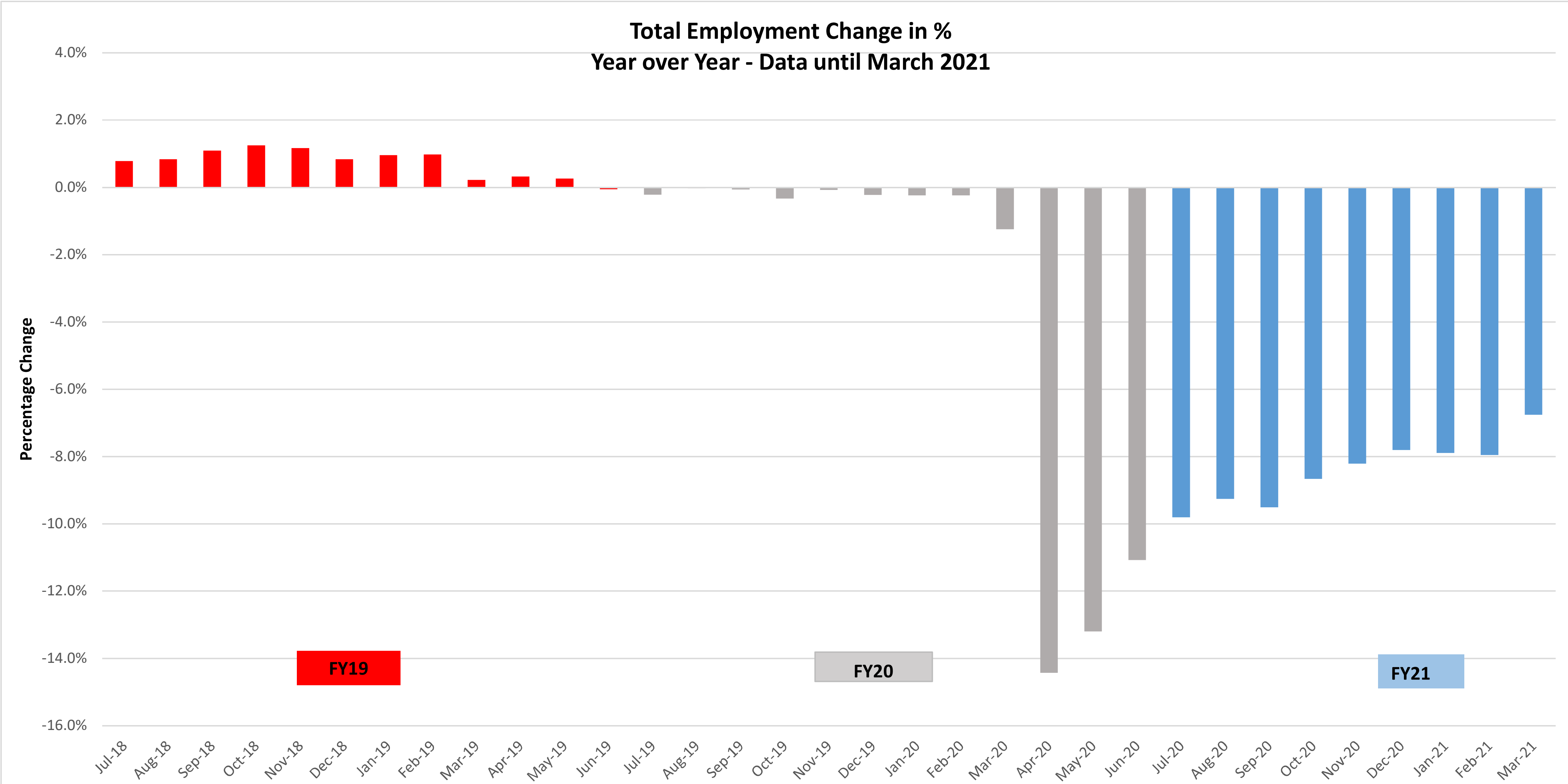
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	198	185	192	256	317	245	275	221	299
September	190	265	277	218	221	179	213	353	252
October	278	243	252	194	281	339	370	315	230
November	220	198	202	315	242	251	284	225	392
December	243	275	285	243	188	204	310	380	298
January	285	289	250	256	377	392	331	360	293
February	238	243	278	293	209	268	309	240	315
March	173	237	307	248	283	201	197	361	364
April	297	252	266	203	213	390	418	299	322
May	217	189	199	309	314	275	283	218	
June	193	279	279	222	229	208	227	337	
July	283	261	273	206	287	379	378	297	

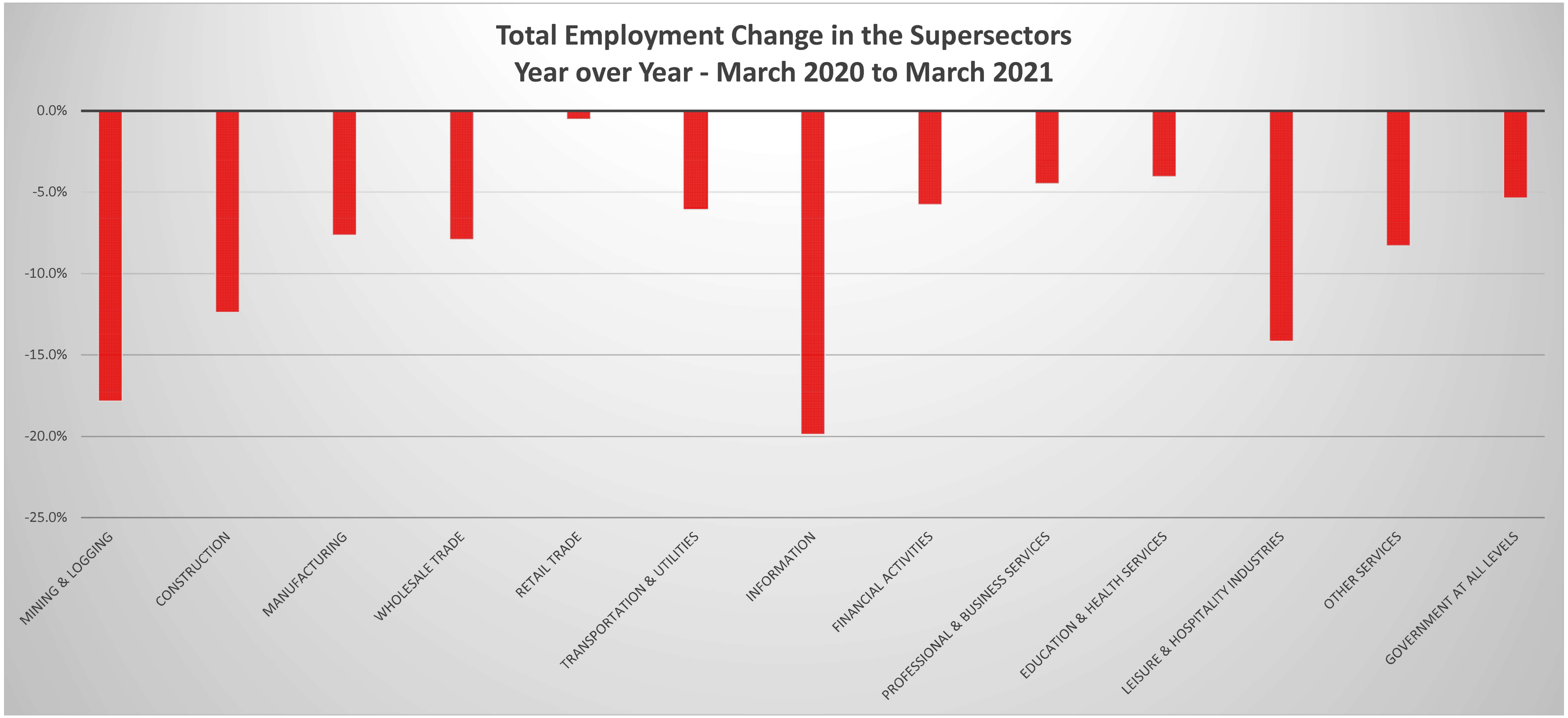


TOTAL NON-FARM EMPLOYMENT - Monthly data
In thousands of employed persons

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	1926	1959	1992	1997	1965	1975	1992	1992	1807
September	1927	1963	1999	1996	1974	1972	1994	1993	1803
October	1932	1966	1999	1996	1970	1973	1998	1991	1819
November	1936	1969	2004	1994	1970	1974	1996	1994	1831
December	1938	1964	2007	1991	1968	1977	1994	1990	1835
January	1942	1969	2005	1987	1973	1978	1997	1992	1835
February	1949	1972	2001	1982	1977	1977	1998	1994	1835
March	1950	1976	1995	1979	1974	1989	1996	1971	1838
April	1954	1978	1994	1979	1972	1988	1998	1710	
May	1953	1982	1995	1977	1976	1988	1996	1733	
June	1956	1983	1994	1972	1976	1990	1991	1770	
July	1955	1988	1997	1976	1974	1989	1986	1791	

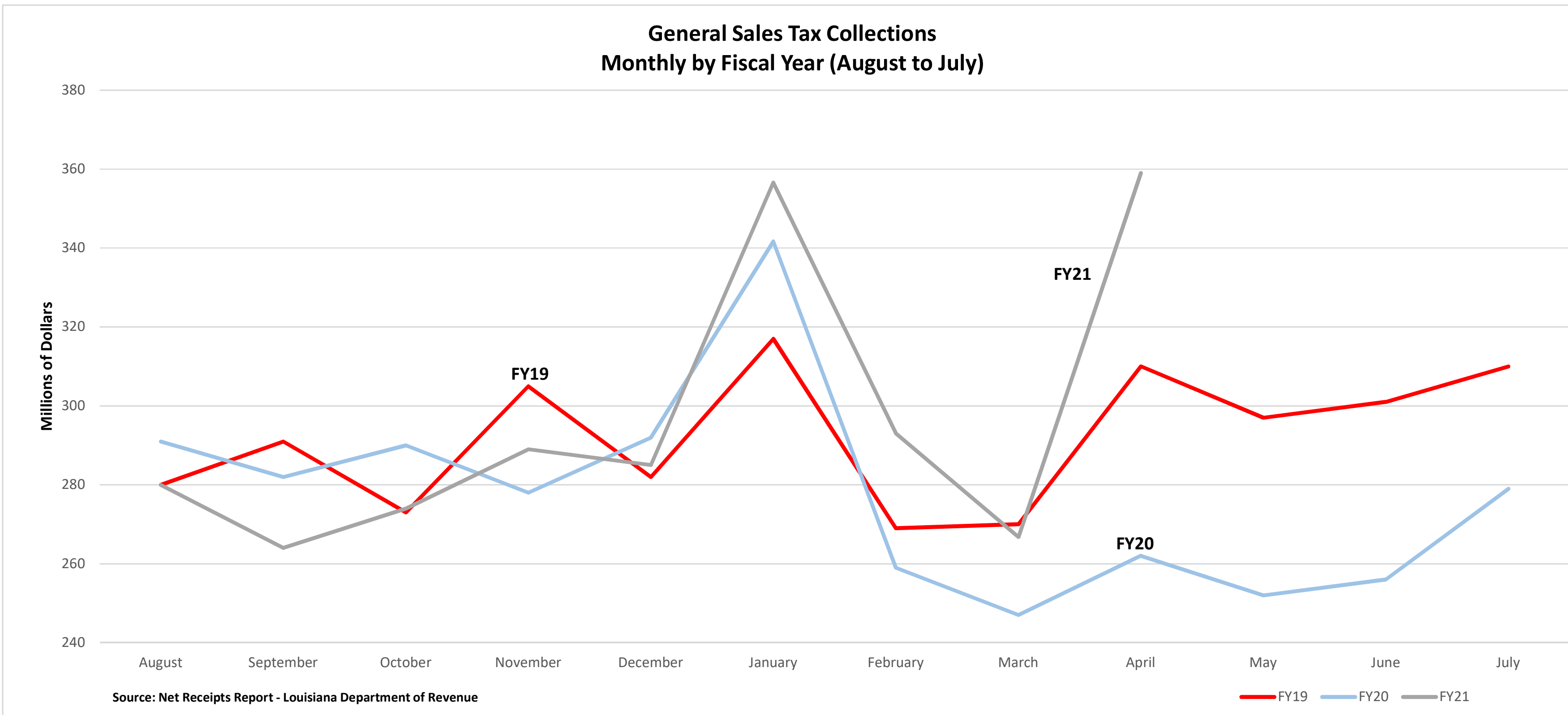



Total Employment Change in %
Year over Year - Data until March 2021
Percentage Change
4.0%
2.0%
0.0%
-2.0%
-4.0%
-6.0%
-8.0%
-10.0%
-12.0%
-14.0%
-16.0%
FY19
FY20
FY21
Jul-18
Aug-18
Sep-18
Oct-18
Nov-18
Dec-18
Jan-19
Feb-19
Mar-19
Apr-19
May-19
Jun-19
Jul-19
Aug-19
Sep-19
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21


Total Employment Change in the Supersectors
Year over Year - March 2020 to March 2021
0.0%
-5.0%
-10.0%
-15.0%
-20.0%
-25.0%
MINING & LOGGING
CONSTRUCTION
MANUFACTURING
WHOLESALE TRADE
RETAIL TRADE
TRANSPORTATION & UTILITIES
INFORMATION
FINANCIAL ACTIVITIES
PROFESSIONAL & BUSINESS SERVICES
EDUCATION & HEALTH SERVICES
LEISURE & HOSPITALITY INDUSTRIES
OTHER SERVICES
GOVERNMENT AT ALL LEVELS

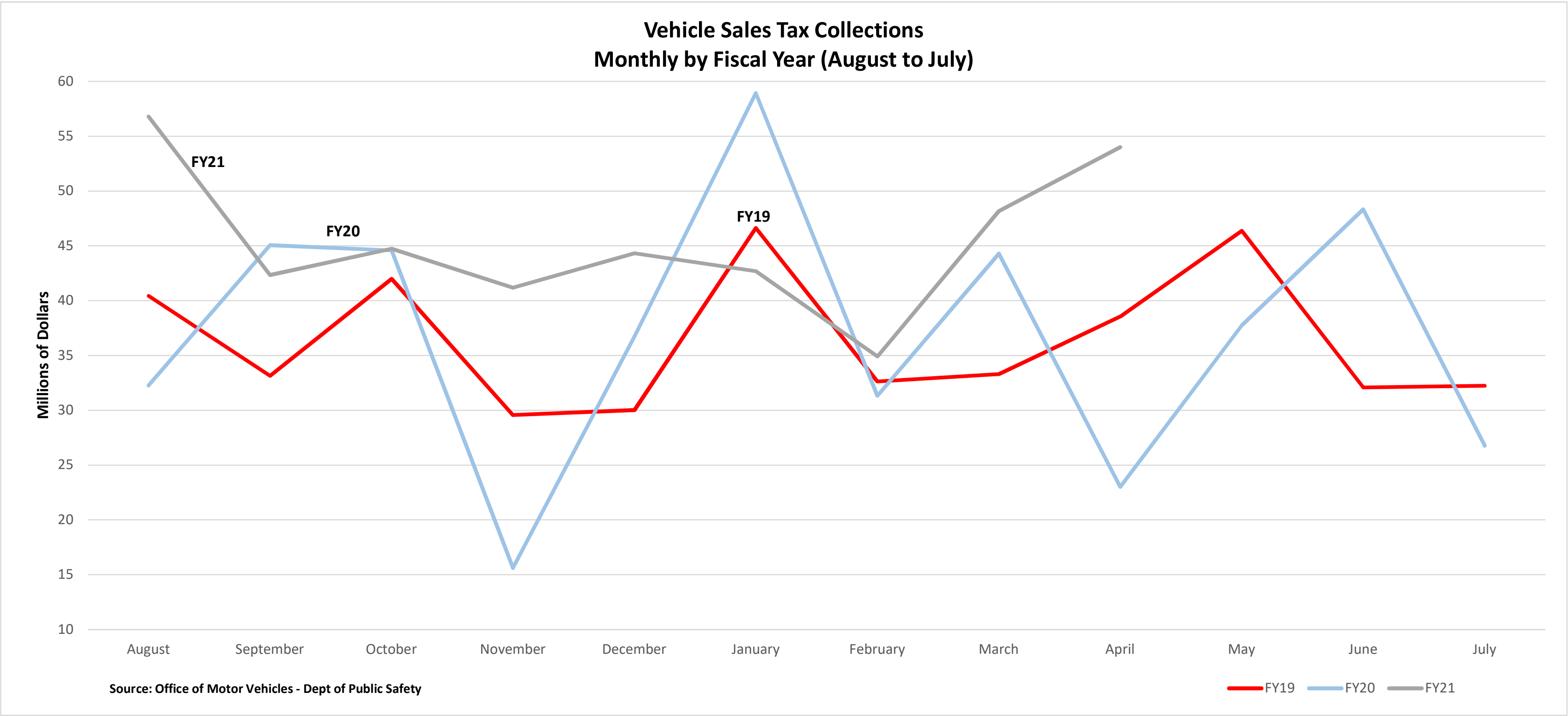
GENERAL SALES TAX MONTHLY COLLECTIONS
In millions of dollars (adjusted for Amnesty collections)

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	193	209	226	228	302	316	280	291	280
September	200	210	220	219	287	312	291	282	264
October	214	212	211	222	320	345	273	290	274
November	217	219	237	212	335	327	305	278	289
December	216	212	236	220	292	327	282	292	285
January	255	258	261	262	374	375	317	342	357
February	201	189	205	190	298	293	269	259	293
March	196	219	216	219	313	302	270	247	267
April	231	229	235	240	360	368	310	262	359
May	235	234	219	271	329	318	297	252	
June	226	237	193	351	332	313	301	256	
July	219	239	241	343	344	364	310	279	



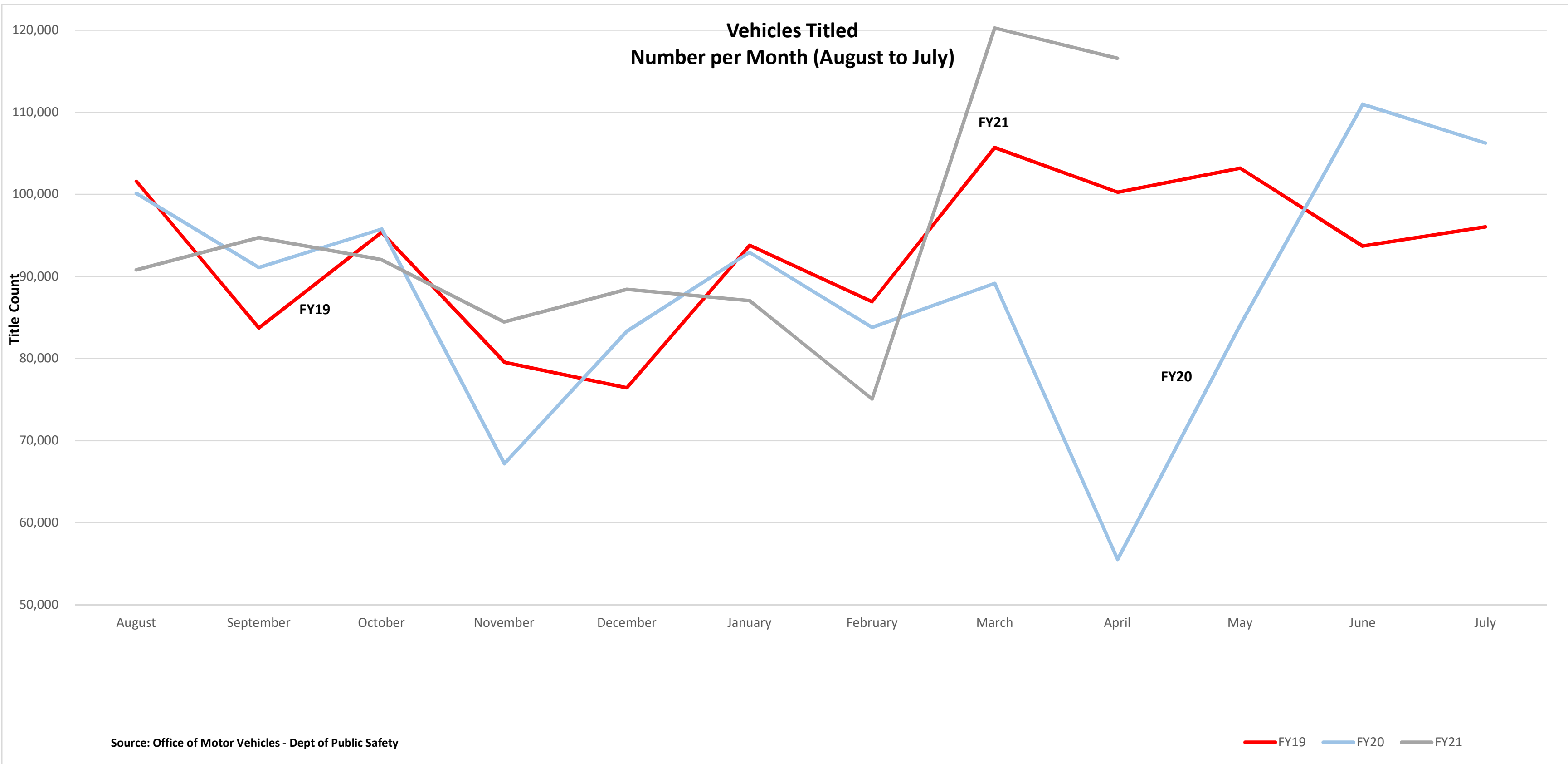
VEHICLE SALES TAX MONTHLY COLLECTIONS
In millions of dollars

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	26	29	27	31	32	43	40	32	57
September	27	32	41	54	54	41	33	45	42
October	32	32	30	37	41	42	42	45	45
November	25	29	31	25	56	37	30	16	41
December	23	26	27	33	38	39	30	37	44
January	32	27	39	28	54	42	47	59	43
February	29	29	20	30	34	36	33	31	35
March	31	33	42	35	50	44	33	44	48
April	34	35	33	21	41	42	39	23	54
May	34	33	32	52	44	47	46	38	
June	26	27	35	39	50	36	32	48	
July	29	30	12	36	34	36	32	27	



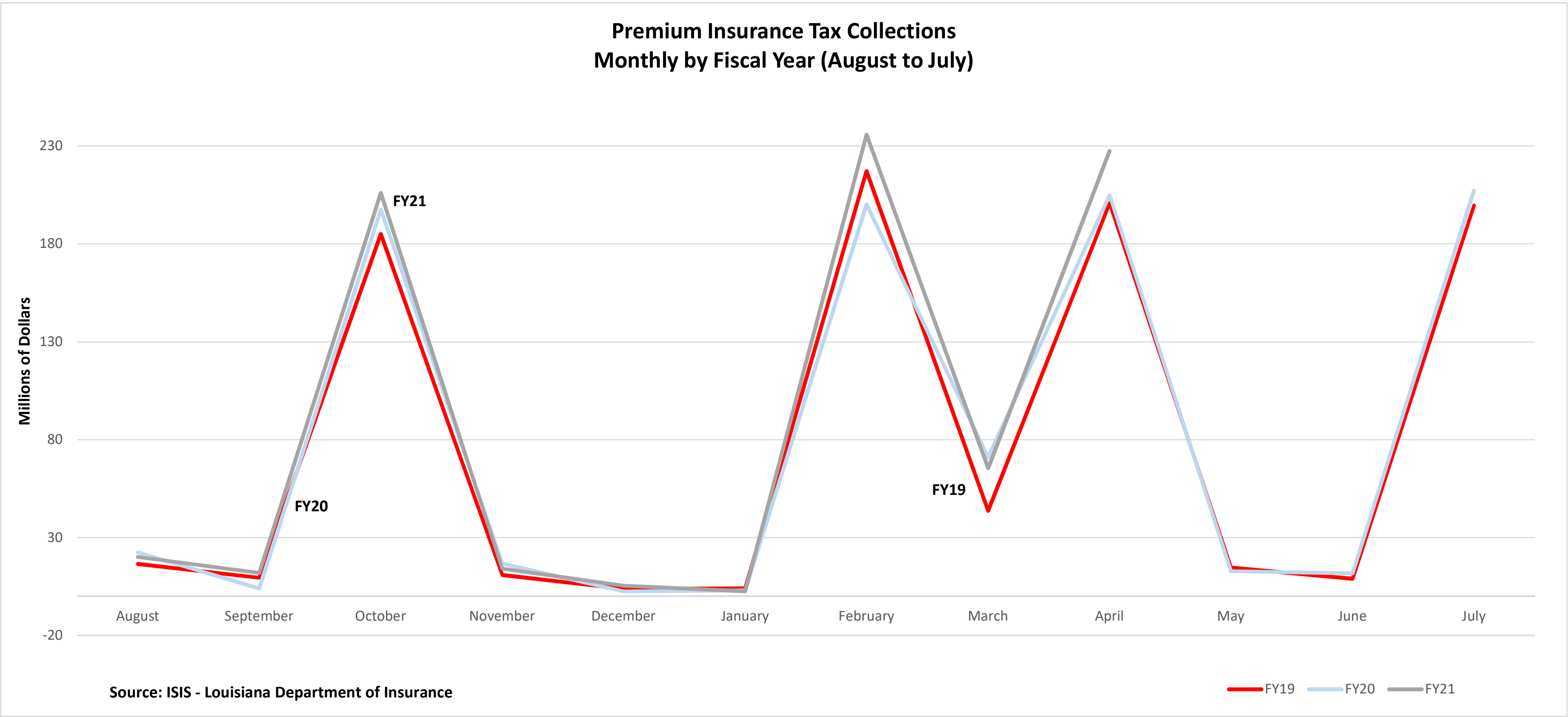
VEHICLES TITLED PER MONTH - VOLUME
Number per month

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	92,966	106,455	103,539	103,110	97,463	101,810	101,583	100,124	90,781
September	90,120	96,993	104,232	104,092	114,439	93,929	83,728	91,079	94,719
October	104,614	101,508	105,959	98,744	123,013	92,799	95,374	95,786	92,040
November	85,019	78,951	79,524	78,910	98,662	83,083	79,560	67,190	84,462
December	78,500	81,168	95,010	90,616	93,275	78,141	76,444	83,306	88,442
January	95,324	84,867	92,866	88,620	97,577	85,013	93,779	92,925	87,059
February	93,657	101,873	98,216	101,645	91,684	86,499	86,914	83,798	75,065
March	109,498	110,872	116,113	111,206	124,487	105,581	105,712	89,146	120,273
April	115,054	109,460	112,599	106,053	98,337	103,421	100,267	55,515	116,579
May	108,440	106,136	99,982	98,730	105,187	102,709	103,180	84,046	
June	97,197	102,601	110,107	103,965	101,703	96,657	93,683	110,984	
July	105,463	106,123	105,893	93,314	89,507	93,987	96,063	106,242	



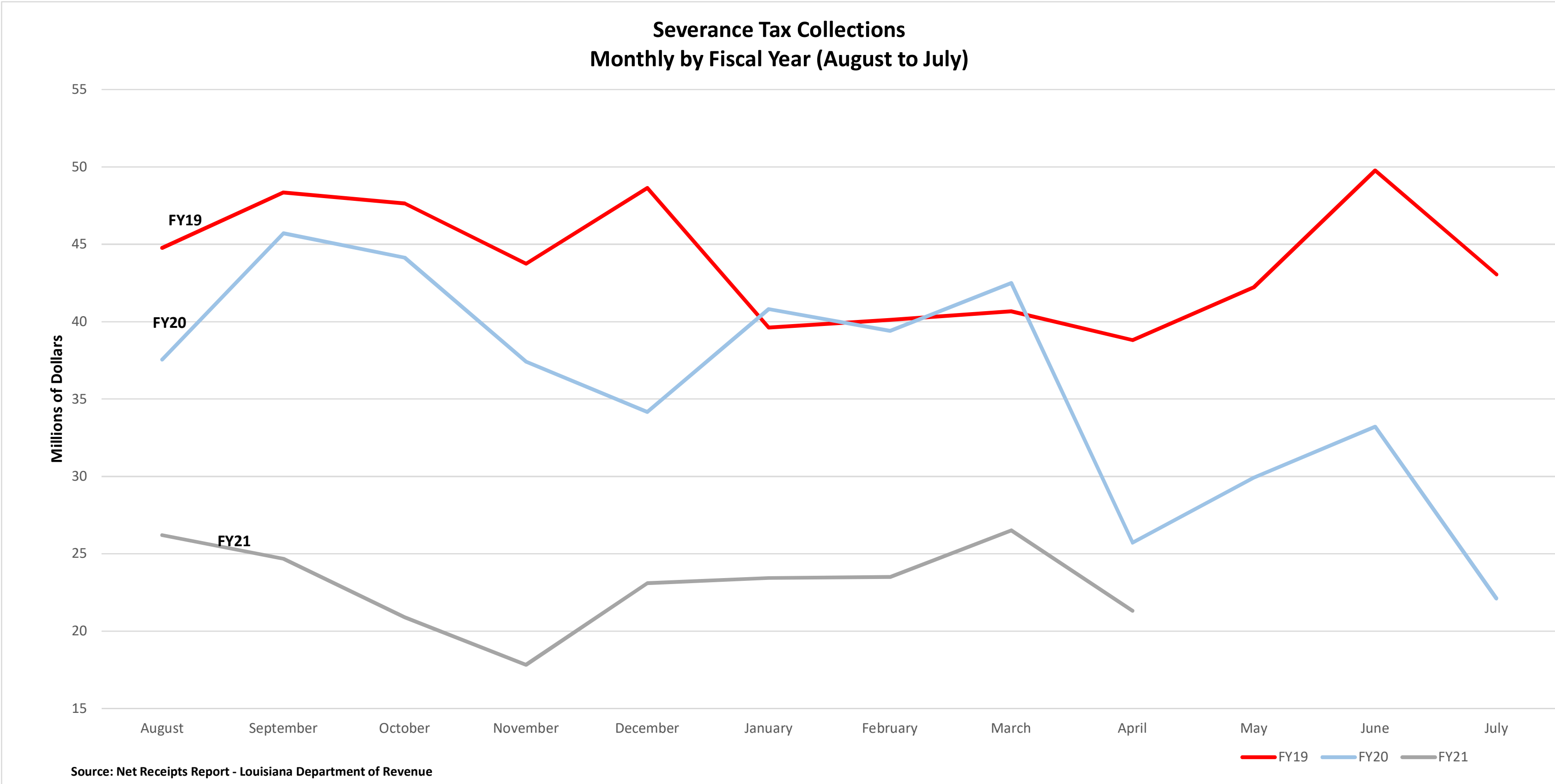
PREMIUM INSURANCE TAX - TOTAL COLLECTIONS MONTHLY
In millions of dollars

	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	8	9	16	12	15	15	17	22	20
September	6	6	3	5	9	7	10	4	12
October	77	84	90	91	108	166	185	198	206
November	9	14	10	9	10	12	11	17	14
December	6	9	7	4	3	3	4	3	5
January	2	1	2	-1	2	2	4	3	3
February	11	10	18	16	16	207	217	200	236
March	70	98	83	166	356	73	44	71	65
April	127	106	102	122	173	196	201	205	228
May	13	9	17	-10	13	15	15	13	
June	2	5	7	6	8	6	9	12	
July	89	93	98	109	173	191	200	207	



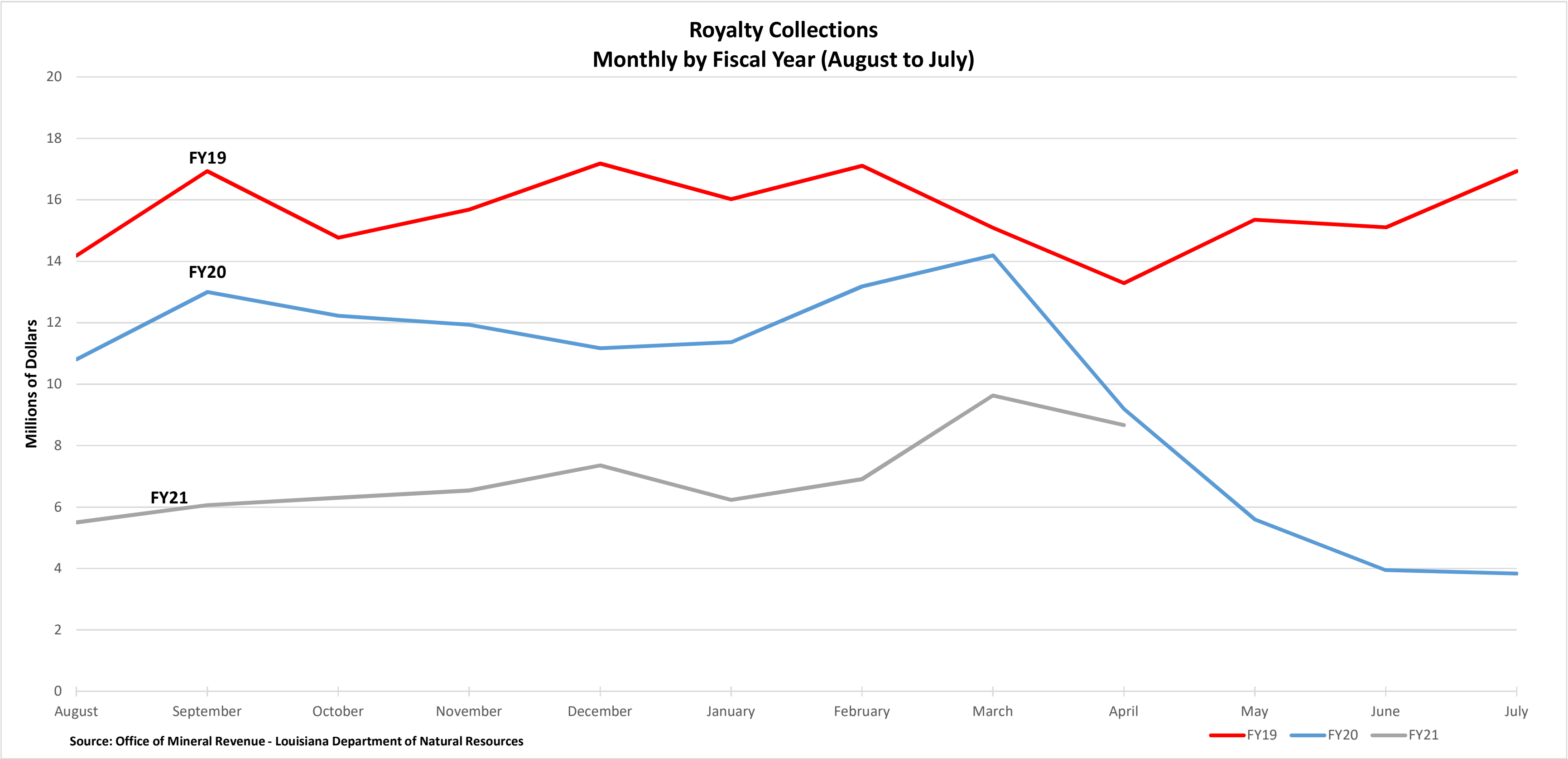
SEVERANCE TAX MONTHLY COLLECTIONS
In millions of dollars (adjusted for Amnesty collections)

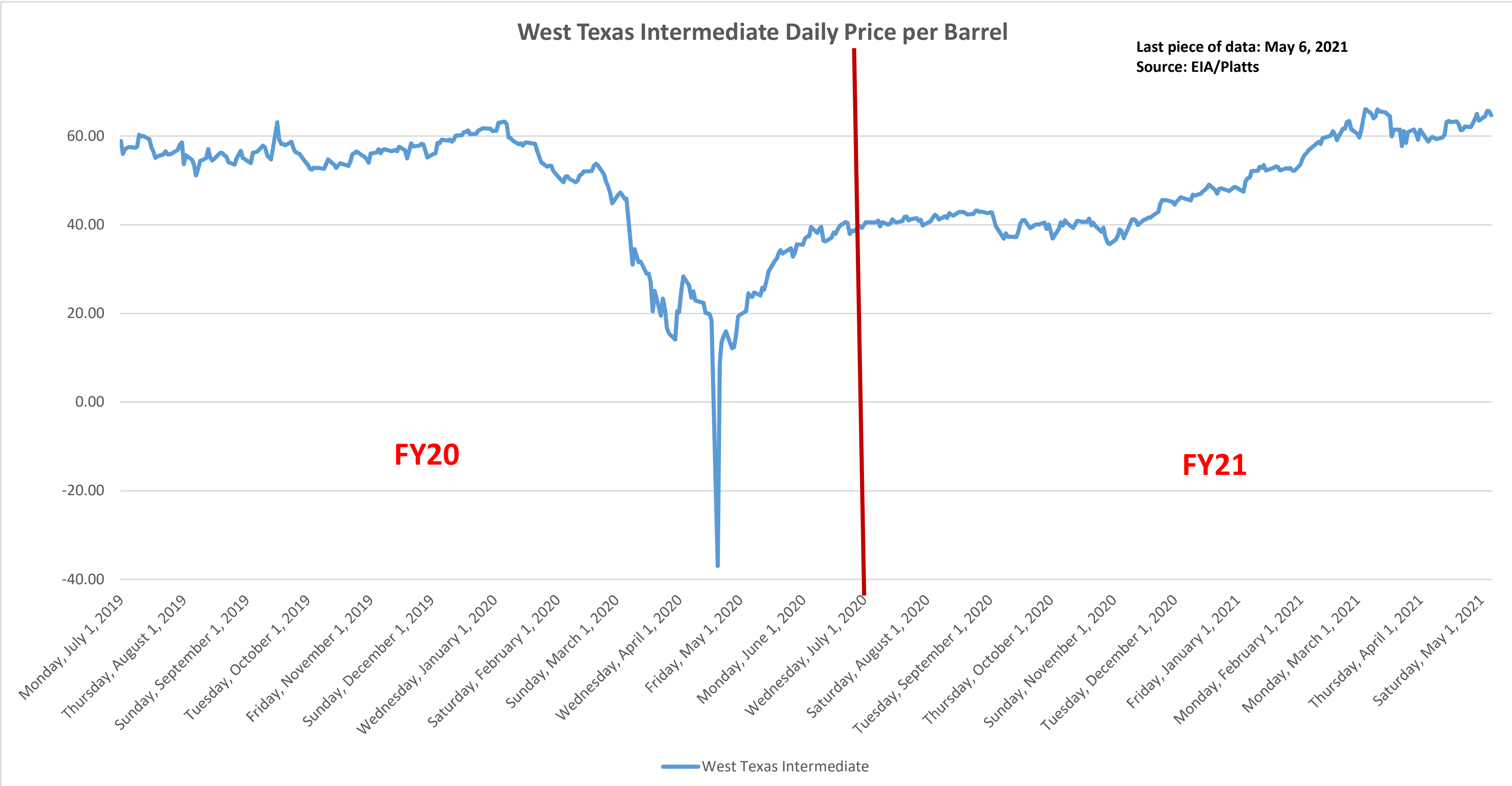
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	62	75	73	50	38	30	45	38	26
September	64	74	76	41	28	33	48	46	25
October	64	68	75	39	30	35	48	44	21
November	68	67	70	35	26	34	44	37	18
December	75	63	74	43	23	36	49	34	23
January	71	65	59	37	30	39	40	41	23
February	78	65	52	29	31	39	40	39	23
March	74	61	45	31	34	42	41	43	27
April	66	68	40	27	30	37	39	26	21
May	73	74	39	29	34	42	42	30	
June	74	68	45	30	34	43	50	33	
July	75	84	51	37	33	45	43	22	

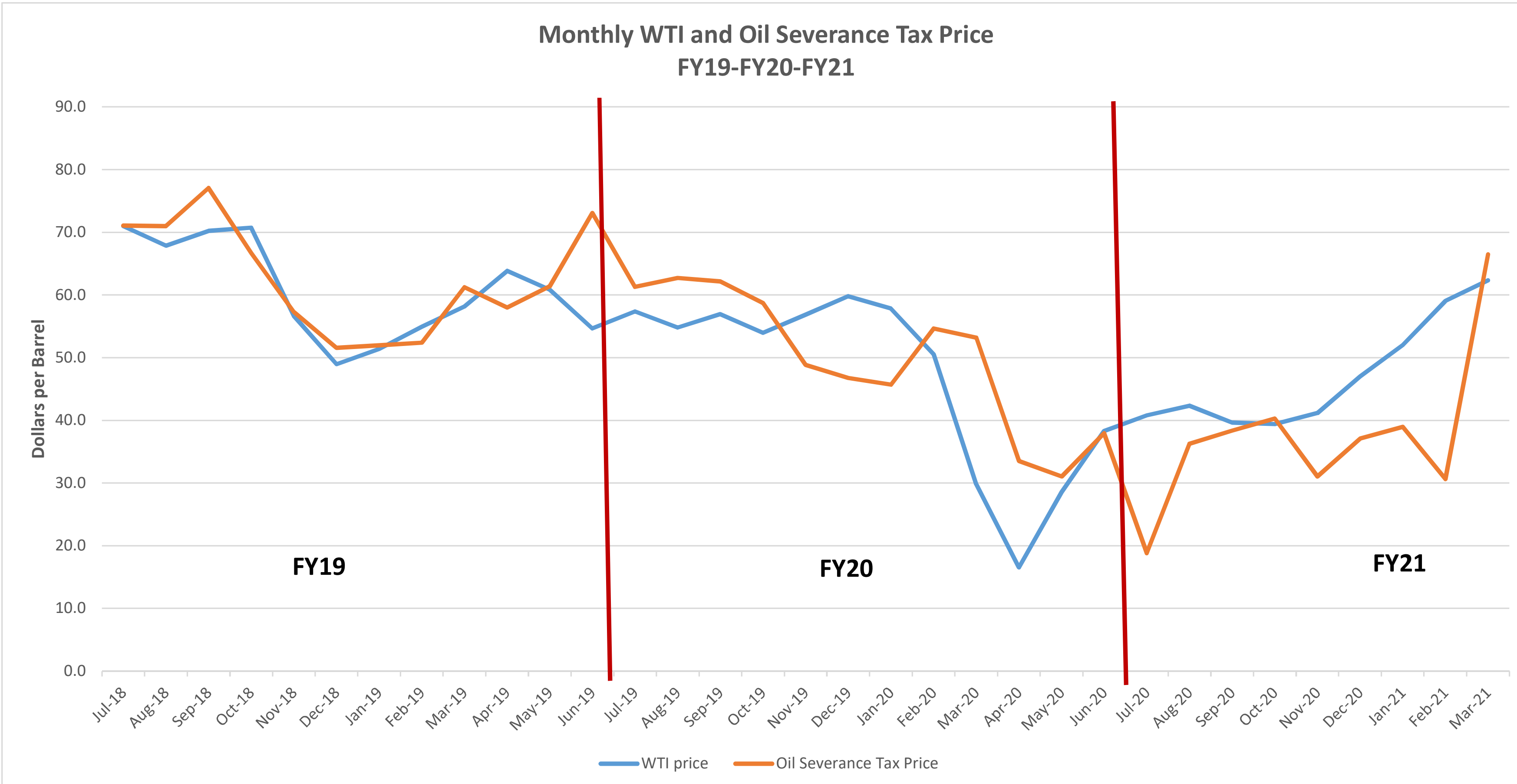


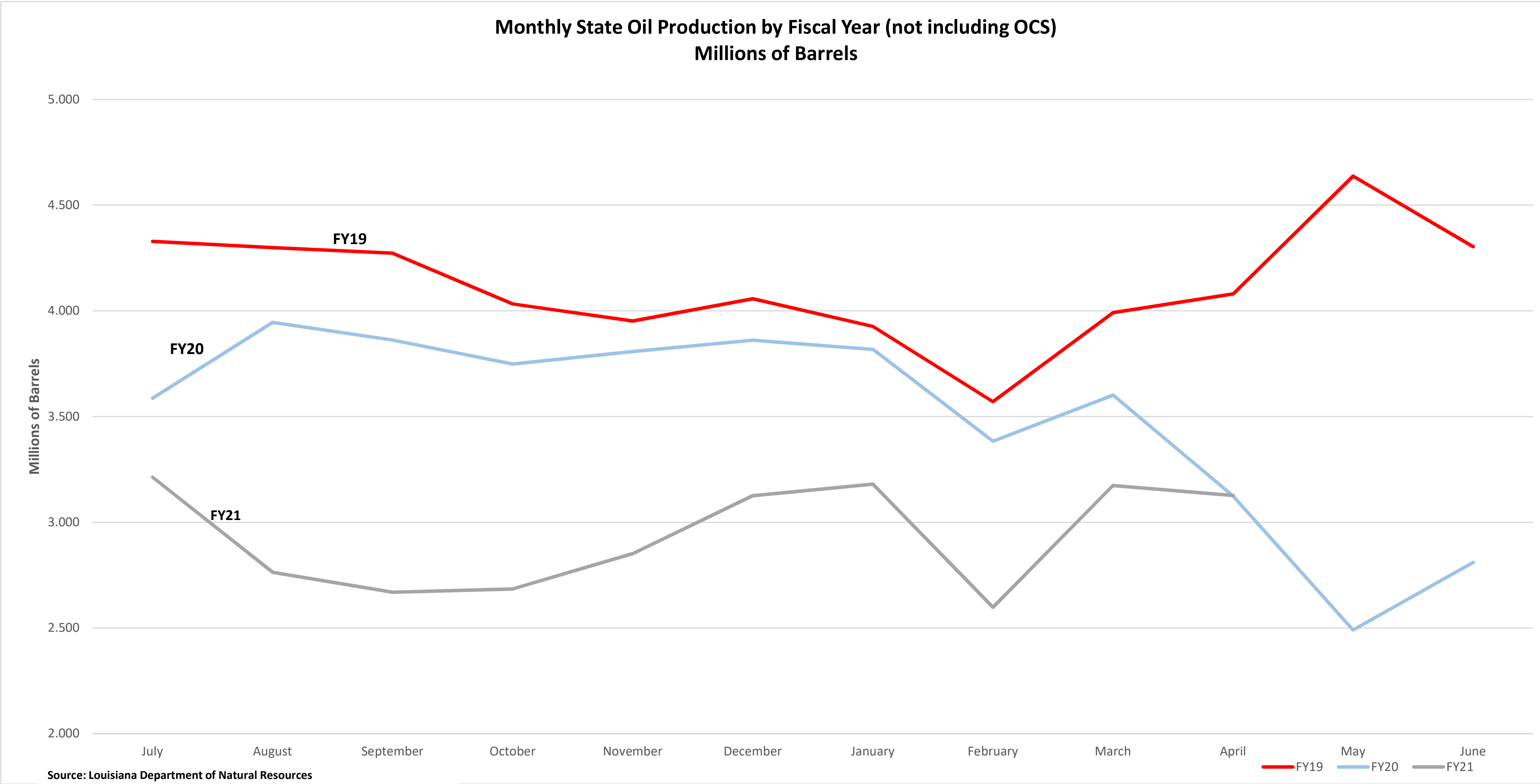
ROYALTY MONTHLY CASH COLLECTIONS
In millions of dollars

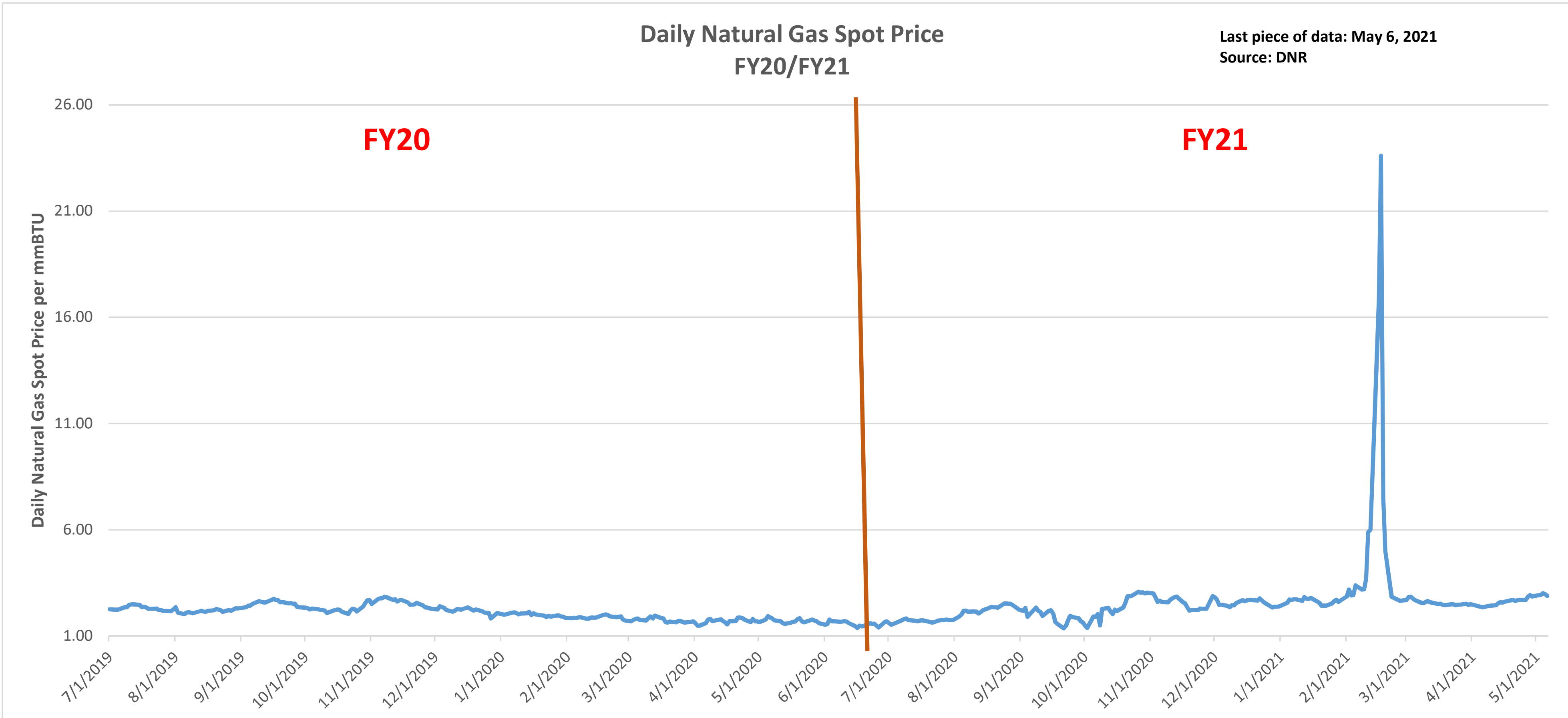
	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
August	34	41	42	21	22	10	14	11	6
September	36	44	43	9	15	11	17	13	6
October	36	44	32	17	13	12	15	12	6
November	30	44	36	16	11	10	16	12	7
December	46	37	32	14	12	11	17	11	7
January	39	34	28	13	11	13	16	11	6
February	41	37	20	10	13	14	17	13	7
March	47	32	18	7	13	14	15	14	10
April	40	38	17	10	13	13	13	9	9
May	40	42	19	10	11	14	15	6	
June	44	38	19	10	12	15	15	4	
July	42	34	21	11	16	14	17	4	




West Texas Intermediate Daily Price per Barrel
Last piece of data: May 6, 2021
Source: EIA/Platts
60.00
40.00
20.00
0.00
-20.00
-40.00
FY20
FY21
Monday, July 1, 2019
Thursday, August 1, 2019
Sunday, September 1, 2019
Tuesday, October 1, 2019
Friday, November 1, 2019
Sunday, December 1, 2019
Wednesday, January 1, 2020
Saturday, February 1, 2020
Sunday, March 1, 2020
Wednesday, April 1, 2020
Friday, May 1, 2020
Monday, June 1, 2020
Wednesday, July 1, 2020
Saturday, August 1, 2020
Tuesday, September 1, 2020
Thursday, October 1, 2020
Sunday, November 1, 2020
Tuesday, December 1, 2020
Friday, January 1, 2021
Monday, February 1, 2021
Monday, March 1, 2021
Thursday, April 1, 2021
Saturday, May 1, 2021
West Texas Intermediate


Monthly WTI and Oil Severance Tax Price
FY19-FY20-FY21
Dollars per Barrel
90.0
80.0
70.0
60.0
50.0
40.0
30.0
20.0
10.0
0.0
FY19
FY20
FY21
Jul-18
Aug-18
Sep-18
Oct-18
Nov-18
Dec-18
Jan-19
Feb-19
Mar-19
Apr-19
May-19
Jun-19
Jul-19
Aug-19
Sep-19
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
WTI price
Oil Severance Tax Price


Monthly State Oil Production by Fiscal Year (not including OCS)
Millions of Barrels
Millions of Barrels
5.000
4.500
4.000
3.500
3.000
2.500
2.000
FY19
FY20
FY21
July
August
September
October
November
December
January
February
March
April
May
June
FY19
FY20
FY21
Source: Louisiana Department of Natural Resources


Daily Natural Gas Spot Price
FY20/FY21
Last piece of data: May 6, 2021
Source: DNR
FY20
FY21
Daily Natural Gas Spot Price per mmBTU
26.00
21.00
16.00
11.00
6.00
1.00
7/1/2019
8/1/2019
9/1/2019
10/1/2019
11/1/2019
12/1/2019
1/1/2020
2/1/2020
3/1/2020
4/1/2020
5/1/2020
6/1/2020
7/1/2020
8/1/2020
9/1/2020
10/1/2020
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2/1/2021
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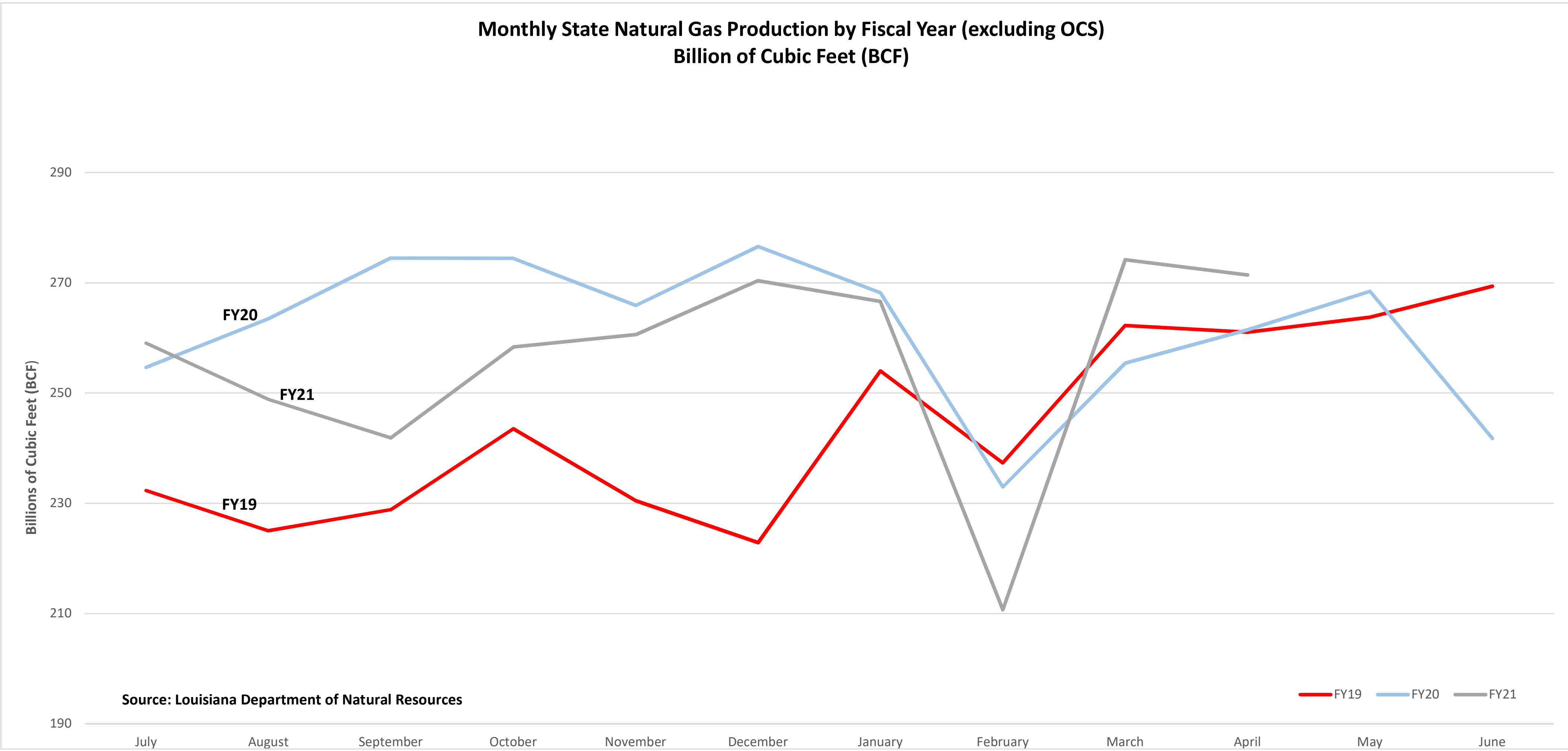
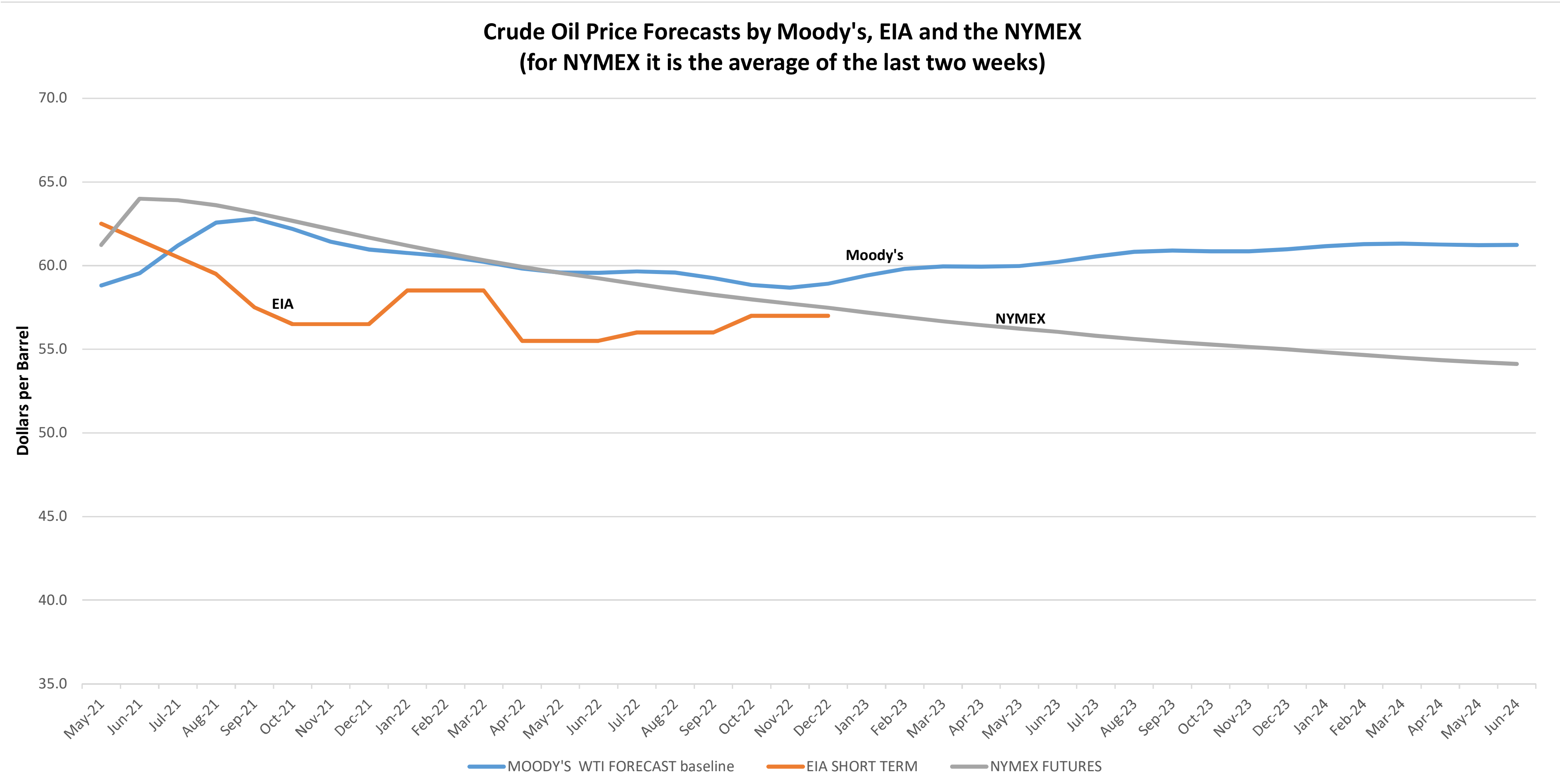
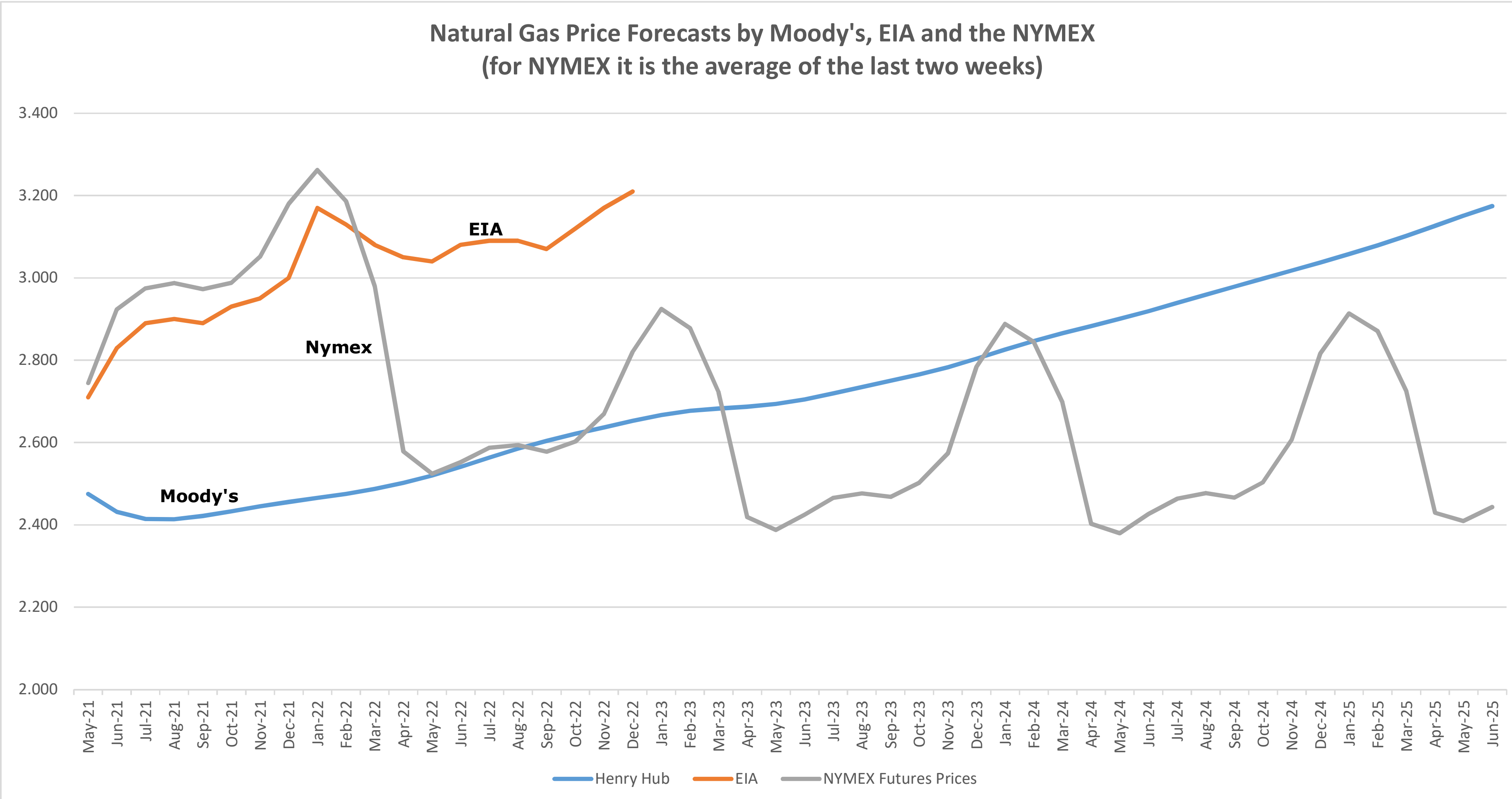
4/1/2021
5/1/2021


Monthly State Natural Gas Production by Fiscal Year (excluding OCS)
Billion of Cubic Feet (BCF)
Billions of Cubic Feet (BCF)
290
270
250
230
210
190
FY20
FY21
FY19
July
August
September
October
November
December
January
February
March
April
May
June
Source: Louisiana Department of Natural Resources



OPB Proposed Oil Price Forecast (dollars per barrel)

FY21	**$51.35**
FY22	**$59.58**
FY23	**$59.37**
FY24	**$59.59**
FY25	**$59.93**



OPB Proposed Natural Gas Price Forecast (dollars per MCF) and projected Severance Tax Rate

FY21	$2.77	9.3 ¢ the actual rate
FY22	$2.92	9.1 ¢ the actual rate
FY23	$2.84	11.0 ¢
FY24	$2.89	10.7 ¢
FY25	$3.01	12.6 ¢