



Executive Budget

Fiscal Year 2023-2024

Joint Legislative Committee on the Budget

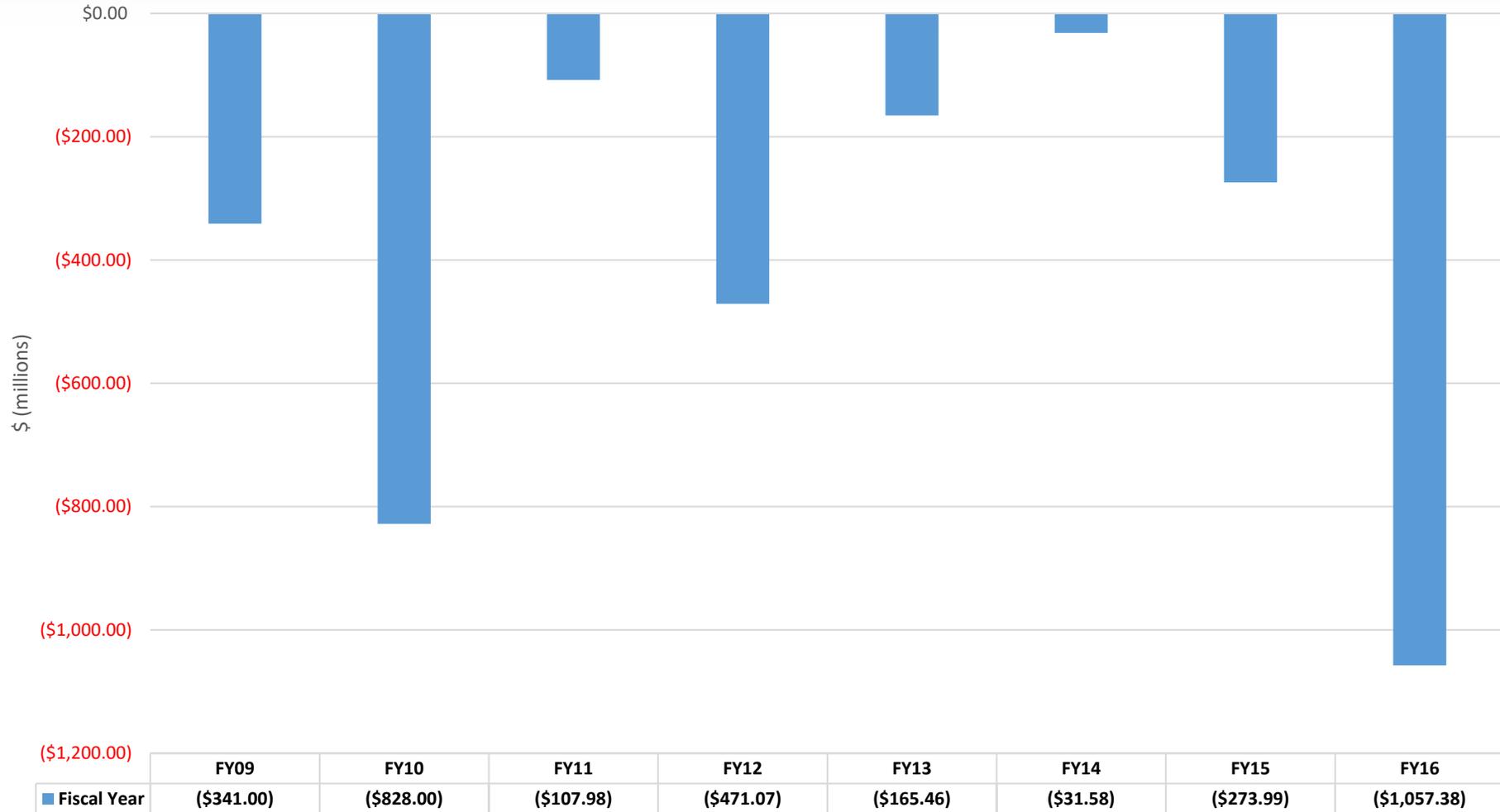
February 17, 2023

John Bel Edwards
Governor

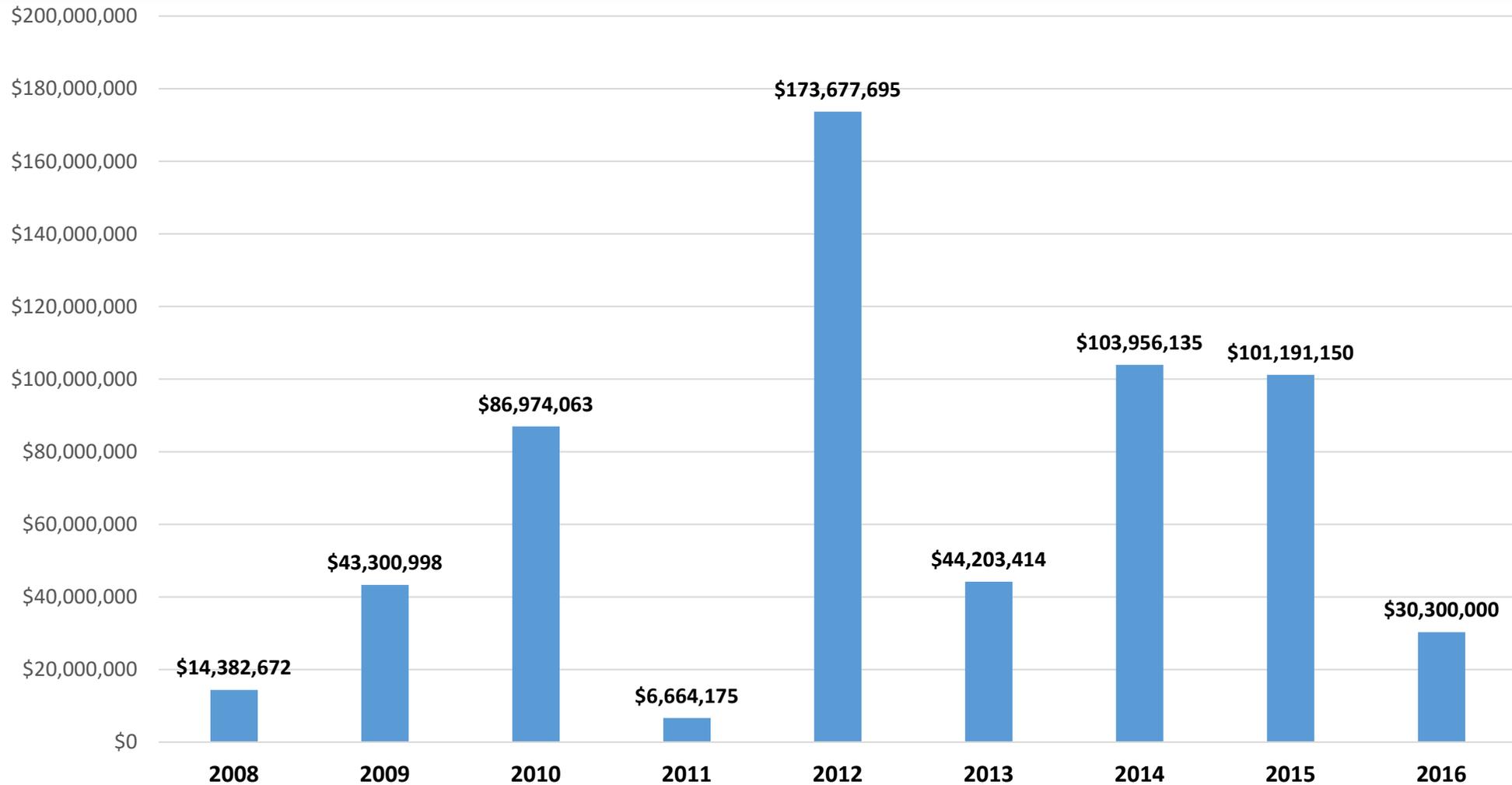
A circular frame containing a sunset over the ocean. The sun is low on the horizon, casting a golden glow across the sky and reflecting on the wet sand. The sky is filled with dramatic, dark clouds, some tinged with blue and purple. The ocean waves are breaking gently on the shore. The text "The Way We Were" is overlaid in white, sans-serif font across the middle of the image.

The Way We Were

Deficit Amounts FY 08-09 to FY 15-16



Fund Sweeps FY 08-09 to FY 15-16





FY 15-16 REC Forecast

- The Revenue Estimating Conference met on February 10, 2016 and lowered the current year forecast by \$570M.
- Budget development identified \$470M in shortfalls based on the use of one-time money.
- The FY 15-16 projected imbalance exceeded \$940M.

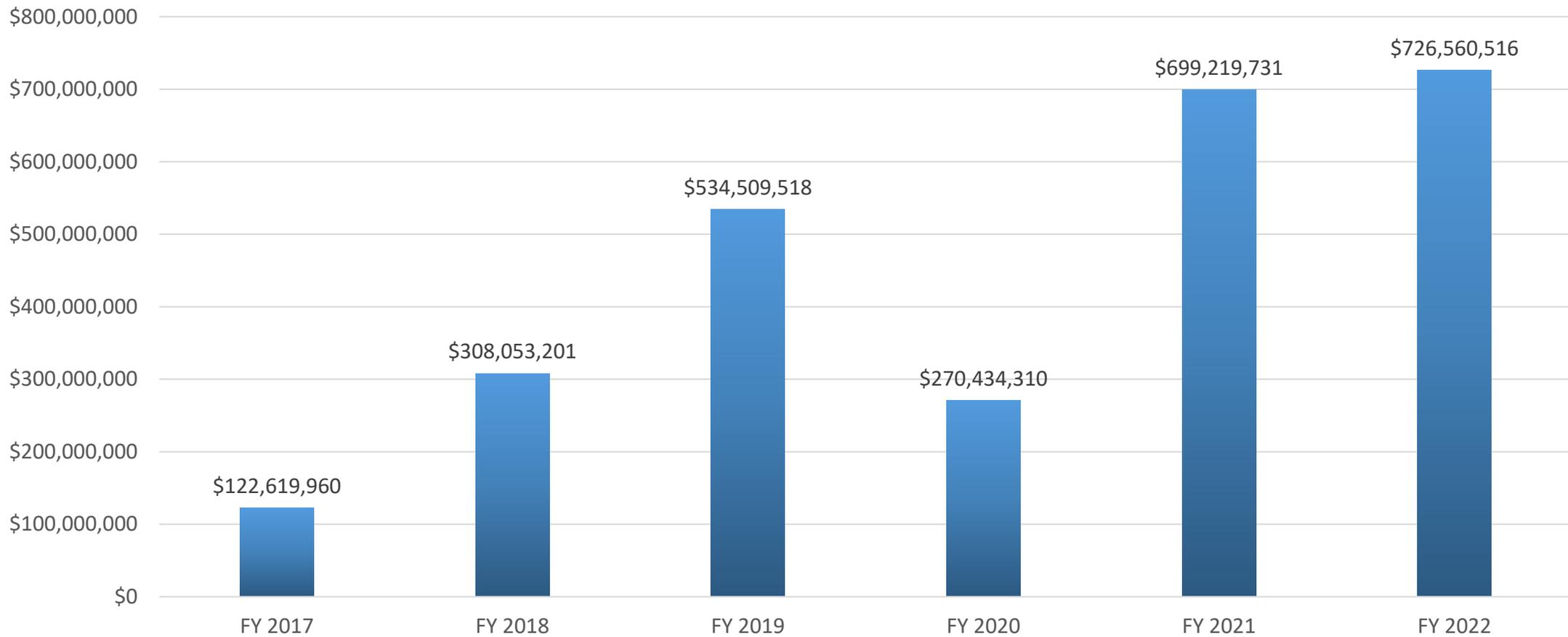
FY 16-17 Executive Budget



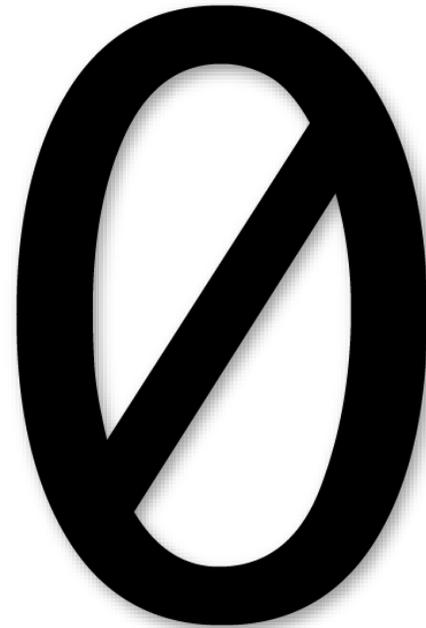
\$2B Shortfall



Budget Surplus FY 16-17 to FY 21-22



Fund Sweeps FY 16-17 to FY 22-23





Pennies from Heaven

Where are the Pennies?



FY 21-22 Surplus	\$726.5M
FY 22-23 Excess	\$928.5M
TOTAL	\$1.655B

FY 23-24 REC Forecast Change \$608M



American Rescue Plan Expenditures and Inflation Reduction Plan

Federal Relief Funding

The American Rescue Plan (ARP) Act of 2021 allocated \$3.011B to Louisiana from the Coronavirus State Fiscal Recovery Fund. In Fiscal Year 2021-2022, the state initially utilized \$1.63B of that funding. The remaining \$1.38B was allocated in various bills for state initiatives in Fiscal Year 2022-2023.

\$500M – Unemployment Compensation Fund

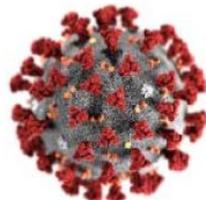
funds used to pay unemployment benefits

\$450M – Water Sector Program

grants for repairs, improvements, and consolidation of community water and sewer systems

\$334.3M – Infrastructure Projects

- \$100M - Lake Charles bridge
- \$100M – I-49 South
- \$85.3M – Highway Program
- \$10M – Acadiana Gulf of Mexico Access Channel
- \$25M – Department of Transportation & Development (DOTD) for competitive federal match needs and active cost overruns
- \$12.5M – Baton Rouge/New Orleans rail project
- \$1.5M – Globalplex Dock Access



\$100M – Various Initiatives

- **Early Childhood Supports & Services Program Fund (\$27M)**
to re-establish the program within the Department of Health (LDH)
- **Workforce Training Rapid Response Fund (\$25M)**
for the Louisiana Community and Technical College System to expand healthcare workforce training programs
- **Matching Funds Fund (\$23.7M)**
for the LDH and Department of Environmental Quality to match required funds for drinking water and clean water revolving loan programs
- **Rural Primary Care Physicians Development Fund (\$8M)**
for rural physician tuition reimbursements
- **Fisheries Hurricane Cleanup (\$5M)**
for the Department of Wildlife and Fisheries (LDWF) to match federal funds to cleanup boats and debris after Hurricane Ida
- **Reading Enrichment & Academic Deliverables (R.E.A.D.) Program (\$5M)**
to provide books and reading materials to students
- **Continuum of Care Fund (\$3M)**
for the Department of Children and Family Services to provide telecare and assist women with unplanned pregnancies
- **Small Business Innovation Research Grants (\$1.8M)**
for the Department of Economic Development (LED) to provide assistance to certain businesses who have applied for or received certain federal grants
- **Louisiana Wireless Information Network Tower (\$1.5M)**
to provide communication and information sharing during emergencies and weather events



Unappropriated ARP

- \$2 Million from primarily interest earnings



Edwards Era Accomplishments through FY 22-23

- Capital Investment Grants increased from \$4.6B in FY 16-17 to \$20.7B in FY 21-22.
- Lowest unemployment in history.
- Diversification: LNG manufacturing, water management, cybersecurity.
- Hudson Initiative applications increased by 300%.
- Veterans' initiative almost doubled from FY 20-21 to FY 21-22.
- ITEP changes meant greater than \$750M for local governments.
- Unprecedented commitment to coastal restoration.



Edwards Era Accomplishments through FY 22-23

- \$2.98B in additional dollars for transportation.
- \$100M invested in Early Childhood Education.
- Pay increases for certified and non-certified school personnel and higher education faculty.
- \$328M recurring dollars for higher education from FY 16-17 to FY 22-23.
- More than \$800M to modernize legacy IT systems.
- ESF17 (cyber response and protection) has stopped numerous cyber attacks and responded to emergencies in all 64 parishes.

What's Next?

Fiscal Year 21-22 Surplus
\$726.5M



Use of Non-Recurring State Funds

Article VII, Section 10 appropriation of money in the official forecast designated as non-recurring shall be made only for:

- Deposits into the Budget Stabilization Fund (25% shall be deposited into the fund)
- Payments against the unfunded accrued liability (10% shall be appropriated)
- Retiring or the defeasance of bonds
- Funding for capital outlay projects
- Highway construction for which federal matching funds are available
- Deposit into the Coastal Protection and Restoration Fund



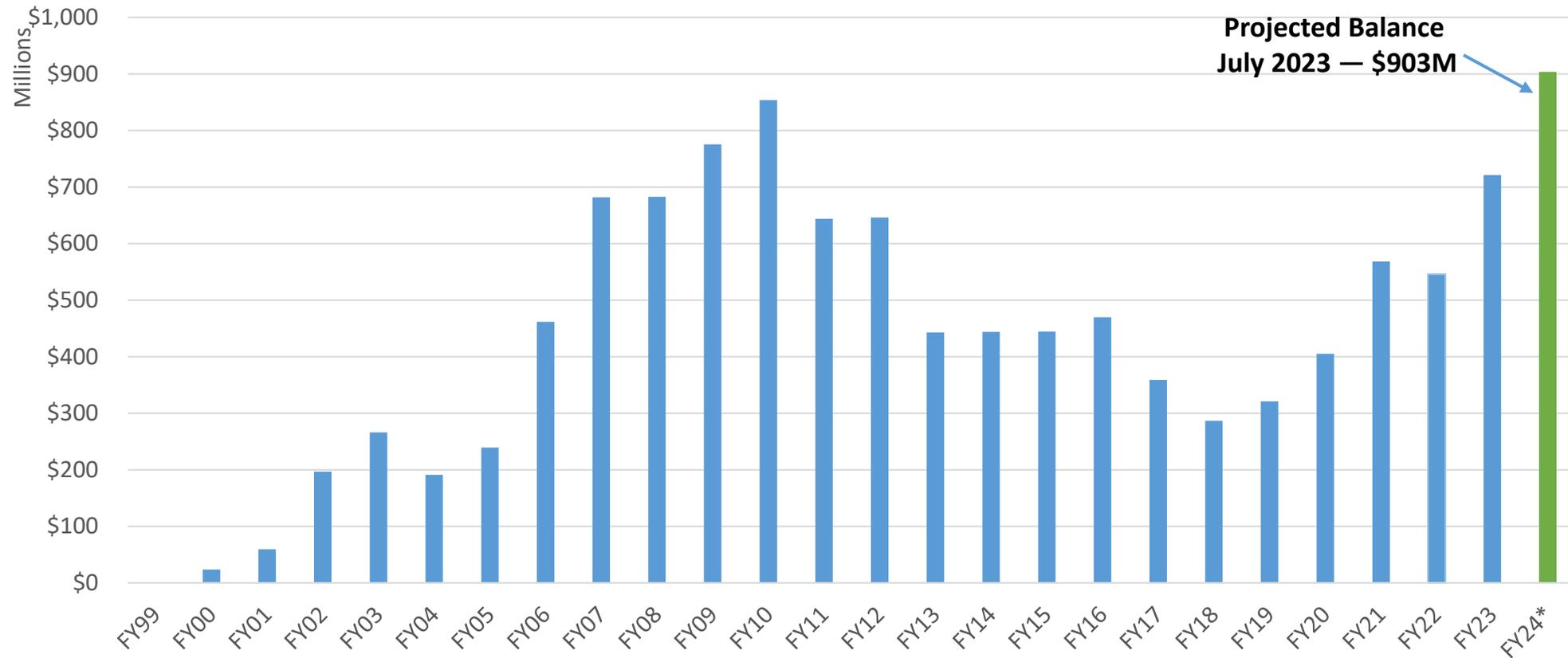
Recommended Use of Non-Recurring State Funds

Rainy Day Fund	\$181,630,129
Unfunded Accrued Liability	\$72,652,052
DOTD	\$157,412,779
CPRA	\$157,412,778
Deferred Maintenance FP&C	\$157,412,778
TOTAL	\$726,520,516



Budget Stabilization Fund – Beginning Balances

(July 1 of Fiscal Year)

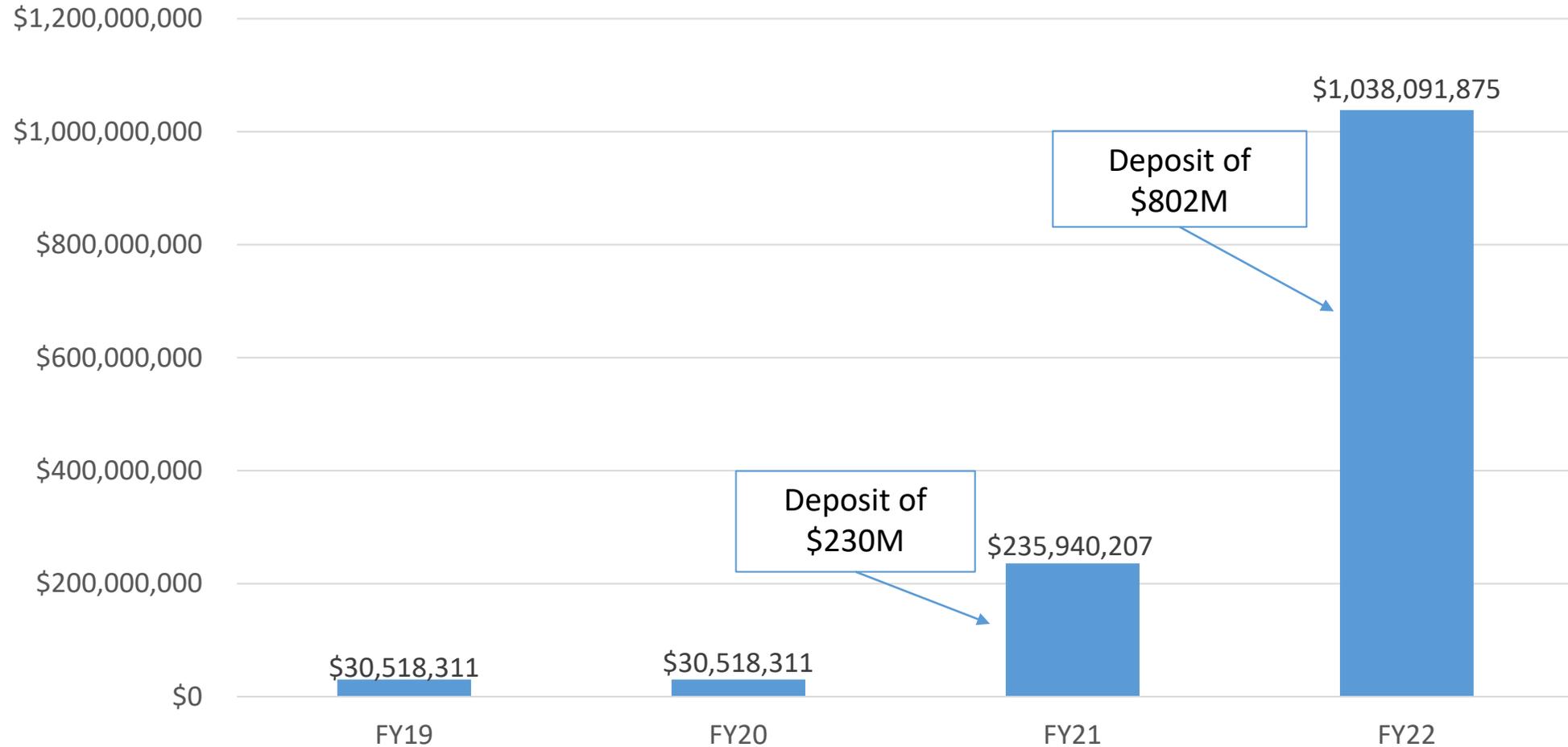


*Includes anticipated deposit of \$180M of FY22 Surplus.



Revenue Stabilization Fund

Balance Determined during Fiscal Year End Process



Created by Act 679 of the 2016 Regular Session

FY 22-23 Excess



\$928.5M

No one-time money is used for recurring expenditures, but it is wise to use some recurring money for one-time expenditures.

FY 22-23 Recommendations for Supplemental and Funds Bills



FY 22-23 Supplemental and Funds Bills

- \$20.5M – Road Home Program closeout costs
- \$100M – FEMA repayments for cost share obligations from various storms dating back to Katrina (current estimate)
- \$84M – Acquisitions and Major Repairs (*using excess funding for one-time expenses*)
- \$36M – Hurricane Ida and other emergency non-congregate shelter expenses (current estimate)



FY 22-23 Supplemental and Funds Bills

- \$340M – DOTD Highway Program
 - \$95M for state match for federal programs
 - \$195M cost overruns for ARP funded projects
 - \$50M for federal funding opportunities
- \$7M – DNR requirements for federal grant funding including contractor expenses for HALO project
- \$15M – LA Cancer Research Center equipment purchases for researcher packages



FY 22-23 Supplemental and Funds Bills

- Excess State General Fund Transfers:
 - \$100M – Higher Education Initiatives Fund for various programs, including allied health and nursing programs, cybersecurity, high demand worker training for 2-4 year institutions, campus security statewide
 - \$10M – Voting Technology Fund for new voting system
 - \$38M – White Lake Property Fund restoration of the shoreline
 - \$28.3M – Oyster Resource Management Account for Oyster Strategic Plan Initiatives
 - \$26M – Early Childhood Education Fund

FY 23-24 Executive Budget

Revised Revenue Estimates for FY 23-24



	Forecast May 9, 2022	Official Forecast December 15, 2022
Taxes, Licenses & Fees	\$13,673.3	\$14,461.1
Dedications	(\$2,839.2)	(\$3,019.0)
State General Fund Direct	\$10,834.1	\$11,442.1

In
Millions

Official forecast increased state general fund direct by \$608M.

FY 23-24 Budget Comparisons



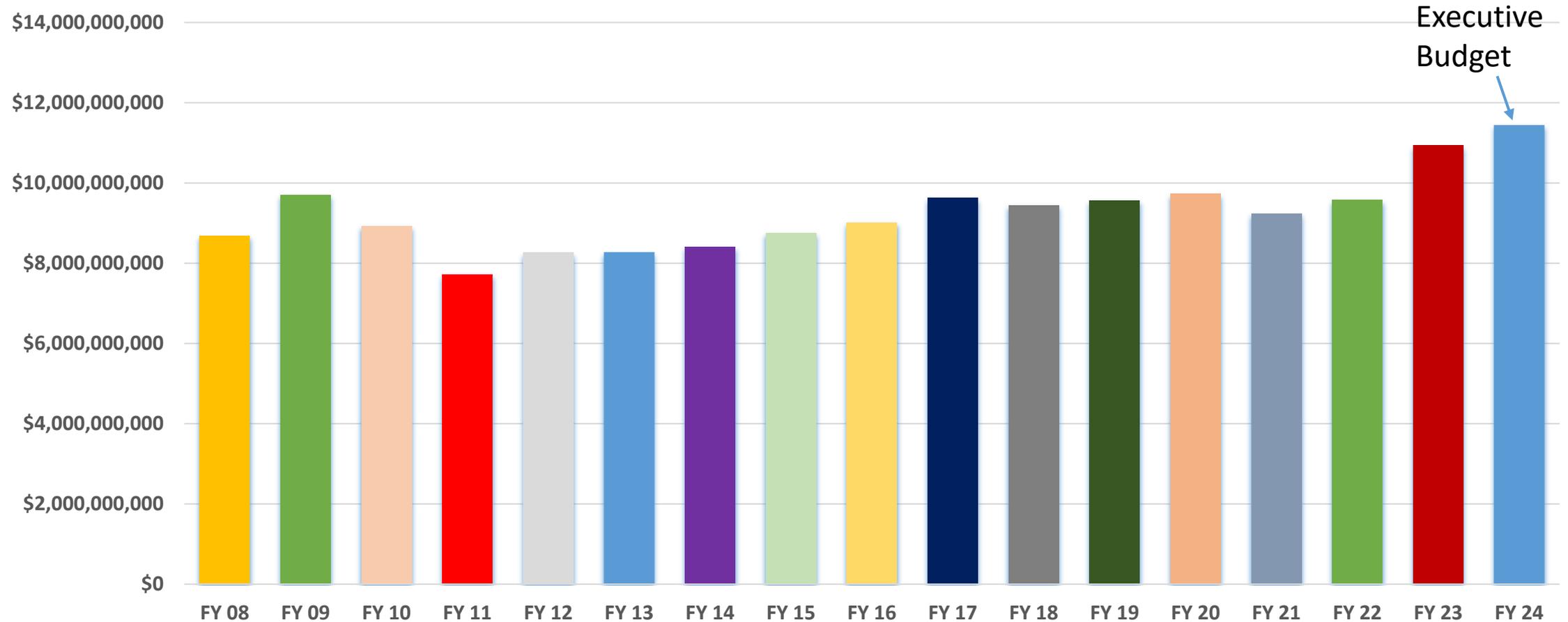
	FY 22-23 Existing Operating Budget	FY 23-24 Executive Budget	Over/Under Budgeted
General Fund	\$11,270.5	\$11,442.1	\$171.6
Fees/Self-Generated	\$3,663.7	\$3,679.8	\$16.1
Statutory Dedications	\$7,682.7	\$6,818.2	(\$864.5)
Federal Funds	\$23,537.9	\$23,754.7	\$216.7
Total	\$46,154.9	\$45,694.8	(\$460.1)

In
Millions

Exclusive of double counts

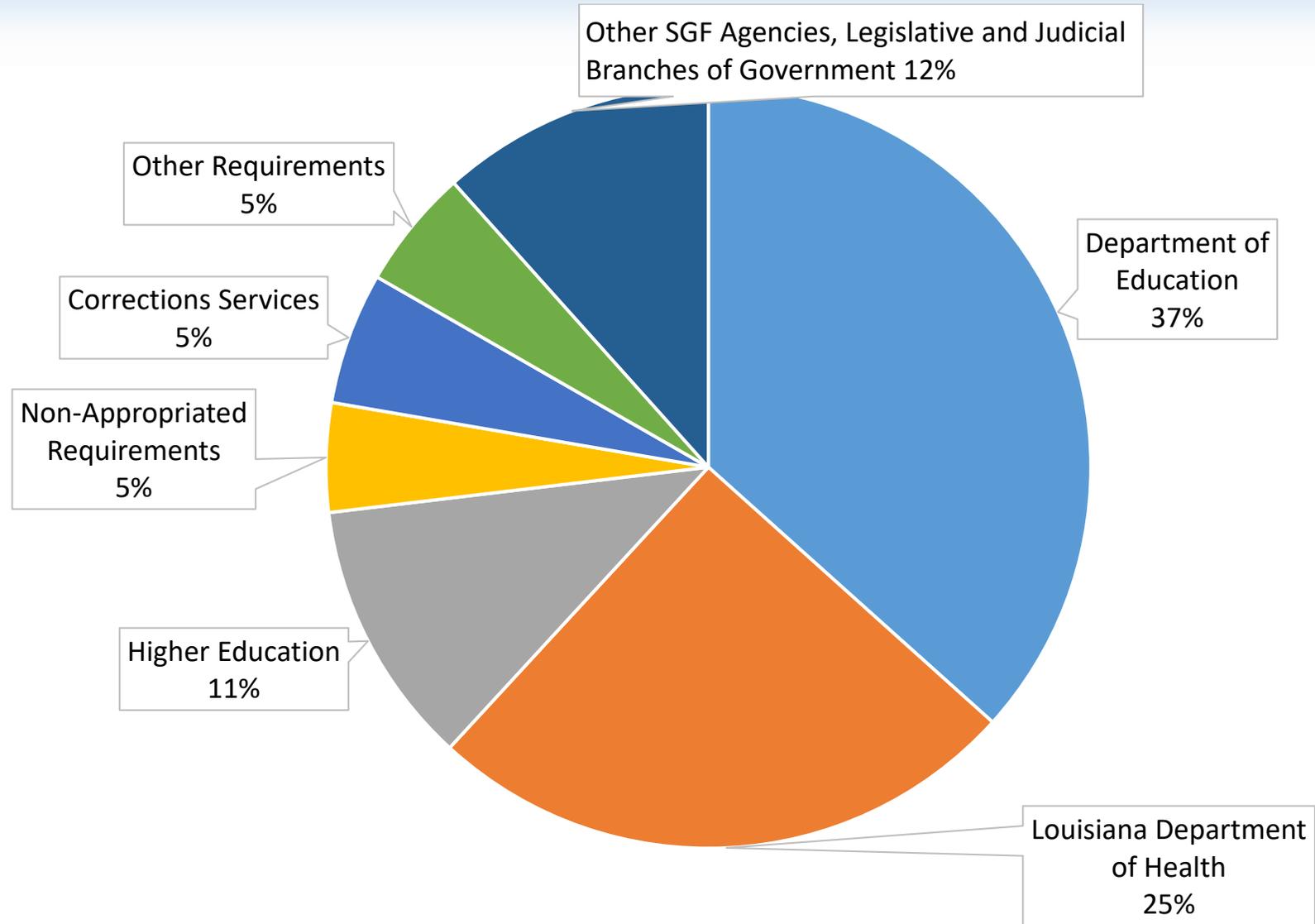


General Fund Budget



General Fund Budgeted July 1

State General Fund





FY 23-24 Executive Budget

Investing in the Future

Major Increases	General Fund
K-12 Teacher Pay Increases @ \$2,000/\$1000	\$196.5
Higher Education faculty pay increase, statewide costs	\$56.5
Higher Education (formula funding, specialized units funding, Go Grants, LSU-HSC-S Medical School, Pennington)	\$57.0
Cyber Assurance Program - Cybersecurity Initiatives	\$53.2
Department of Education - Early Childhood – increased state investment above pre-pandemic levels	\$51.7
Supplemental Pay to Local Law Enforcement (20% increase)	\$23.4
LA School Safety Initiatives	\$8.97

In
Millions



General Fund Investment

Department of Education

K-12 teacher and support worker pay raise	\$196.5M
Early Childhood increased state investment above pre-pandemic levels	\$51.7M
Camera maintenance and storage costs for special education classroom cameras	\$800,000
Teacher certification application reviews/renewals additional staff support to reduce backlog	\$559,752



General Fund Investment

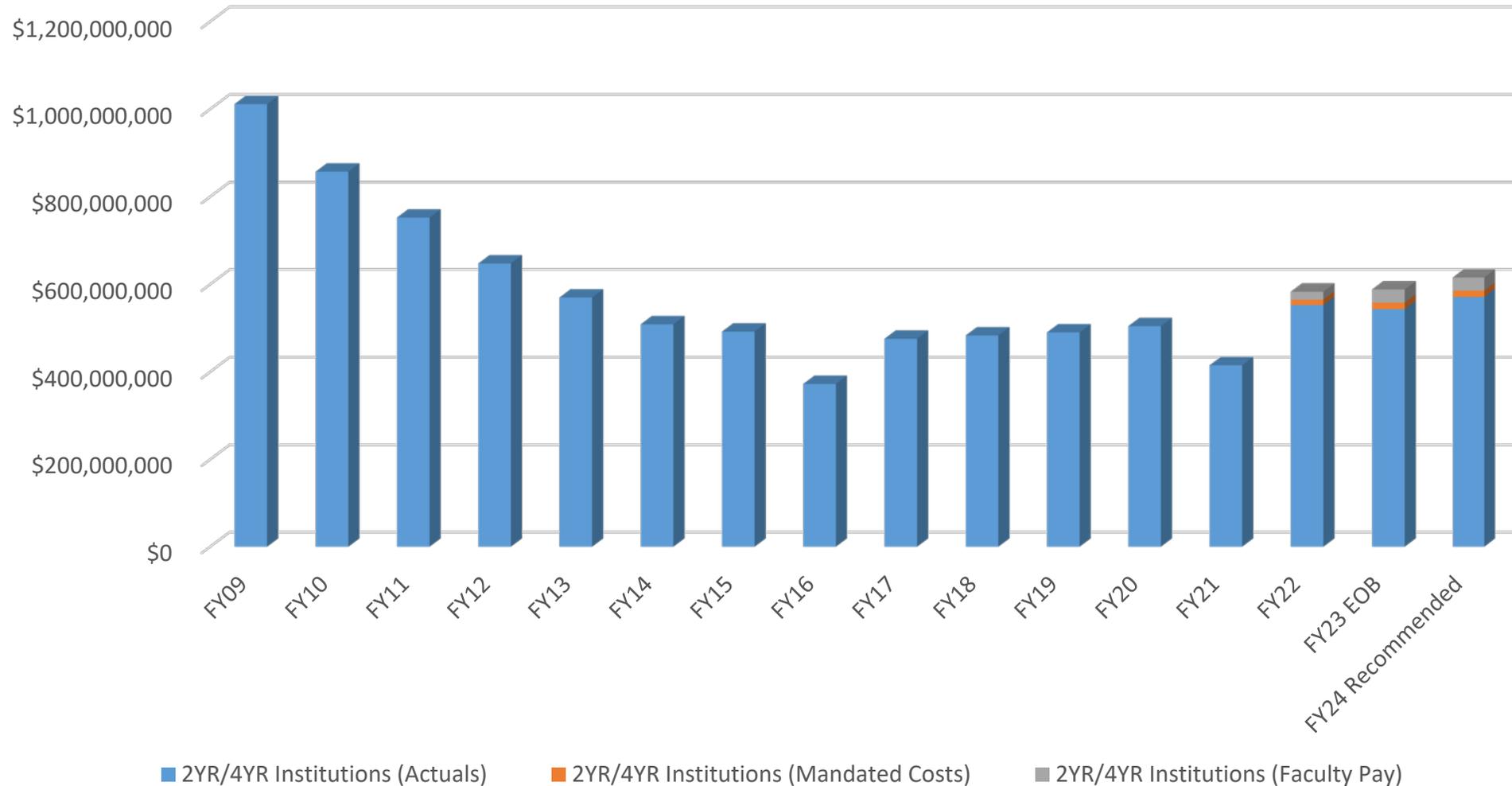
Higher Education

Faculty/Staff pay increase/related benefits	\$37.5M
Formula funding	\$28M
Mandated cost increases and LSU First	\$19M
Go Grants	\$15M
LSU-HSC-S Medical School	\$12M
Pennington faculty recruitment/retention	\$2M
LUMCON BlueWorks operations	\$2M

Higher Education



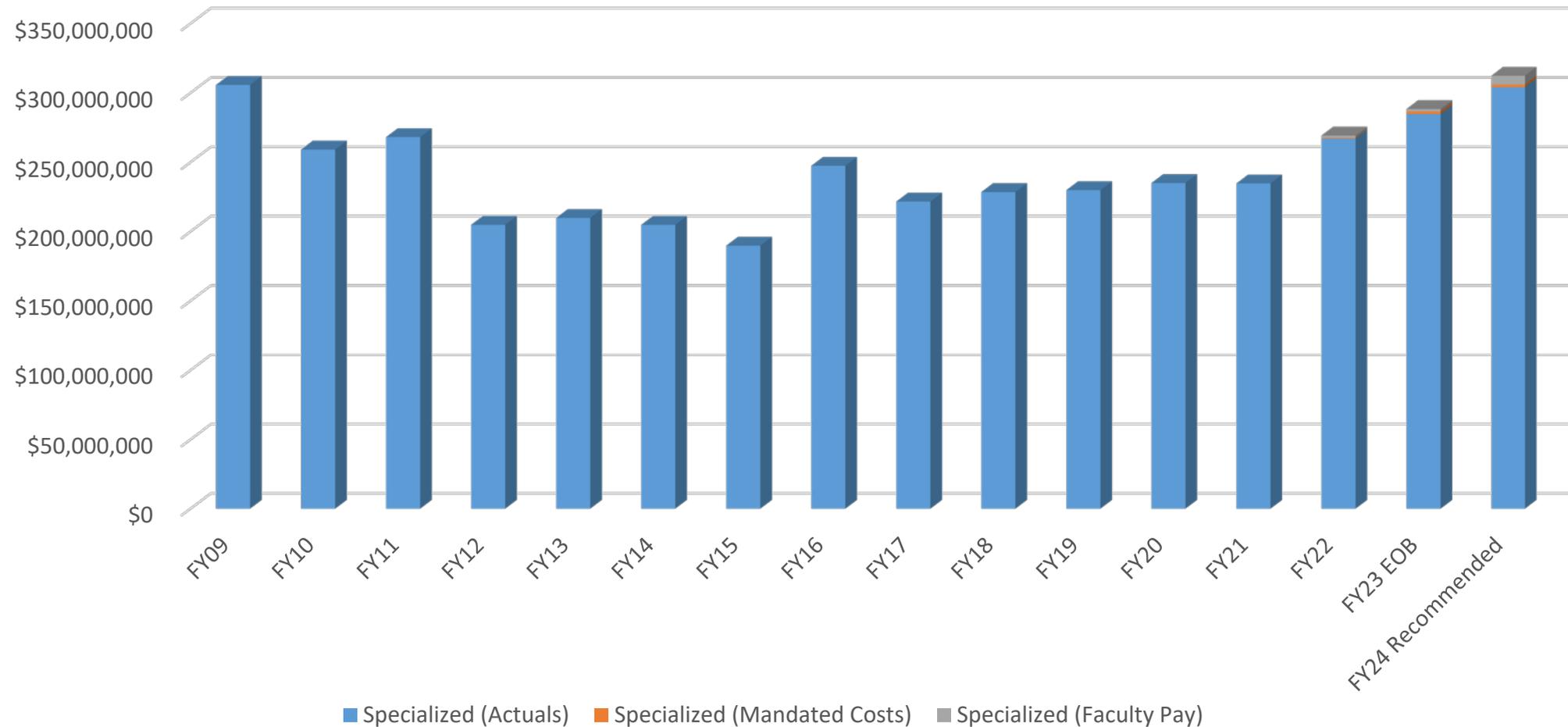
2YR/4YR Institutions (Actuals)



Higher Education



Specialized Institutions (Actuals)



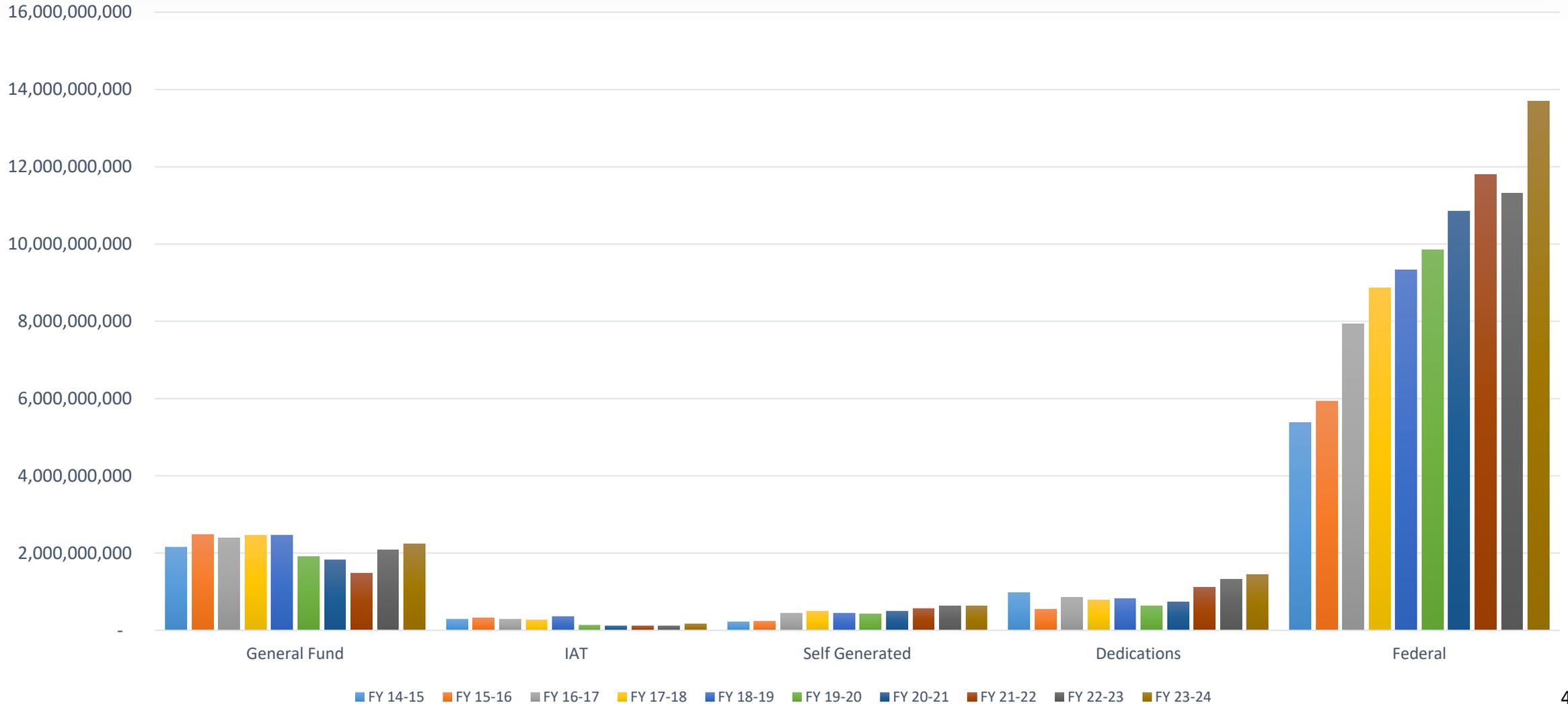
The current year budget and the Executive Budget for FY 23-24 include the scheduled reduction in FMAP in accordance with federal rules. These funds have the intended purpose of covering costs for the department as the Medicaid rolls are reduced.



Louisiana Department of Health

- General Fund increased by \$205M, Medical Assistance Trust Fund increased by \$84.3M and federal funds increased by \$161.3M.
- \$110.7M from the final Public Health Emergency (PHE) enhanced rate is included in the budget for one-time expenses associated with disenrollment.

Medical Vendor Payments





General Fund Investment

Department of Children and Family Services

Family First continuation of funding for keeping children in their homes rather than foster homes	\$3.5M
Larger emergency shelter in Mansfield for broader functionalities	\$1.7M
Increase in boarding rates for transitional living placements of children ages 16 to 21	\$239,587

Additionally, converted 71 job appointments into full-time T.O. staff in the Division of Child Welfare. The Table of Organization is fully funded.



General Fund Investment

Office of Juvenile Justice

- Post-pandemic, the current number of youth being served by OJJ (custody and supervision) has increased to 2,885 youth statewide.
- Secure care placement, the most expensive level of OJJ care, has increased by 10.71%. OJJ saw an increase from 56 admissions in the fourth quarter of 2021 to 62 admissions in the fourth quarter of 2022.
- OJJ opened and operates secure care transitional treatment units at Acadiana St. Martinville and Bridge City West Feliciana to ensure youth engaging in violent and aggressive behavior can receive intensive self-regulatory, coping and social skills needed to successfully reintegrate back into the general population at one of the secure care facilities.

Office of Technology Services - Modernization



- HCR 121 of the 2017 Regular Session identified 157 legacy IT systems and infrastructure at operational risk with a project replacement cost of over \$1B.
 - 80 systems have been or are actively being modernized to reduce technical debt by \$782M.
 - Over 5,000 servers and over 80% of legacy hardware have been migrated to modernized OTS line of service infrastructure reducing technical debt by an additional \$60M.



Emergency Support Function -17: Cyber Incident Management and Response

Multi-Agency Partnership: OTS (primary agency), Louisiana Military Department (primary agency), Governor’s Office of Homeland Security and Emergency Preparedness (“GOHSEP”), and Louisiana State Police Cyber Crime Unit (“CCU”).

Co-Leads: Dustin Glover, State Chief Cyber Officer, and LTC Stephen Durel, deputy J36 at Louisiana National Guard.

Formal Establishment: JBE Executive Order 19-12 (2019) to conduct cyber incident response and management.





ESF-17 Prevention Statistics

- **Winter 2022**: stopped attempted cyber-attack on medical centers (treatment and educational).
- **Fall 2022**: stopped attempted cyber-attack on parish school district.
- **Summer 2022**: ESF-17 informed city of malicious cyber activity – City stopped activity with professional vendor.
- **Spring 2022**: stopped ransomware attack on large metropolitan hospital system.
- **Fall 2021**: Stopped cyber-attacks on two Sheriffs during Hurricane Ida.

"Prevention" includes stopping malicious encryption, data loss, and/or preserving operations.

ESF-17 Response Statistics

- **112 entities assisted in 54 cyber emergencies.**
- Responded to incidents in all **64 parishes.**
- Reimaged, configured, and/or rebuilt over: **75,000 endpoints** and **5,000 servers.**
- Deployed over **120 next generation firewalls** and over **25,000 units of endpoint protection software statewide.**

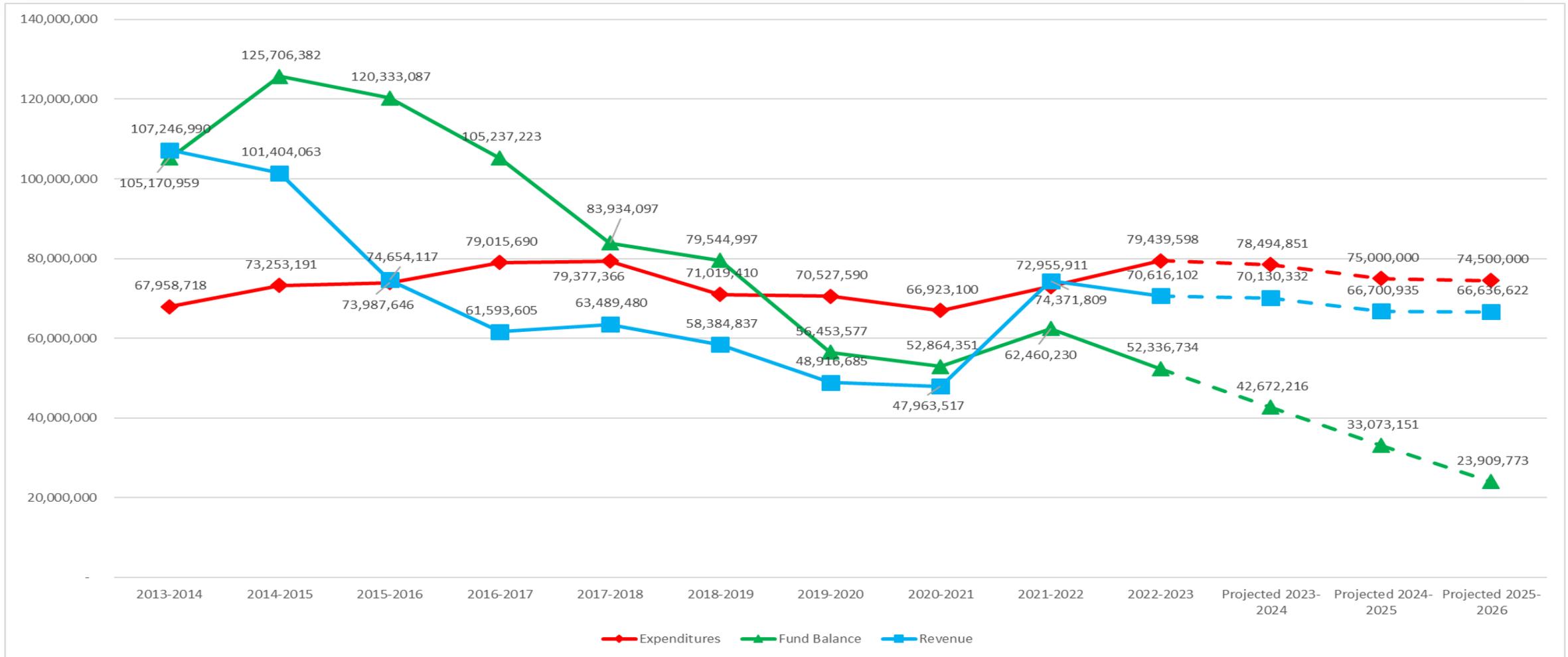
Looking Forward to the Future

Department of Natural Resources



- HALO – the application is due early April 2023, and a decision by the federal government is expected during the summer. Approximately \$50M would be the grant allocated to DNR. No state match is required.
- The state Energy Office will apply this summer for two additional grants for energy efficiency and weatherization.
 - HOMES rebate from the Inflation Reduction Act for energy efficiency updates for single family homes or multi-family buildings – \$107M.
 - High Efficiency Electric Home Rebates – provides point of sale rebates for qualified electrification projects – \$106M.
- The first tranche of the formula grant for orphan wells and remediation is included in the FY 23-24 budget (\$25M).

Conservation Fund



Louisiana Universities Marine Consortium (LUMCON)

The Louisiana Universities Marine Consortium serves as a hub for all post-secondary campuses in the state offering marine education & research programs, as well as a stand-alone marine lab and research facility providing both a field and laboratory research & education site in Cocodrie on the coast and a maritime research & outreach facility in Houma.

LUMCON MISSION: *promote, facilitate and conduct research and education collaborations among Louisiana's universities in marine and coastal sciences relevant to the sustainability of coastal and marine environments of the Gulf of Mexico*



LUMCON VISION: *Our coasts and oceans revitalized through innovation, collaboration, and community action*

Members of the Consortium include:

Centenary University	Northwestern State University
Dillard University	Southeastern Louisiana University
Grambling State University	Southern University-Baton Rouge
Louisiana State University-Alexandria	Southern University-New Orleans
Louisiana State University-Baton Rouge	Southern University-Shreveport
Louisiana State University-Eunice	University of Louisiana-Lafayette
Louisiana State University-Shreveport	University of Louisiana-Monroe
Louisiana Tech University	University of New Orleans
Loyola University of Louisiana	Tulane University
McNeese State University	Xavier University of Louisiana
Nicholls State University	Louisiana Community and Technical College System

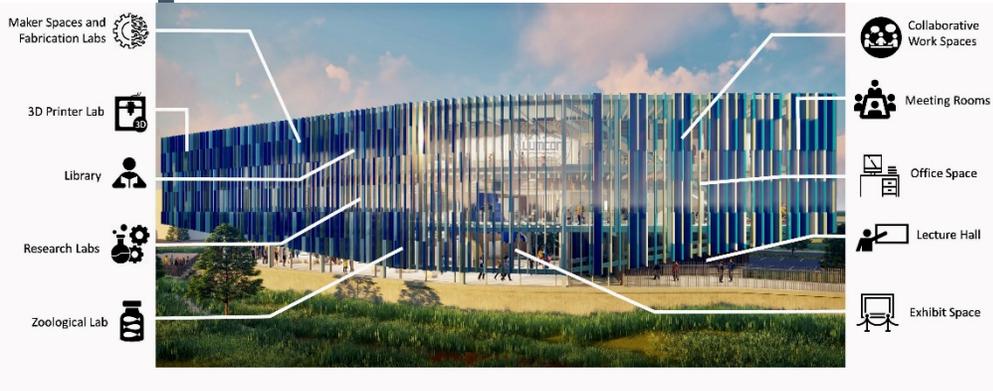
Additionally, LUMCON faculty and staff collaborated with representatives of more than 400 colleges, universities, not-for-profit institutions, international federal and state agencies in 2022.



Louisiana's Investment in Marine Science

Over the past five years, Louisiana has made significant investments in the future of the marine sciences in Louisiana, including:

- \$37M expansion of LUMCON facilities at the Houma Maritime Campus
 - World-class education and research facility (top left), opens in mid-2023
 - Marine Operations Center including vessel slip and bulk-heading of property to support vessel fleet, opens in 2024
- \$42M replacement (bottom left) for Research Vessel (R/V) *Pelican*
 - R/V Pelican has served as the flagship of Louisiana's research fleet as the workhouse of the Gulf as the most heavily used vessel of its size class in the national academic research fleet for almost 40 years
 - Design of the Pelican's replacement (left) is complete, construction completion expected in 2025.



Louisiana Cancer Research Center

Faculty Engagement and Alignment



- LCRC membership includes more than 150 researchers representing strong inter- and intra-disciplinary activity across the member institutions.
- Under the leadership of the CEO/Executive Director, LCRC recently added faculty from across the state from Louisiana Tech, ULM, ULL, LSU Shreveport, Pennington and Dillard with additional new memberships in process. They will now have access to developmental funds, seminars and leadership opportunities.
- LCRC maintains shared resource cores that support laboratory, clinical and population sciences research. Many of these can be used regardless of physical location of the researcher.
- Strengths include molecular genetics and signaling, proteomics, immunology, infection and inflammation, viral oncology, drug discovery and minority health and health disparities.

Louisiana Checkbook State Employee Salaries



Louisiana
CHECKBOOK

[ABOUT](#)

[LINKS](#)

[FEEDBACK](#)

[SALARIES](#)

[POSITIONS](#)

Salaries

Year:

2022

Department:

ALL

Agency:

All

Job Title:

governor

Employee:

JOHN EDWARDS

Filter

Year ▲	Department ◆	Agency ◆	Employee ◆	Job Title ◆	Retirement System ◆	Employee Classification ◆	Hourly Rate ◆	Total Compensation ◆	Employer Payroll Benefit Cost ◆
2022	EXECUTIVE DEPT	Gov-Executive Office	JOHN EDWARDS	GOVERNOR OF STATE	Louisiana State Employees' Retirement System	Elected	\$ 60.19	\$127,407.48	\$66,603.23