



GOVERNOR JEFF LANDRY

EXECUTIVE BUDGET

FISCAL YEAR 2025-2026

JOINT LEGISLATIVE COMMITTEE ON
THE BUDGET

FEBRUARY 20, 2025

Standstill Budget



PREPARING EXECUTIVE BUDGET

Began budget preparation using a standstill philosophy

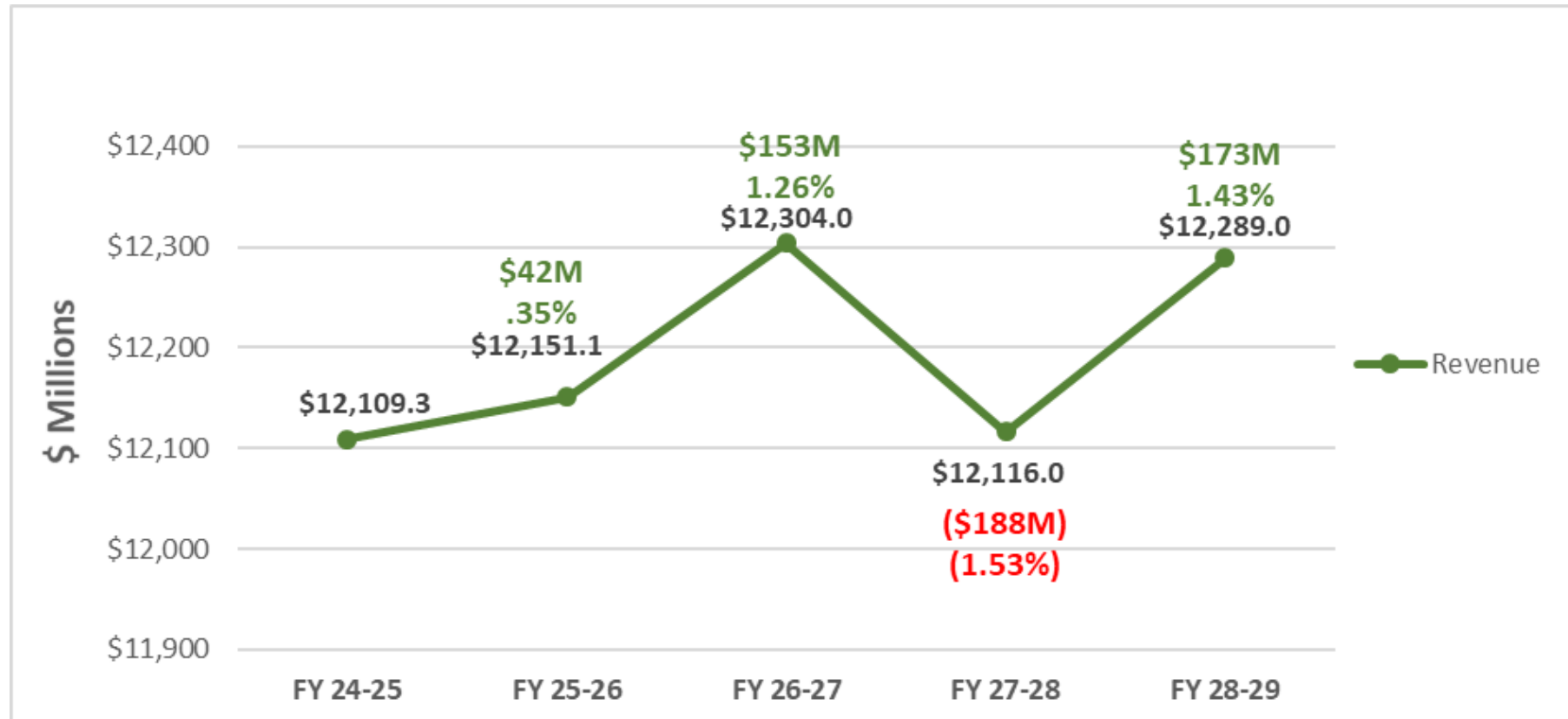
- Removed one time items from current year in attempt to get back to baseline funding
- Removed items identified by cabinet members as efficiencies based on Executive Order 24-11
- Made adjustments for:
 - Increased utilization/workloads
 - Items required by law (State and/or Federal Mandates)
- Attempted to fund non-recurring expenses when possible



REVENUE ESTIMATES

REC Forecast

- FY25 to FY26 is flat
- FY26 to FY27 has increase
- FY27 to FY28 has decrease
- FY28 to FY29 increases but not back to FY27 level



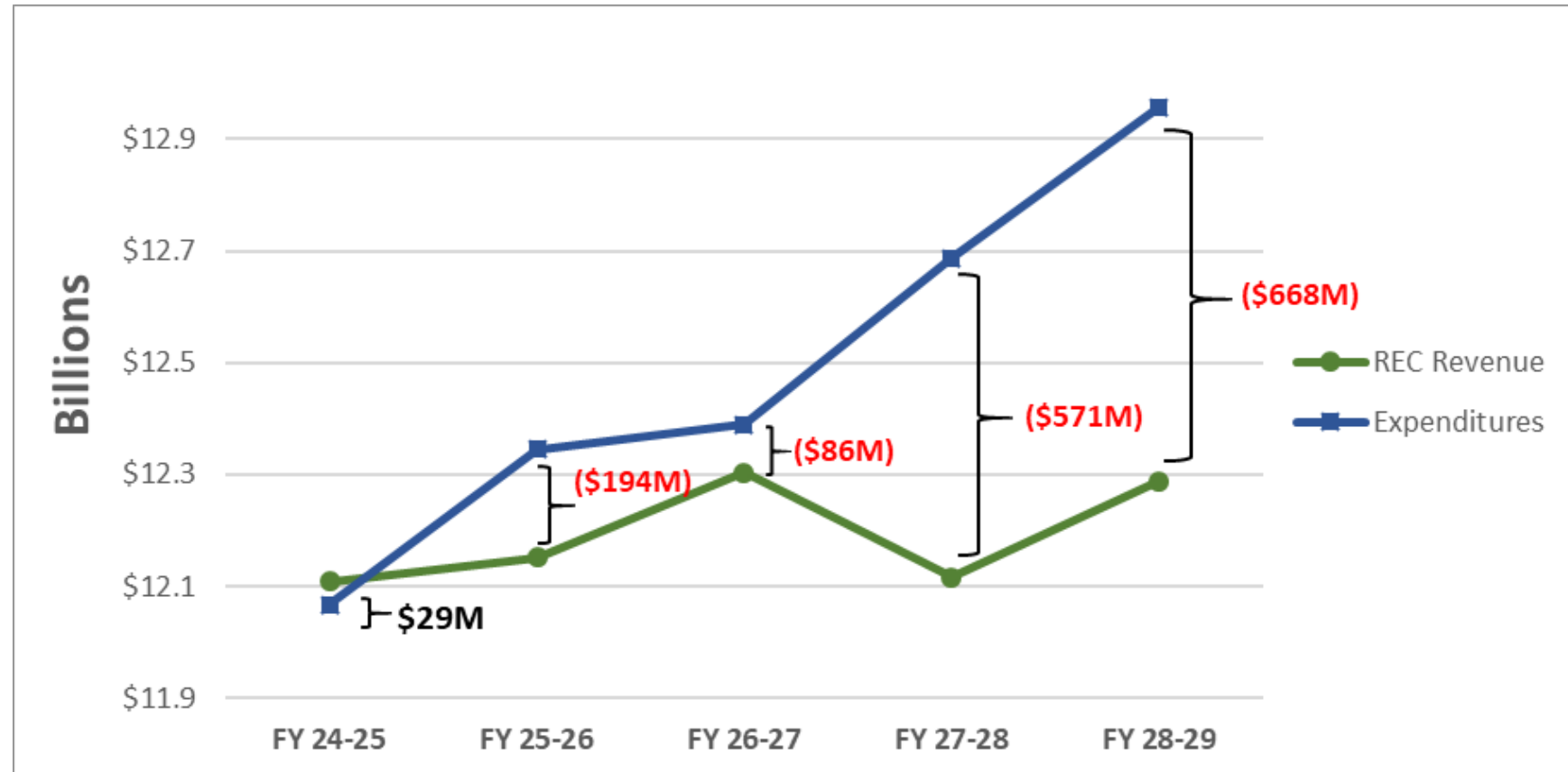
Source: Revenue Estimating Conference Official Forecast Adopted 12/19/24



REVENUE AND EXPENDITURES

5 Year Forecast

- Potential shortfalls in FY28 and FY29
- Does not include potential impact of Constitutional Amendment



Source: Five Year Base Line Projection presented to JLCB on 1/16/25

Fiscal Year 2025-2026 Executive Budget



CHANGE FROM FY25 to FY26

Without IAT and **With** Carry Forwards

Means of Finance (MOF)	FY 24-25 Existing Operating Budget As of 12/1/24	FY 25-26 Executive Budget	Over/(Under) EOB	
State General Fund	\$12,494,095,454	\$12,151,100,000	(\$342,995,454)	(2.75%)
Fees/Self Generated	\$3,813,831,370	\$3,794,541,208	(\$19,290,162)	(0.51%)
Statutory Dedications	\$6,954,600,502	\$6,260,033,533	(\$694,566,969)	(9.99%)
Total State Funds	\$23,262,527,326	\$22,205,674,741	(\$1,056,852,585)	(4.54%)
Federal Funds	\$22,130,926,437	\$22,757,540,112	\$626,613,675	2.83%
Total Budget	\$45,393,453,763	\$44,963,214,853	(\$430,238,910)	(0.95%)



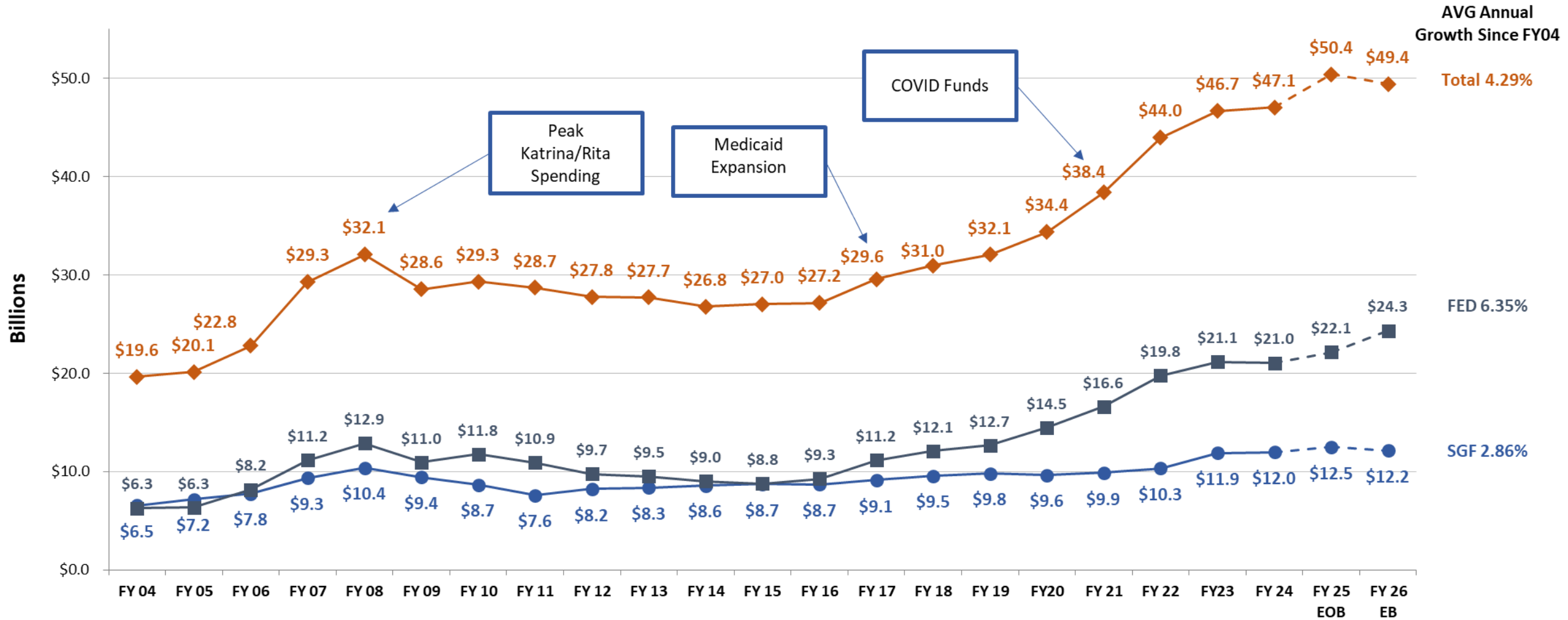
CHANGE FROM FY25 to FY26

Without IAT and **Without** Carry Forwards

Means of Finance (MOF)	FY 24-25 Existing Operating Budget As of 12/1/24	FY 25-26 Executive Budget	Over/(Under) EOB	
State General Fund	\$12,067,768,287	\$12,151,100,000	\$83,331,713	0.69%
Fees/Self Generated	\$3,773,764,025	\$3,794,541,208	\$20,777,183	0.55%
Statutory Dedications	\$6,817,888,103	\$6,260,033,533	(\$557,854,570)	(8.18%)
Total State Funds	\$22,659,420,415	\$22,205,674,741	(\$453,745,674)	(2.00%)
Federal Funds	\$21,995,959,431	\$22,757,540,112	\$761,580,681	3.46%
Total	\$44,655,379,846	\$44,963,214,853	\$307,835,007	0.69%

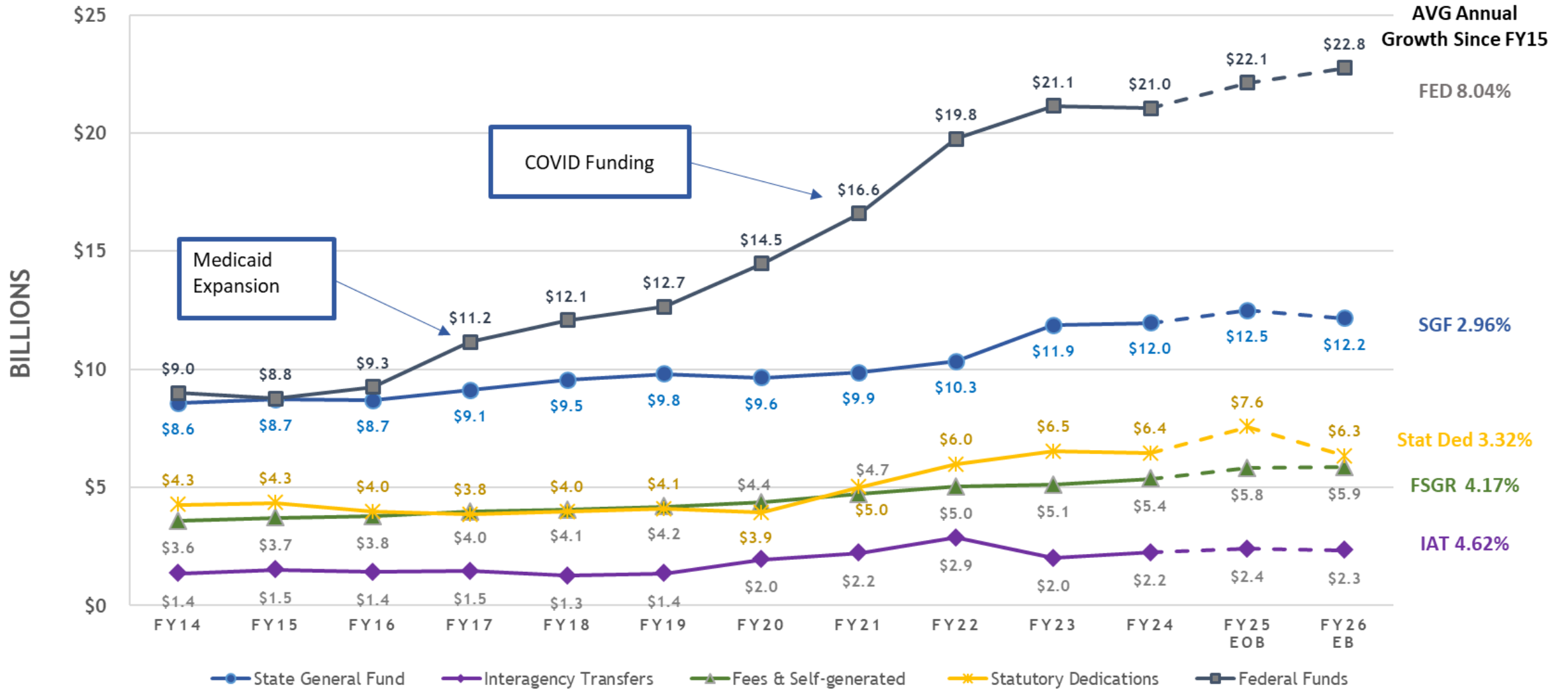


HISTORICAL SPENDING



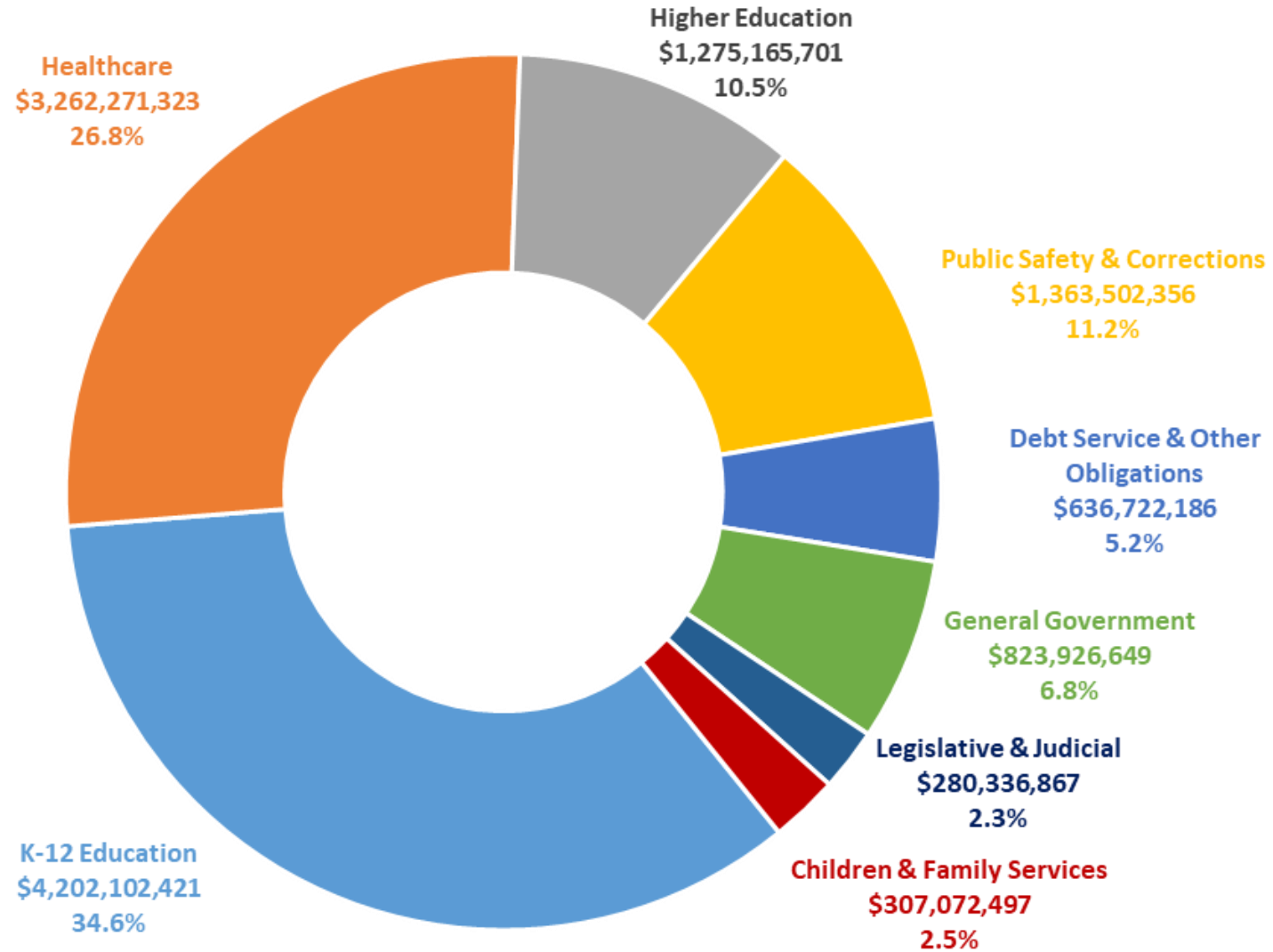


HISTORICAL SPENDING (ALL MOF)



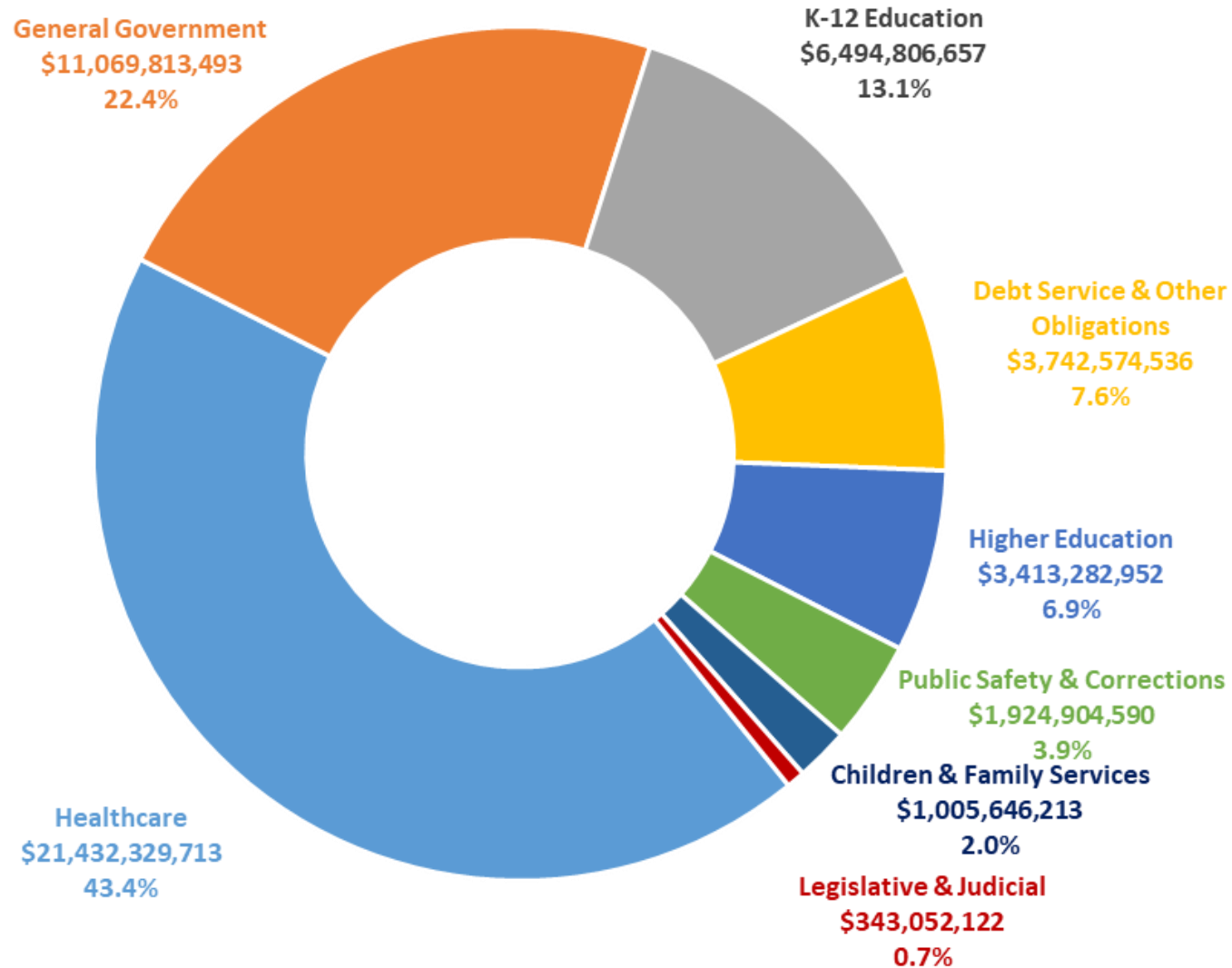


BREAKDOWN OF STATE GENERAL FUND





BREAKDOWN OF TOTAL BUDGET





MAJOR ITEMS FUNDED IN BUDGET

Means of Finance Substitutions - \$140 Million	Amount
State Police – OMV Self Generated Revenue Shortfall	\$ 50.8M
LDH – Medical Vendor Payments	\$ 28.5M
Wildlife and Fisheries - Conservation Fund Shortfall	\$ 33.6M
LDOE – MFP and LA 4 Program	\$ 17.4M
State Police – Concealed Handgun Permit Fund Shortfall	\$ 3.7M



MAJOR ITEMS FUNDED IN BUDGET

Louisiana Department of Health	Amount
Nursing Home Rate Rebasing	\$ 32.1M
Medicaid Managed Care Organization (MCO) Reimbursement Rate and Fee-for-service Reimbursement Rate Increase	\$ 22.3M
DOJ Agreement/Cooper-Jackson Settlement for additional beds	\$ 17.7M
CMS Clawback payments for Medicare Part-D dual eligible	\$ 17.6M



MAJOR ITEMS FUNDED IN BUDGET

Other Major Items	Amount
LDOE – Louisiana Giving All True Opportunities to Rise (LA GATOR) amount to continue funding phase one of Act 1 of the 2024 Regular Session	\$ 50.0M
Office of Juvenile Justice – Costs for Jetson Center for Youth due to need for additional beds; adds 44 additional beds as well as medical expenses	\$ 12.7M
Louisiana Economic Development – Various adjustments related to department reorganization during 2024 Regular Legislative Session	\$ 11.1M
Board of Regents – Increased costs for LSU First Health Plan	\$ 6.1M



MAJOR ITEMS FUNDED IN BUDGET

Other Major Items	Amount
DCFS – Overtime funding for frontline Child Welfare workers	\$ 5.9M
Office of Juvenile Justice – Overtime costs based on prior year actuals	\$ 4.1M
Board of Regents - Additional funding for National Guard Patriot Scholarship Program based on utilization	\$ 2.3M
DCFS – Annualization of the SUN Bucks program: Summer Electronic Benefits Transfer (EBT)	\$ 2.5M



COMPARISON OF STATE GENERAL FUND

Department	Existing FY 24-25	Executive Budget FY 25-26	Difference
LDH	\$3,160,270,413	\$3,237,200,672	\$76,930,259
Public Safety	\$102,686,432	\$142,170,412	\$39,483,980
Wildlife	\$10,136,928	\$40,101,670	\$29,964,742
Youth Services	\$156,582,609	\$175,911,913	\$19,329,304
Sec State	\$75,082,234	\$92,514,631	\$17,432,397
CRT	\$56,266,340	\$58,744,300	\$2,477,960
Attorney Gen	\$21,342,949	\$22,927,779	\$1,584,830
Special Schools	\$66,588,179	\$67,774,626	\$1,186,447
Workforce	\$15,560,048	\$16,310,048	\$750,000
Veterans	\$16,865,961	\$17,107,297	\$241,336
LSU HCSD	\$25,004,833	\$25,070,651	\$65,818
Treasurer	\$205,260	\$205,260	\$0
Judicial	\$187,315,555	\$187,315,555	\$0
Legislative	\$93,021,312	\$93,021,312	\$0

Department	Existing FY 24-25	Executive Budget FY 25-26	Difference
Lt Governor	\$1,573,465	\$1,375,022	(\$198,443)
Civil Service	\$6,490,791	\$5,902,469	(\$588,322)
DEQ	\$15,482,342	\$13,853,948	(\$1,628,394)
Non-Approp	\$542,872,886	\$539,472,528	(\$3,400,358)
Ag and Forestry	\$41,036,778	\$35,343,397	(\$5,693,381)
LED	\$55,270,883	\$47,463,355	(\$7,807,528)
Nat Resources	\$37,056,411	\$26,190,117	(\$10,866,294)
DCFS	\$321,009,873	\$307,072,497	(\$13,937,376)
Corrections	\$728,530,289	\$707,710,794	(\$20,819,495)
DOTD	\$88,294,597	\$53,374,750	(\$34,919,847)
Higher Ed	\$1,317,419,835	\$1,275,165,701	(\$42,254,134)
Executive	\$341,735,936	\$267,830,010	(\$73,905,926)
Education	\$4,229,304,761	\$4,134,327,795	(\$94,976,966)
Other Req	\$781,087,554	\$559,641,491	(\$221,446,063)
TOTAL	\$12,494,095,454	\$12,151,100,000	(\$342,995,454)

SURPLUS AND EXCESS



SURPLUS AND EXCESS

Surplus

- Fiscal Year 2023 – 2024: **\$595,087,982**

Excess

- Fiscal Year 2024 – 2025: **\$29,406,713**



SURPLUS AND EXCESS

Surplus

- Funds from Prior Year
- State General Fund remaining after closing the books on the prior year
- Can only be spent on 6 non-recurring items outlined in the constitution

Excess

- Current Year funds
- State General Fund available when REC raises the forecast during the year
- Can only be spent during a legislative session, usually in Supplemental Bill



USES OF SURPLUS

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

- Deposit into the Budget Stabilization Fund (25% required)
- Payments against the state retirement systems' unfunded accrued liability (25% required)
- 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



RECOMMENDATION FOR FY 24 SURPLUS

Constitutional Item	Recommended Amount
Rainy Day Fund (required)	\$148,771,996
Unfunded Accrued Liability (required)	\$148,771,996
DOTD	\$297,543,991
CPRA	
Capital Outlay (Deferred Maintenance)	
Total	\$595,087,982



RECOMMENDATIONS FOR EXCESS

Excess State General Fund Expenditures (Supplemental Bill)

If excess become available we would first recommend covering agency shortfalls and then putting money into funds for critical infrastructure like last year

- **Shortfalls** - Corrections, Juvenile Justice, State Police, GOHSEP
- **Funds** – Higher Education Deferred Maintenance, LED Project Commitments, IT Modernization Projects, Criminal Justice, and Water Sector Fund, Transportation Trust Fund



THE DIVISION OF ADMINISTRATION TEAM

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Deputy Commissioner of Administration

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