



STATE OF LOUISIANA  
Legislative Fiscal Office  
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TO: The Honorable Clay Schexnayder, Speaker of the House of Representatives  
Honorable Members of the House of Representatives

FROM: Alan M. Boxberger, Interim Legislative Fiscal Officer  
Evan Brasseaux, Interim Deputy Fiscal Officer

DATE: May 3, 2023

SUBJECT: House Rule 7.19, HB 1 Engrossed

Pursuant to House Rule 7.19, the Legislative Fiscal Office (LFO) is required to submit a report to the House of Representatives, which indicates whether the appropriation bill appropriates one-time money within the Engrossed version of House Bill 1 (HB 1). The LFO is providing this information for HB 1 – Engrossed.

#### HR 7.19 One-Time Money List

Pursuant to HR 7.19(C)(2), appropriations from one-time money for ordinary recurring expenses may not exceed the projected growth of the state general fund from the fiscal year for which the appropriation is proposed and the subsequent fiscal year according to the most recent official forecast. The threshold calculation is the difference between the official SGF revenue forecast adopted by the Revenue Estimating Conference (REC) on December 15, 2022, for FY 24 of \$11,442.1 M and for FY 25 of \$11,439.8 M, which equates to \$2.3 M of SGF revenue loss. The amount of one-time funds, as defined by HR 7.19, allowed to be appropriated in HB 1 for FY 24 expenditure is (\$0). **After Adopted House Appropriations Committee amendments to HB 1, the LFO has determined there is \$29.74 M of one-time money as defined in House Rule 7.19 in HB 1 Engrossed.** The items funded with one-time money are as follows:

08-419, Office of State Police: \$6,312,516 Statutory Dedications out of the Overcollections Fund (source FY 23 excess SGF) to provide for two 50-member state police training academies. Funding for training academies has appeared in the general appropriations bill for the past two years, paid out of SGF in FY 23 and the Riverboat Gaming Enforcement Fund in FY 22. The proposed funding will be the third consecutive year providing funds for a training academy, making this expenditure meet the definition of recurring.

20-966 Supplemental Payments to Law Enforcement Personnel: \$23,431,680 Statutory Dedications out of the Overcollections Fund (source FY 23 excess SGF) to provide for an increase of \$100/month (\$1,200 annually) in supplemental payments to eligible municipal police, deputy sheriffs, and firefighters, as well as \$20/month (\$240 annually) in supplemental payments to constables and justices of the peace. In FY 23, this enhancement to the supplemental payment system was directed as a one-time, lump sum payment to each eligible recipient. While the LFO assumes the payments in FY 24 are intended to mirror the FY 23 appropriation, the language specifying that intent is not present in HB 1 Engrossed.

#### FY 23 Replacement Financing Decision List

Although HB 7.19 contains a definition of "one-time money", the rule itself is not indicative of the financing decisions that will have to be made in FY 25 relative to the current structure of the FY 24 proposed operating budget. Due to this issue, the LFO not only provides the HR 7.19 list to

comply with the House Rule, but also provides details of significant potential FY 25 financing replacements that will have to be made as a result of the proposed FY 24 budget.

Approximately \$110.7 M in funds that may not be available in the future are proposed to support recurring expenditures in HB 1 for FY 24 and beyond. The \$110.7 M is associated with the FY 24 projected emergency Federal Medical Assistance Percentage (eFMAP) for Medicaid, which will be in effect for the first two quarters of FY 24 (2.5% for the first quarter and 1.5% for the second). The eFMAP reduces the state match obligation, allowing these SGF savings to be used for other fungible purposes within the state budget. To the extent the activities supported by this savings should continue into future fiscal years, these dollars would have to be replaced in FY 25.

The current REC forecast for FY 25 is projected to decline by approximately \$2.3 M from FY 24. Therefore, this leaves \$113 M (\$110.7 M + \$2.3 M) base spending and forecasted revenue decline that cannot be used for recurring expenditures in FY 25. However, the amount of non-recurring SGF expenditures funded with recurring revenues may be sufficient to offset these amounts in their entirety; these include:

- \$9.8 M for acquisitions and major repairs
- \$110.6 M for deposits in HB 550 (Funds Bill) for non-recurring expenditures related to a one-time transfer into the 2024 LASERS iUAL Payment Fund.

If you have any questions about any of the information presented in this memo, please contact me by email at [boxbergera@legis.la.gov](mailto:boxbergera@legis.la.gov) or by phone at 225-342-7233.