

Hidden cash? Louisiana Senate leader tries to track accounts

BY THE ASSOCIATED PRESS

As Louisiana does the equivalent of scraping the state's couch cushions for cash, lawmakers are realizing millions of dollars remain socked away in savings accounts that agencies, boards and commissions never told them existed.

Sen. Eric LaFleur, chairman of the Senate budget committee, has been trying to get an accounting of what's out there -- and determine whether some of that money can help fill continuing budget gaps.

In the legislative session that starts Monday, LaFleur is proposing to make it tougher to create these escrow accounts and special bank accounts, to require more uniform policies governing them and to enact tighter tracking of them.

He said the money should have been tallied as lawmakers look at an agency's expenses -- and their claims of budget shortfalls.

"Those dollars are out there, and they're spent by the agency as they need it," said LaFleur, a Ville Platte Democrat. "It should always have been counted."

He points to a recent audit that found \$6 million from the prison rodeo at the Louisiana State Penitentiary was never deposited in the state treasury or included in the annual corrections budget. Lawmakers didn't know about the money as they debated the impact of possible cuts to the corrections department, LaFleur said.

Lawmakers have asked Legislative Auditor Daryl Purpera to review a decade of financial documents from the rodeo, to determine if other dollars weren't properly documented and where they went.

LaFleur has enlisted the Treasury Department's help for months trying to track down financial accounts that state boards, agencies and other government offices have on the books. Tens of millions in unrestricted balances have been tallied so far.

It's not that the senator wants to redirect the money to other parts of the budget -- a maneuver heavily criticized when former Gov. Bobby Jindal used it repeatedly to patch together the state operating budget. LaFleur said lawmakers, however, should be able to use the information during budget deliberations to determine the needs of an agency.

"If an agency has money in an account that hasn't been counted and they're coming to us for money, we have to count the money that's available for them to spend," he said. "What's your budget need, \$1 million? Well, you already have \$200,000 there so you're only going to get \$800,000."

Gov. John Bel Edwards' administration hasn't taken a position on LaFleur's bill.

In another area, Sen. Fred Mills, a Republican from Parks, has been getting details about medical licensing boards that have millions in fund balances, questioning why they're sitting on excess cash when the dollars are supposed to be spent on services.

At a recent Senate judiciary committee hearing, senators learned the Louisiana Patient's Compensation Fund, a medical malpractice coverage

system for private health care providers, has \$1 billion in its coffers to pay claims. That's above the estimated outstanding liabilities of \$800 million -- and well above the statutorily required funding level.

Sen. Jay Luneau, an Alexandria Democrat, applauded the fund's executive director for "not letting the state of Louisiana raid these funds" to fill budget holes. But he also said if the fund is taking more in money than needed, it should consider charging doctors less for the coverage.