



## JOINT LEGISLATIVE COMMITTEE ON THE BUDGET

STATE CAPITOL  
P.O. BOX 44294, CAPITOL STATION  
BATON ROUGE, LOUISIANA 70804  
(225) 342-2062

Senator Glen Womack  
Chairman

Representative Jack McFarland  
Vice Chairman

### REVISED

### NOTICE OF MEETING

Thursday  
December 12, 2024  
9:30 A.M.  
House Committee Room 5  
**A G E N D A**

### ADDED ITEMS 6, 7 and 8

#### I. CALL TO ORDER

#### II. ROLL CALL

#### III. BUSINESS

1. Fiscal Status Statement and Five-year Baseline Budget
2. BA-7 Agenda
3. Facility Planning and Control Agenda
4. Review and approval of the Mental Health Transparency Report Template, in accordance with the provision of R.S.39:82.2(A).
5. Interpretation of legislative intent for appropriations contained in Acts 4 and 776 of the 2024 Regular Session of the Legislature, in accordance with the provisions of R.S. 24:653(E).
6. **Interpretation of legislative intent for allocations contained in Act 683 of the 2024 Regular Session of the Legislature, in accordance with the provisions of R.S. 24:653(E).**
7. **Review and approval of an amendment to Tax Increment Financing utilizing 2% of the 4.45% state sales tax within the Lakefront Economic Development District in Lake Charles, in accordance with the provisions of R.S. 33:9038.34.**

- 8. Review and approval of a contract between the Office of Group Benefits and Access Health, Inc. dba Access2day Health for a capitated primary care network, in accordance with the provisions of R.S. 42:802.**

#### **IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE**

#### **V. ADJOURNMENT**

Persons who do not feel comfortable giving testimony in person may submit a prepared statement in accordance with Senate Rule 13.79, in lieu of appearing before the committee. Statements may be emailed to [gasconr@legis.la.gov](mailto:gasconr@legis.la.gov) and must be received by the committee secretary at least four hours prior to the meeting to be included in the record for this committee meeting.

Audio/visual presentations, such as PowerPoint, must be received by the committee secretary at [gasconr@legis.la.gov](mailto:gasconr@legis.la.gov) at least twenty-four hours PRIOR to the scheduled start of the committee meeting for review and prior approval. Thumb drives will NOT be accepted.

Persons desiring to participate in the meeting should utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

THIS NOTICE CONTAINS A TENTATIVE AGENDA AND MAY BE REVISED PRIOR TO THE MEETING. REVISED NOTICES CAN BE CHECKED ON THE LEGISLATIVE WEBSITE, (<https://legis.la.gov>), THE WALL OUTSIDE THE COMMITTEE ROOM IN WHICH THE MEETING IS TO BE HELD, AND THE BULLETIN BOARDS OUTSIDE THE HOUSE AND SENATE CHAMBERS (MEMORIAL HALLS), BY CALLING THE PULS LINE 342-2456, AND AT THE BILL ROOM IN THE BASEMENT NEXT TO COMMITTEE ROOM A.

Glen Womack, Chairman

**STATE OF LOUISIANA**  
**State General Fund Fiscal Status Statement**  
**Fiscal Year 2024-2025**  
**(\$ in millions)**

**December 2024**

	<u>NOVEMBER 2024</u>	<u>DECEMBER 2024</u>	<u>DECEMBER 2024 Over/(Under) NOVEMBER 2024</u>
<b><u>GENERAL FUND REVENUE</u></b>			
Revenue Estimating Conference - May 9, 2024	\$12,079.900	\$12,079.900	\$0.000
FY 23-24 Revenue Carried Forward into FY 24-25	\$426.327	\$426.327	\$0.000
<b>Total Available General Fund Revenue</b>	<b>\$12,506.227</b>	<b>\$12,506.227</b>	<b>\$0.000</b>
<b><u>APPROPRIATIONS AND REQUIREMENTS</u></b>			
<b>Non-Appropriated Constitutional Requirements</b>			
Debt Service	\$451.550	\$451.550	\$0.000
Interim Emergency Board	\$1.323	\$1.323	\$0.000
Revenue Sharing	\$90.000	\$90.000	\$0.000
<b>Total Non-Appropriated Constitutional Requirements</b>	<b>\$542.873</b>	<b>\$542.873</b>	<b>\$0.000</b>
<b>Appropriations</b>			
General (Act 4 of 2024 RS)	\$11,670.886	\$11,670.886	\$0.000
Ancillary (Act 685 of 2024 RS)	\$0.000	\$0.000	\$0.000
Judicial (Act 775 of 2024 RS)	\$187.316	\$187.316	\$0.000
Legislative (Act 733 of 2024 RS)	\$93.021	\$93.021	\$0.000
Capital Outlay (Act 5 of 2024 RS)	\$0.000	\$0.000	\$0.000
<b>Total Appropriations</b>	<b>\$11,951.223</b>	<b>\$11,951.223</b>	<b>\$0.000</b>
<b>Other Requirements</b>			
Funds Bill (Act 723 of 2024 RS)	\$12.125	\$12.125	\$0.000
<b>Total Other Requirements</b>	<b>\$12.125</b>	<b>\$12.125</b>	<b>\$0.000</b>
<b>Total Appropriations and Requirements</b>	<b>\$12,506.220</b>	<b>\$12,506.220</b>	<b>\$0.000</b>
<b>General Fund Revenue Less Appropriations and Requirements</b>	<b>\$0.007</b>	<b>\$0.007</b>	<b>\$0.000</b>

## II. FY 2023-2024 Fiscal Status Summary:

In accordance with Act 1092 of the 2001 Regular Session and Act 107 of the 2002 First Extraordinary Session (R.S. 39:75), the first budget status report presented after October 15th shall reflect the fund balance for the previous fiscal year. "At the first meeting of the Joint Legislative Committee on the Budget after publication of the Comprehensive Annual Financial Report for the state of Louisiana, the commissioner of administration shall certify to the committee the actual expenditures paid by warrant or transfer and the actual monies received and any monies or balances carried forward for any fund at the close of the previous fiscal year which shall be reflected in the budget status report."

## III. Current Year Items Requiring Action

### FY24 GENERAL FUND DIRECT SURPLUS/(DEFICIT) - ESTIMATED (millions)

<b>FY23 Surplus/(Deficit)</b>	<b>325.437</b>
<b>FY24 General Fund - Direct Revenues:</b>	
Actual General Fund Revenues	14,044.825
General Fund - Direct Carryforwards to FY24	432.168
Other Transfers	0.201
	<hr/>
<b>Total FY24 General Fund - Direct Revenues</b>	<b>14,477.193</b>
<b>FY24 General Fund - Direct Appropriations &amp; Requirements:</b>	
Draws of General Fund - Direct Appropriations	(10,948.525)
General Obligation Debt Service	(435.849)
Transfers to Revenue Sharing Fund (Z06) - Constitution 7:26	(90.000)
Transfers Out to Various Funds for 20-XXX	(75.352)
Transfers to Various Funds per Various Legislative Acts	(597.344)
Transfers to Coastal Protection and Restoration Fund (Z12) - Constitution 7:10.2 and R.S. 49:214.5.4	(25.000)
Net Transfer/Payment to LASERS/TRSL - Constitution 7:10.16. (B)(1)	(65.702)
Net Transfer to Revenue Stabilization Fund (Z25) - Constitution 7:10.15. (D) and 7:10.16. (B)(2)	(1,189.332)
Net transfer to LDR for 1% FSGR MOF	(50.401)
Use of FY23 Surplus	(325.073)
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<b>Total FY24 General Fund - Direct Appropriations &amp; Requirements</b>	<b>(13,802.578)</b>
<b>Adjusted General Fund Direct Cash Balance</b>	<b>1,000.052</b>
<b>Obligations Against the General Fund Direct Cash Balance:</b>	
General Fund - Direct Carryforwards to FY25	(426.327)
Unappropriated Use of FY23 Surplus	(0.364)
<b>FY24 Transactions Processed in FY25:</b>	
Transfer from Remote Sellers - June 2024 taxes collected in July and distributed to LDR in August	23.278
Transfer from Disability-Focused Disaster Preparedness and Response Fund (V61), sports wagering revenues to which is capped at \$500K - RS 27:625(G)(5)	0.603
Transfer to Compulsive and Problem Gaming Fund (H10), 3% of sports wagering revenues, or \$500K, whichever is greater - RS 27:625(G)(6)	(1.654)
Transfer to Compulsive and Problem Gaming Fund (H10) from the \$3 million annual license received by Gaming Control Board - RS 27:241.1.C	(0.500)
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<b>Total Adjustments</b>	<b>(404.964)</b>
<b>Net General Fund Direct Surplus/(Deficit)</b>	<b>595.088</b>

## IV. Horizon Issues Not Contained in 5-Year Plan

The Hurricane and Storm Damage Risk Reduction System (HSDRSS) Projects were completed May 2022. At that time, the State's share of the total cost was \$1.19 billion, and in addition, the State faced accrued construction interest in excess of \$600 million. Federal legislation passed in December 2020 and December 2022, provides an option to forgive the accrued construction interest if the State makes specified required payments by September 30, 2021 and by September 30, 2023, which was achieved through payments totaling \$800 million and approved crediting of other projects totaling \$110 million.

The State must pay the remaining principal by June 1, 2032. According to the U.S. Army Corps of Engineers, as of September 27, 2023, the State's remaining share of the total costs of the HSDRRS is \$240 million. However, additional crediting is under review by the Corp, which will further reduce the remaining amount owed.

**STATE OF LOUISIANA**  
**Five Year Baseline Projection - Summary**  
**Appropriated**

	Prior Fiscal Year 2023-2024	Official Current Fiscal Year 2024-2025	Projected Fiscal Year 2025-2026	Projected Fiscal Year 2026-2027	Projected Fiscal Year 2027-2028
<b>REVENUES:</b>					
Taxes, Licenses & Fees	\$16,124,200,000	\$15,778,800,000	\$15,403,600,000	\$15,626,900,000	\$15,802,900,000
Less Dedications	(\$3,937,500,000)	(\$3,698,900,000)	(\$3,699,600,000)	(\$3,755,400,000)	(\$3,793,400,000)
<b>TOTAL REC REVENUES</b>	<b>\$12,186,700,000</b>	<b>\$12,079,900,000</b>	<b>\$11,704,000,000</b>	<b>\$11,871,400,000</b>	<b>\$12,009,500,000</b>

<b>ANNUAL REC GROWTH RATE</b>		-0.88%	-3.11%	1.43%	1.16%
<b>Other Revenues:</b>					
Carry Forward Balances	\$432,168,187	\$426,327,167	\$0	\$0	\$0
<b>Total Other Revenue</b>	<b>\$432,168,187</b>	<b>\$426,327,167</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>TOTAL REVENUES</b>	<b>\$12,618,868,187</b>	<b>\$12,506,227,167</b>	<b>\$11,704,000,000</b>	<b>\$11,871,400,000</b>	<b>\$12,009,500,000</b>
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<b>EXPENDITURES:</b>					
General Appropriation Bill (Act 4 of 2024 RS)	\$10,827,190,915	\$11,244,558,534	\$11,199,574,213	\$11,402,345,515	\$11,673,649,968
Ancillary Appropriation Bill (Act 685 of 2024 RS)	\$0	\$0	\$6,122,617	\$12,459,526	\$19,018,227
Non-Appropriated Requirements	\$529,145,269	\$542,872,886	\$544,060,438	\$532,655,141	\$531,078,347
Judicial Appropriation Bill (Act 775 of 2024 RS)	\$178,883,689	\$187,315,555	\$187,315,555	\$187,315,555	\$187,315,555
Legislative Appropriation Bill (Act 733 of 2024 RS)	\$87,296,566	\$93,021,312	\$93,021,790	\$93,024,209	\$93,026,700
Special Acts	\$0	\$0	\$5,679,429	\$5,679,429	\$5,679,429
Capital Outlay Bill (Act 5 of 2024 RS)	\$166,819,000	\$0	\$8,000,000	\$8,000,000	\$8,000,000
<b>TOTAL ADJUSTED EXPENDITURES (less carryforwards)</b>	<b>\$11,789,335,439</b>	<b>\$12,067,768,287</b>	<b>\$12,043,774,042</b>	<b>\$12,241,479,375</b>	<b>\$12,517,768,226</b>

<b>ANNUAL ADJUSTED GROWTH RATE</b>		2.36%	-0.20%	1.64%	2.26%
<b>Other Expenditures:</b>					
Carryforward BA-7s Expenditures	\$432,168,187	\$426,327,167	\$0	\$0	\$0
Funds Bill (Act 410 of 2023 RS) (Act 723 of 2024 RS) and Athletic Trainer Development Fund transfer per Act 495 of 2022 RS	\$417,195,000	\$12,125,000	\$0	\$0	\$0
Supplemental Bill (Act 3 of 2024 1ES) (Act 20 of 2024 2nd ES) (Act 776 of 2024 RS)	(\$20,085,416)	\$0	\$0	\$0	\$0
<b>Total Other Expenditures</b>	<b>\$829,277,771</b>	<b>\$438,452,167</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>TOTAL EXPENDITURES</b>	<b>\$12,618,613,210</b>	<b>\$12,506,220,454</b>	<b>\$12,043,774,042</b>	<b>\$12,241,479,375</b>	<b>\$12,517,768,226</b>
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<b>PROJECTED BALANCE</b>	<b>\$254,977</b>	<b>\$6,713</b>	<b>(\$339,774,042)</b>	<b>(\$370,079,375)</b>	<b>(\$508,268,226)</b>
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Oil Prices included in the REC forecast.

\$82.15

\$80.68

\$75.15

\$72.87

\$71.80

**JOINT LEGISLATIVE COMMITTEE ON THE BUDGET**

**BA-7 AGENDA**

**December, 2024 – RE-REVISED**

Re-Revised  
R2 ELOF Withdrawn  
R3 CRT Withdrawn  
R5 WFIS Withdrawn  
R6 WFIS Withdrawn  
R7 HIED Withdrawn

**A. Fiscal Status Statement**

**B. 5-Year Base Line Projection**

**C. Carryforward BA-7s**

- 1           ELOF           Department of Agriculture and Forestry  
(04-160) Agriculture and Forestry
  
- 2           ~~ELOF~~           ~~Department of Insurance~~  
(04-165) ~~Commissioner of Insurance~~
  
- 3           ~~CRT~~           ~~Department of Culture, Recreation and Tourism~~  
(06-267) ~~Office of Tourism~~
  
- 4           LDH            Louisiana Department of Health  
(09-324) Louisiana Emergency Response Network Board
  
- 5           ~~WFIS~~           ~~Department of Wildlife and Fisheries~~  
(16-512) ~~Office of the Secretary~~
  
- 6           ~~WFIS~~           ~~Department of Wildlife and Fisheries~~  
(16-514) ~~Office of Fisheries~~
  
- 7           ~~HIED~~           ~~Department of Higher Education~~  
(19A-671) ~~Board of Regents~~
  
- 8           HIED            Department of Higher Education  
(19A-671) Board of Regents
  
- 9           PSAF            Department of Public Safety and Corrections  
(08B-420) Office of Motor Vehicles
  
- 10          ELOF            Department of State  
(04-139) Secretary of State



Alan M. Boxberger  
Legislative Fiscal Officer

**STATE OF LOUISIANA**  
Legislative Fiscal Office  
BATON ROUGE

Post Office Box 44097  
Baton Rouge, Louisiana 70804  
Phone: 225.342.7233

To: The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
The Honorable Members of the Joint Legislative Committee on the Budget

From: Alan M. Boxberger, Legislative Fiscal Officer *AMB*  
Patrice Thomas, Deputy Fiscal Officer *PT*

Date: December 6, 2024

Subject: Joint Legislative Committee on the Budget  
Meeting December 12, 2024

Attached are the Legislative Fiscal Office BA-7 (Budget Adjustment) write-ups for the December 12<sup>th</sup> meeting of the Joint Legislative Committee on the Budget.

The LFO recommends approval of BA-7 numbers 1, 4, 8, 9 and 10. The remaining BA-7s (numbers 2, 3, 5, 6 and 7) were withdrawn from consideration at this meeting.

Please contact me if you have questions or need additional information.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**DEPARTMENT:** Agriculture & Forestry

**AGENDA NO.:** 1

**AGENCY:** Agriculture & Forestry

**ANALYST:** Richie Anderson

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Management & Finance	\$209,269	0
Interagency Transfers:	\$0	Agricultural & Environmental Sciences	\$0	0
Self-Generated Revenue:	\$0	Animal Health & Food Safety	\$0	0
Statutory Dedications:	\$0	Agro-Consumer Services	\$0	0
Federal Funds:	\$413,855	Forestry	\$0	0
		Soil & Water Conservation	\$204,586	0
<b>Total</b>	<b><u>\$413,855</u></b>	<b>Total</b>	<b><u>\$413,855</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase Federal budget authority by \$413,855 in the Management & Finance (\$209,269) and Soil & Water Conservation (\$204,586) Programs within the Louisiana Department of Agriculture and Forestry (LDAF). The Federal funds are from direct and indirect costs associated with five grants awarded by the U.S. Department of Agriculture, Natural Resource Conservation Service (NRCS).

In September 2024, LDAF was awarded a new grant, Watershed Technician Assistance Grant (WTAG). The purpose of the WTAG is to develop interagency conservation project planning and implementation in priority watersheds. This BA-7 will allow LDAF to recapture indirect costs associated with administering the new WTAG and the indirect costs of four other existing NRCS grants (Feral Swine Pilot, Farm Bill, Program Support Specialist Assistance, and the Louisiana Resource Unit (LARU)). These indirect costs include travel, supplies, office rent, vehicle rent, fuel, upgrading existing software, and procuring new software.

Indirect costs recaptured by grant funds included in this BA-7:

<b>Grant Name</b>	<b>Indirect Costs</b>	<b>Direct Costs</b>	<b>Grant Award Period</b>
Feral Swine	\$118,412	\$3,000	4/27/20 - 9/30/25
Farm Bill	\$90,675	\$0	9/30/24 - 9/29/29
Program Support Specialist Assistance	\$134,994	\$0	9/30/24 - 9/29/29
LARU Soil Conservation	\$82,480	\$0	9/30/24 - 9/29/29
Watershed Technician Assistance	\$20,994	\$30,800	9/30/24 - 9/29/29
Repurposed Existing Federal Budget Authority	<u>(\$67,500)</u>	<u>\$0</u>	
<b>Total BA-7 Request: \$413,855</b>	<b>\$380,055</b>	<b>\$33,800</b>	

Expenditures for this BA-7 are as follows:

**Management and Finance- \$209,269**

Increase Supplies expenses for upgrades to existing software as well as procure new software which will assist with better supporting administration of the deliverables associated with all five NRCS Grant Programs.

**Soil & Water Conservation- \$204,586**

The BA-7 will increase multiple expenditure categories (Travel - \$39,800, Operating Services - \$41,000, Supplies - \$43,000, and Other Charges - \$80,786) in order for LDAF to support positions and the indirect costs associated with them such as travel, supplies, vehicle reimbursement, office rent, vehicle rent, and other miscellaneous expenditures required to carry out and administer the deliverables associated with all five NRCS Grant Programs.

**II. IMPACT ON FUTURE FISCAL YEARS**

The LFO anticipates this BA-7 request will be annualized (\$413,855) in the Governor's FY 26 Executive Budget



**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

recommendation and incorporated into the department's base budget authority in subsequent years until the grants end.

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**DEPARTMENT:** Health

**AGENDA NO.:** 4

**AGENCY:** LA Emergency Response Network Board

**ANALYST:** Tamiko Stroud

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	LA Emergency Response Network Board	\$15,000	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$15,000			
Statutory Dedications:	\$0			
Federal Funds:	\$0			
<b>Total</b>	<b><u>\$15,000</u></b>	<b>Total</b>	<b><u>\$15,000</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase Fees and Self-Generated (SGR) budget authority by \$15,000 in FY 25 for the Louisiana Department of Health (LDH), Louisiana Emergency Response Network (LERN). The source of funding is a private grant (Burn and Agricultural Incident Training for Community and Clinicians) awarded by The Living Well Foundation. This is a nine-month private grant award totaling \$15,000. The grant period is from 8/20/2024 through 4/30/2025. The grant payment schedule includes two (2) payments: \$14,650 on 10/21/2024 and the remaining \$350 on 6/01/2025.

The grant's purpose is to equip first responders and emergency care teams across Northeast Louisiana with the knowledge, skills, and materials to respond to life-threatening events. The grant agreement specifies four objectives the grantee must satisfy with funding: 1) contract with specialists from burn teams to provide education; 2) increase ability and confidence of regional providers in response to burn patients; 3) strengthen the burn and trauma networks; 4) increase the ability, confidence, and safety of responders to agricultural related emergencies.

The agency plans to establish two (2) contracts to accomplish the grant's objectives. LERN will contract with Spirit of Charity located in New Orleans, LA for services, instructors, location, materials, and travel costs to teach Advanced Burn Life Support (ABLS) coursework for fifty (50) students. LERN will also contract with the Southeastern Louisiana Area Health Education Center (AHEC) located in Hammond, LA to conduct the Agriculture Response Class for 20 students (\$100 per person).

Grant Expenditures	Quantity	Unit Price	Total
ABLS Coursework	50	\$225	\$11,250
ABLS Instructor Travel Costs	1	\$1,750	\$1,750
Southeast LA AHEC	20	\$100	<u>\$2,000</u>
<b>Total</b>			<b><u>\$15,000</u></b>

**II. IMPACT ON FUTURE FISCAL YEARS**

Approval of this BA-7 request will have no impact on future fiscal years.

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**DEPARTMENT:** Higher Education

**AGENDA NO.:** 8

**AGENCY:** Board of Regents

**ANALYST:** Chris Henry

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Board of Regents	\$1,844,847	0
Interagency Transfers:	\$0	Student Financial Assistance	\$0	0
Self-Generated Revenue:	\$0	LA Universities Marine Consortium	\$0	0
Statutory Dedications:	\$1,844,847			
Federal Funds:	\$0			
<b>Total</b>	<b><u>\$1,844,847</u></b>	<b>Total</b>	<b><u>\$1,844,847</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase Statutory Dedications by \$1.8 M out of the Health Care Employment Reinvestment Opportunity (H.E.R.O.) Fund in the Board of Regents Program. This funding originated from a deposit of federal American Rescue Plan (ARP) money authorized by Act 410 of the 2021 RS which was transferred into the H.E.R.O. Fund. After expenditures made in prior fiscal years, \$3.6 M in these federal ARP funds remain in the H.E.R.O. Fund.

The funds are intended to fulfill existing agreements with Higher Education institutions to address healthcare workforce shortages across the state. Act 607 of the 2024 RS moved jurisdiction of the H.E.R.O. Fund from the Board of Regents to the Department of Health on 7/01/2024; however, this Act also contained language allowing the Board of Regents to utilize and expend monies from the fund for grants obligated on or before 4/01/2024. The list below itemizes the institutions that have agreements with the Board meeting this criteria and the associated budgeted amount for FY 25 related to the agreement:

<u>FY 25 Amount</u>	<u>Institution</u>
\$153,577	LSU Health Sciences Center - Shreveport
\$237,950	LSU Alexandria
\$249,215	University of Louisiana Lafayette
\$124,752	Louisiana Tech University
\$243,862	McNeese State University
\$246,800	Northwestern State University
\$217,531	Fletcher Technical Community College
\$212,380	Nunez Community College
\$158,780	Franciscan Missionaries of Our Lady University (FranU)
<b><u>\$1,844,847</u></b>	<b>Total</b>

**II. IMPACT ON FUTURE FISCAL YEARS**

Pursuant to the existing agreements between the Board of Regents and associated institutions, \$1,306,929 in obligations will be remaining for FY 26. The LFO assumes this appropriation will be considered during the FY 26 budget development process. Should this amount be appropriated in FY 26, approximately \$441,426 will be remaining in the H.E.R.O. Fund originating from federal American Rescue Plan (ARP) funds as illustrated below:

\$3,593,202	FY 25 Beginning Balance of ARP Federal Funds
(\$1,844,847)	FY 25 BA-7 Requested Appropriation
<u>(\$1,306,929)</u>	FY 26 Outstanding Obligations
\$441,426	Remaining ARP Funds in the H.E.R.O. Fund

Note: The U.S. Department of Treasury guidance requires that state fiscal recovery funds allocated in the ARP Act be obligated by 12/31/24 and expended prior to 12/31/26. Any unobligated ARP funds in the H.E.R.O. Fund after 12/31/24 would be subject to return to the U.S. Department of Treasury.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**DEPARTMENT:** DPSC Public Safety Services

**AGENDA NO.:** 9

**AGENCY:** Motor Vehicles

**ANALYST:** John McKay

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Licensing	\$2,686,526	0
Interagency Transfers:	\$0			
Self-Generated Revenue:	\$0			
Statutory Dedications:	\$0			
Federal Funds:	\$2,686,526			
<b>Total</b>	<b><u>\$2,686,526</u></b>	<b>Total</b>	<b><u>\$2,686,526</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 is to provide additional federal budget authority of \$2,686,526 to the Office of Motor Vehicles (OMV). The source of funding is two federal grants: (1) Commercial Driver’s License Program Implementation (CDLPI) High-Priority Grant (\$5,184,000 total, \$1,095,012 for FY 25) and (2) Commercial Driver’s License Program Implementation (CDLPI) Basic Grant (\$2,565,805 total, \$1,591,514 in FY 25), that were awarded to OMV by the U.S. Department of Transportation, Federal Motor Carrier Safety Administration (FMCSA). The funding period for both grants is 9/01/2024 through 9/28/2028. Total funding awarded for both grants is \$7,749,805. There is no state match requirement for either grant.

The High-Priority grant will facilitate the OMV’s ability to increase awareness of human trafficking and promote the National Human Trafficking Hotline on billboards and at gas pumps with TV commercials in New Orleans/Northshore, Baton Rouge, Shreveport, Lafayette, and Lake Charles. OMV will execute a media strategy plan with paid media placement and campaign management utilizing awareness-centric tactics and educational and actionable tactics to reach drivers to ensure they are informed of the signs and types of human trafficking and resources to report suspicions of trafficking.

The Basic grant provides for the support of ongoing activities related to the oversight, monitoring, and management of the Commercial Driver’s License (CDL) program. The grant will allow for CDL consultant support, increasing CDL audit timeliness and accuracy, improving the CDL issuance process, and managing grant activities. In addition, the grant provides for the improved accuracy, completeness, and timeliness of the Commercial Driver’s License Information System (CDLIS) by repairing pointers, correcting transaction errors, and increasing the timeliness of electronic convictions. OMV will address offense code mapping, establish a Court submission portal, and CDL data cleansing.

In FY 25, the OMV will expend \$2,686,526 in Other Charges as detailed below with \$1,095,012 allocated to human trafficking, \$797,642 allocated to operations and maintenance, and \$793,872 allocated to data improvements.

\$2,233,784	Contracts with OTS and media agency services
\$402,239	Administrative costs (e.g. supplies, salaries, travel)
<u>\$50,503</u>	Indirect costs
<b>\$2,686,526</b>	<b>Total</b>

**II. IMPACT ON FUTURE FISCAL YEARS**

The two Commercial Driver’s License Program Implementation (CDLPI) grants are 4-year grants totaling \$7.8 M (CDLPI High-Priority: \$5.2 M and CDLPI Basic: \$2.6 M), effective 9/01/2024 through 9/30/2028. This BA-7 request provides budget authority in the amount of \$2,686,526. The Legislative Fiscal Office assumes the grant will be annualized in the FY 26 Executive Budget recommendation (\$1,736,014) and incorporated into the department’s future budget authority in FY 27 (\$1,709,830) and FY 28 (\$1,369,197).

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.

**LEGISLATIVE FISCAL OFFICE  
ANALYSIS OF BA-7 REQUEST**

**DEPARTMENT:** State

**AGENDA NO.:** 10

**AGENCY:** Secretary of State

**ANALYST:** Kimberly Fruge

<u>Means of Financing</u>		<u>Expenditures by Program</u>		<u>T. O.</u>
State General Fund:	\$0	Administrative	\$0	0
Interagency Transfers:	\$0	Elections	\$457,489	0
Self-Generated Revenue:	\$0	Archives & Records	\$0	0
Statutory Dedications:	\$0	Museum & Other Operations	\$0	0
Federal Funds:	\$457,489	Commercial	\$0	0
<b>Total</b>	<b><u>\$457,489</u></b>	<b>Total</b>	<b><u>\$457,489</u></b>	<b><u>0</u></b>

**I. SUMMARY/COMMENTS**

The purpose of this BA-7 request is to increase Federal budget authority by \$457,489 in the Department of State - Elections Program to provide a more secure and efficient ballot delivery portal for military and overseas voters. The source of funding is the Electronic Absentee System for Elections (EASE) grant provided by the U.S. Department of Defense as part of the Federal Voting Assistance Program (FVAP). The FVAP ensures service members, their eligible family members, and overseas citizens have the tools and resources to vote from anywhere in the world successfully.

Currently, service members and overseas citizens can request a ballot online, but the ballot can only be delivered and transmitted back to the Registrar of Voters and department through email or physical mail. With this grant, the department will be able to establish a web-based portal to deliver and receive ballots in a more timely and secure manner. The grant term is five years, effective 7/15/24 through 7/14/29. The total grant funding is \$2,287,444 (\$457,489 annually); no state match is required. The funding for subsequent fiscal years will be included in the department's annual budget requests. The expenditures for FY 25 are as follows:

\$389,299 - Contract for hardware and software for the electronic ballot delivery system  
\$ 68,190 - Administrative costs (e.g. supplies, salaries, travel)  
**\$457,489 - Total**


**II. IMPACT ON FUTURE FISCAL YEARS**

The Electronic Absentee System for Elections (EASE) grant is a 5-year grant of \$2.3 M, effective 7/15/24 through 7/14/29. This BA-7 request provides budget authority for the first-year grant period in the amount of \$457,489. The Legislative Fiscal Office assumes the grant will be annualized in FY 26 Executive Budget recommendation and incorporated into the department's future budget authority in FY 27 - FY 29.

**III. LEGISLATIVE FISCAL OFFICE RECOMMENDATION**

The Legislative Fiscal Office recommends approval of this BA-7 request.

**STATE OF LOUISIANA**  
**DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET**  
**REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>DEPARTMENT: Agriculture &amp; Forestry</b>		<b>FOR OPB USE ONLY</b>				
<b>AGENCY: Agriculture &amp; Forestry</b>		OPB LOG NUMBER <b>133</b>		AGENDA NUMBER <b>1</b>		
<b>SCHEDULE NUMBER: 04-160</b>		Approval and Authority:				
<b>SUBMISSION DATE: November 18, 2024</b>						
<b>AGENCY BA-7 NUMBER: 06</b>						
<b>HEAD OF BUDGET UNIT: Dane Morgan</b>						
<b>TITLE: Assistant Commissioner of Management &amp; Finance</b>						
<b>SIGNATURE</b> <i>(Certifies that the information provided is correct and true to the best of your knowledge):</i> 						
<b>MEANS OF FINANCING</b>	<b>CURRENT FY 2024-2025</b>	<b>ADJUSTMENT (+) or (-)</b>		<b>REVISED FY 2024-2025</b>		
<b>GENERAL FUND BY:</b>						
DIRECT	\$41,036,778	\$0		\$41,036,778		
INTERAGENCY TRANSFERS	\$5,837,147	\$0		\$5,837,147		
FEES & SELF-GENERATED	\$8,253,309	\$0		\$8,253,309		
Regular Fees & Self-generated	\$8,253,309	\$0		\$8,253,309		
Subtotal of Fund Accounts from Page 2	\$0	\$0		\$0		
STATUTORY DEDICATIONS	\$44,232,304	\$0		\$44,232,304		
Structural Pest Control Commission Fund (A02)	\$1,552,031	\$0		\$1,552,031		
Louisiana Agricultural Finance Authority Fund (A07)	\$16,801,326	\$0		\$16,801,326		
Subtotal of Dedications from Pages 2 and 3	\$25,878,947	\$0		\$25,878,947		
FEDERAL	\$22,126,709	\$413,855		\$22,540,564		
<b>TOTAL</b>	<b>\$121,486,247</b>	<b>\$413,855</b>		<b>\$121,900,102</b>		
AUTHORIZED POSITIONS	590	0		590		
AUTHORIZED OTHER CHARGES	2	0		2		
NON-TO FTE POSITIONS	42	0		42		
<b>TOTAL POSITIONS</b>	<b>634</b>	<b>0</b>		<b>634</b>		
<b>PROGRAM EXPENDITURES</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>
<b>PROGRAM NAME:</b>						
Management & Finance	\$24,277,679	124	\$209,269	0	\$24,486,948	124
Ag & Environment Sciences	\$14,373,773	114	\$0	0	\$14,373,773	114
Animal Health & Food Safety	\$16,507,889	120	\$0	0	\$16,507,889	120
Agro-Consumer Services	\$8,883,848	83	\$0	0	\$8,883,848	83
Forestry	\$55,118,330	183	\$0	0	\$55,118,330	183
Soil & Water	\$2,324,728	10	\$204,586	0	\$2,529,314	10
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2:	\$0	0	\$0	0	\$0	0
<b>TOTAL</b>	<b>\$121,486,247</b>	<b>634</b>	<b>\$413,855</b>	<b>0</b>	<b>\$121,900,102</b>	<b>634</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>DEPARTMENT:</b> Agriculture & Forestry	<b>FOR OPB USE ONLY</b>	
<b>AGENCY:</b> Agriculture & Forestry	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER:</b> 04-160		
<b>SUBMISSION DATE:</b> November 18, 2024	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER:</b> 06		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.  
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)	REVISED FY 2024-2025
<b>GENERAL FUND BY:</b>			
<b>FEES &amp; SELF-GENERATED</b>			
[Select Fund Account]	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>STATUTORY DEDICATIONS</b>			
Pesticide Fund (A09)	\$6,443,316	\$0	\$6,443,316
Forest Protection Fund (A11)	\$1,087,224	\$0	\$1,087,224
Forestry Productivity Fund (A14)	\$350,000	\$0	\$350,000
Petroleum Products Fund (A15)	\$4,766,510	\$0	\$4,766,510
Livestock Brand Commission Fund (A17)	\$50,000	\$0	\$50,000
Agricultural Commodity Dealers & Warehouse Fund (A18)	\$2,211,591	\$0	\$2,211,591
<b>SUBTOTAL (to Page 1)</b>	<b>\$14,908,641</b>	<b>\$0</b>	<b>\$14,908,641</b>

Use this section for additional Program Names, if needed.  
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

<b>DEPARTMENT:</b> Agriculture & Forestry	<b>FOR OPB USE ONLY</b>	
<b>AGENCY:</b> Agriculture & Forestry	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER:</b> 04-160		
<b>SUBMISSION DATE:</b> November 18, 2024	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER:</b> 06		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.  
 The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)	REVISED FY 2024-2025
<b>GENERAL FUND BY:</b>			
<b>FEES &amp; SELF-GENERATED</b>			
[Select Fund Account]	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>STATUTORY DEDICATIONS</b>			
Seed Commission Fund (A21)	\$1,126,313	\$0	\$1,126,313
Sweet Potato Pests & Diseases Fund (A22)	\$200,000	\$0	\$200,000
Weights and Measures Fund (A23)	\$3,330,670	\$0	\$3,330,670
Feed and Fertilizer Fund (A29)	\$2,838,323	\$0	\$2,838,323
Horticulture and Quarantine Fund (A30)	\$2,600,000	\$0	\$2,600,000
Wildfire Suppression Subfund (A31)	\$875,000	\$0	\$875,000
<b>SUBTOTAL (to Page 1)</b>	<b>\$10,970,306</b>	<b>\$0</b>	<b>\$10,970,306</b>

Use this section for additional Program Names, if needed.  
 The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?

The source of the funding is USDA/NRCS Grants such as Farm Bill, PSS, LARU Tech, Water Resources, and Feral Swine Pilot.

The Watershed Technician Assistance Grant is a new grant with an awarded project period of 09/30/24-09/29/2025.

The current Notice of Awards and Applications for all above-mentioned grants are attached.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$413,855	\$413,855	\$413,855	\$413,855	\$413,855
<b>TOTAL</b>	<b>\$413,855</b>	<b>\$413,855</b>	<b>\$413,855</b>	<b>\$413,855</b>	<b>\$413,855</b>

3. If this action requires additional personnel, provide a detailed explanation below:

This action requires no additional support.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.

The Watershed Technician Assistance Grant is a new grant that was awarded in September 2024 with a project period of 09/30/24-09/29/2025, and which was after the FY25 budget was approved by the Legislature and signed by the Governor. Without approval of the additional Federal budget authority being requested, the OSWC program would not be adequately funded to carryout the goals of this new grant responsibility.

Indirect Costs portion of the request;

The above mentioned grants were awarded in September 2024 with a beginning project period of 09/30/24, and which was after the FY25 budget was approved by the Legislature and signed by the Governor.

Without approval of the additional Federal budget authority being requested, the OSWC program will not be allowed to recapture additional Indirect Costs in the current year, providing for a more balanced budget.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.

No, this is not an after the fact BA-7.

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

Approval of the BA-7 will allow the Department to provide the services and funds needed to accomplish the goals of the new Watershed Technician Assistance Grant Program. Also, will allow LDAF to recapture the additional Indirect Costs, providing for a more balanced budget, and associated with the aforementioned Office of Soil & Water Conservation Federal Grant Programs.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE: Not Applicable.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2024-2025	ADJUSTMENT (+) OR (-)	REVISED FY 2024-2025

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. *(For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)*

This BA-7 will allow the Department to provide the services and funds needed to accomplish the goals of the new Watershed Technician Assistance Grant Program. Also, will allow LDAF to recapture the additional Indirect Costs, providing for a more balanced budget, and associated with the aforementioned Office of Soil & Water Conservation Federal Grant Programs.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

The performance impacts associated with this request are identified, to the extent possible, in the explanations above.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

Failure to approve this BA-7 would result in the Department not having sufficient budget authority to provide the services and funds needed to accomplish the goals of the Watershed Technician Assistance Grant Program. Additionally, the Department would not have sufficient budget authority to recapture additional Indirect Costs associated with the aforementioned Office of Soil & Water Conservation Federal Grant Programs.

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: Office of Mangement and Finance

MEANS OF FINANCING:	CURRENT FY 2024-2025	REQUESTED ADJUSTMENT	REVISED FY 2024-2025	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$12,753,464	\$0	\$12,753,464	\$0	\$0	\$0	\$0
Interagency Transfers	\$189,035	\$0	\$189,035	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$1,938,738	\$0	\$1,938,738	\$0	\$0	\$0	\$0
Statutory Dedications **	\$7,921,101	\$0	\$7,921,101	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$1,475,341	\$209,269	\$1,684,610	\$209,269	\$209,269	\$209,269	\$209,269
<b>TOTAL MOF</b>	<b>\$24,277,679</b>	<b>\$209,269</b>	<b>\$24,486,948</b>	<b>\$209,269</b>	<b>\$209,269</b>	<b>\$209,269</b>	<b>\$209,269</b>
<b>EXPENDITURES:</b>							
Salaries	\$8,067,048	\$0	\$8,067,048	\$0	\$0	\$0	\$0
Other Compensation	\$16,544	\$0	\$16,544	\$0	\$0	\$0	\$0
Related Benefits	\$9,801,698	\$0	\$9,801,698	\$0	\$0	\$0	\$0
Travel	\$30,592	\$0	\$30,592	\$0	\$0	\$0	\$0
Operating Services	\$2,312,155	\$0	\$2,312,155	\$0	\$0	\$0	\$0
Supplies	\$1,063,651	\$209,269	\$1,272,920	\$209,269	\$209,269	\$209,269	\$209,269
Professional Services	\$31,954	\$0	\$31,954	\$0	\$0	\$0	\$0
Other Charges	\$324,371	\$0	\$324,371	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,533,666	\$0	\$1,533,666	\$0	\$0	\$0	\$0
Acquisitions	\$1,096,000	\$0	\$1,096,000	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$24,277,679</b>	<b>\$209,269</b>	<b>\$24,486,948</b>	<b>\$209,269</b>	<b>\$209,269</b>	<b>\$209,269</b>	<b>\$209,269</b>
<b>POSITIONS</b>							
Classified	97	0	97	0	0	0	0
Unclassified	14	0	14	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>111</b>	<b>0</b>	<b>111</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	13	0	13	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>124</b>	<b>0</b>	<b>124</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$1,938,738	\$0	\$1,938,738	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
Structural Pest Control Commission Fund (A02)	\$161,620	\$0	\$161,620	\$0	\$0	\$0	\$0
Louisiana Agricultural Finance Authority Fund (A07)	\$4,196,170	\$0	\$4,196,170	\$0	\$0	\$0	\$0
Pesticide Fund (A09)	\$1,503,106	\$0	\$1,503,106	\$0	\$0	\$0	\$0
Petroleum Products Fund (A15)	\$930,903	\$0	\$930,903	\$0	\$0	\$0	\$0
Agricultural Commodity Dealers & Warehouse Fund (A18)	\$257,091	\$0	\$257,091	\$0	\$0	\$0	\$0
Weights and Measures Fund (A23)	\$801,982	\$0	\$801,982	\$0	\$0	\$0	\$0
Feed and Fertilizer Fund (A29)	\$70,229	\$0	\$70,229	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: Office of Mangement and Finance

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	\$0	\$0	\$0	\$0	\$209,269	\$209,269
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$209,269	\$209,269
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$209,269</b>	<b>\$209,269</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 2 NAME: Office of Soil & Water Conservation

MEANS OF FINANCING:	CURRENT FY 2024-2025	REQUESTED ADJUSTMENT	REVISED FY 2024-2025	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$37,496	\$0	\$37,496	\$0	\$0	\$0	\$0
Interagency Transfers	\$348,310	\$0	\$348,310	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Statutory Dedications **	\$565,466	\$0	\$565,466	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$1,373,456	\$204,586	\$1,578,042	\$204,586	\$204,586	\$204,586	\$204,586
<b>TOTAL MOF</b>	<b>\$2,324,728</b>	<b>\$204,586</b>	<b>\$2,529,314</b>	<b>\$204,586</b>	<b>\$204,586</b>	<b>\$204,586</b>	<b>\$204,586</b>
<b>EXPENDITURES:</b>							
Salaries	\$649,112	\$0	\$649,112	\$0	\$0	\$0	\$0
Other Compensation	\$33,480	\$0	\$33,480	\$0	\$0	\$0	\$0
Related Benefits	\$331,876	\$0	\$331,876	\$0	\$0	\$0	\$0
Travel	\$9,000	\$39,800	\$48,800	\$39,800	\$39,800	\$39,800	\$39,800
Operating Services	\$30,919	\$41,000	\$71,919	\$41,000	\$41,000	\$41,000	\$41,000
Supplies	\$18,992	\$43,000	\$61,992	\$43,000	\$43,000	\$43,000	\$43,000
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$1,249,303	\$80,786	\$1,330,089	\$80,786	\$80,786	\$80,786	\$80,786
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$2,046	\$0	\$2,046	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$2,324,728</b>	<b>\$204,586</b>	<b>\$2,529,314</b>	<b>\$204,586</b>	<b>\$204,586</b>	<b>\$204,586</b>	<b>\$204,586</b>
<b>POSITIONS</b>							
Classified	9	0	9	0	0	0	0
Unclassified	1	0	1	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
Louisiana Agricultural Finance Authority Fund (A07)	\$565,466	\$0	\$565,466	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 2 NAME: Office of Soil & Water Conservation

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	\$0	\$0	\$0	\$0	\$204,586	\$204,586
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$39,800	\$39,800
Operating Services	\$0	\$0	\$0	\$0	\$41,000	\$41,000
Supplies	\$0	\$0	\$0	\$0	\$43,000	\$43,000
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$80,786	\$80,786
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$204,586</b>	<b>\$204,586</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## QUESTIONNAIRE ANALYSIS

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

### GENERAL PURPOSE

This BA-7 is to adjust the current budget (24-25) for additional Federal budget authority being requested and associated with:

The Office of Soil & Water Conservation (OSWC) was awarded a new Federal Grant, Watershed Technician Assistance, whose purpose is to develop inter-agency conservation project planning then work to implement conservation delivery in priority watersheds by providing for the integration of technical disciplines; including engineering, hydraulic and hydrologic, archeology, economic, biologic, and sedimentation investigations with proper land use and treatment into the development of sound plans for watershed protection, flood prevention, agricultural and nonagricultural water management, recreation, fish and wildlife habitat.

Federal Grants such as Farm Bill, PSS, LARU Tech, Watershed Technician Assistance, and Feral Swine Pilot awarded to the OSWC from the U.S. Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS) with respect to recapturing additional Indirect Costs for costs already being incurred and providing for a more balanced budget.

### REVENUES

#### **Federal Fund – \$413,855**

- **\$33,800 S&W** – New, Watershed Technician Assistance Grant through the USDA NRCS allowing for the ability to develop inter-agency conservation project planning then work to implement conservation delivery in priority watersheds.
- **\$170,786 S&W** - Allowing for the ability to recapture additional Indirect Costs associated with above mentioned NRCS Federal Grants, providing for a more balanced budget.
- **\$209,269 OMF** - Allowing for the ability to recapture additional Indirect Costs associated with above mentioned NRCS Federal Grants, providing for a more balanced budget.

Copies of the current Notice of Awards and Applications for all above-mentioned grants are attached.

### EXPENDITURES

#### **Federal Fund – \$413,855**

- **\$33,800 S&W** – Requested authority for the new, Watershed Technician Assistance Grant will be utilized to carry-out the purpose of said grant by developing inter-agency conservation project planning then work to implement conservation delivery in priority watersheds. Said authority will support at least 2 positions that include travel, supplies, vehicle reimbursement (mileage or fuel), and Indirect costs (IDC) capture (this portion included in the IDC portion of this request).  
**(Federal – Travel, Operating Services, Supplies, Other Charges Budget Categories)**
- **\$170,786 S&W** - Allowing for the ability to recapture additional Indirect Costs associated with above mentioned NRCS Federal Grants, providing for a more balanced budget. Requested authority will be utilized to offset program administrative/overhead expenditures such as office rent, vehicle rent, fuel,



commission meeting travel, and other miscellaneous expenditures required to carry out/administer the deliverables associated with the (5) five agreements within this NRCS Federal Grant program.

**(Federal – Travel, Operating Services, Supplies, Other Charges Budget Categories)**

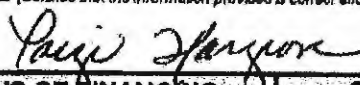
- **\$209,269 OMF** -Allowing for the ability to recapture additional Indirect Costs associated with above mentioned NRCS Federal Grants, providing for a more balanced budget. Requested authority will be utilized to support upgrades to existing software as well as procure new software which will assist with better supporting the administration of the deliverables associated with the (5) five agreements within this NRCS Federal Grant program.

**(Federal – Supplies Budget Category)**

## **OTHER**

Dane K. Morgan  
Assistant Commissioner of Management and Finance  
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STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

DEPARTMENT: Louisiana Department of Health		FOR OPB USE ONLY			
AGENCY: Louisiana Emergency Response Network		OPB LOG NUMBER <b>134</b>		AGENDA NUMBER <b>4</b>	
SCHEDULE NUMBER: 09-324		Approval and Authority:			
SUBMISSION DATE: October 28, 2024					
AGENCY BA-7 NUMBER: 1					
HEAD OF BUDGET UNIT: Paige Hargrove					
TITLE: Executive Director					
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge):</small> 					
MEANS OF FINANCING		CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)	REVISED FY 2024-2025	
GENERAL FUND BY:					
DIRECT		\$2,157,768	\$0	\$2,157,768	
INTERAGENCY TRANSFERS		\$40,000	\$0	\$40,000	
FEES & SELF-GENERATED		\$1,000	\$15,000	\$16,000	
Regular Fees & Self-generated		\$1,000	\$15,000	\$16,000	
Subtotal of Fund Accounts from Page 2		\$0	\$0	\$0	
STATUTORY DEDICATIONS		\$0	\$0	\$0	
[Select Statutory Dedication]		\$0	\$0	\$0	
[Select Statutory Dedication]		\$0	\$0	\$0	
Subtotal of Dedications from Page 2		\$0	\$0	\$0	
FEDERAL		\$0	\$0	\$0	
<b>TOTAL</b>		<b>\$2,198,768</b>	<b>\$15,000</b>	<b>\$2,213,768</b>	
AUTHORIZED POSITIONS		0	0	0	
AUTHORIZED OTHER CHARGES		0	0	0	
NON-TO FTE POSITIONS		0	0	0	
<b>TOTAL POSITIONS</b>		<b>0</b>	<b>0</b>	<b>0</b>	
PROGRAM EXPENDITURES		DOLLARS	POS	DOLLARS	POS
PROGRAM NAME:					
Program 1: LERN		\$2,198,768	10	\$15,000	0
Program 2		\$0	0	\$0	0
Program 3		\$0	0	\$0	0
Program 4		\$0	0	\$0	0
Program 5		\$0	0	\$0	0
		\$0	0	\$0	0
		\$0	0	\$0	0
		\$0	0	\$0	0
		\$0	0	\$0	0
		\$0	0	\$0	0
Subtotal of programs from Page 2:		\$0	0	\$0	0
<b>TOTAL</b>		<b>\$2,198,768</b>	<b>10</b>	<b>\$15,000</b>	<b>0</b>

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

<b>DEPARTMENT:</b> Louisiana Department of Health	<b>FOR OPB USE ONLY</b>	
<b>AGENCY:</b> Louisiana Emergency Response Network	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER:</b> 09-324		
<b>SUBMISSION DATE:</b> October 28, 2024	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER:</b> 1		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.  
 The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)	REVISED FY 2024-2025
<b>GENERAL FUND BY:</b>			
<b>FEES &amp; SELF-GENERATED</b>			
[Select Fund Account]	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>STATUTORY DEDICATIONS</b>			
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Use this section for additional Program Names, if needed.  
 The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?

The purpose of this BA-7 is to increase Fees & Self Generated Revenues budget authority in order to receive a grant from The Living Well Foundation. This grant will equip first responders and emergency care teams across Northeast Louisiana with the knowledge, skills and materials to respond to life-threatening events.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$15,000	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

3. If this action requires additional personnel, provide a detailed explanation below:  
This BA-7 does not require additional personnel

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.  
The grant is for the current fiscal year and it will be completed no later than June 30, 2025.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.  
No, this BA-7 is not after the fact.

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

Approval of this BA-7 will Fees & Self Generated budget authority in order to receive the grant from The Living Well Foundation.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. (Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)

OBJECTIVE:

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2024-2025	ADJUSTMENT (+) OR (-)	REVISED FY 2024-2025

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. (For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)

The approval of this BA-7 will have a positive impact. The project will equip first responders and emergency care teams with the knowlege, skills, and materials to respond to life-threatening events.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.  
There are no performance impacts associated with this BA-7.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)  
If this BA-7 is not approved, LERN will not have enough budget authority to receive the grant from The Living Well Foundation.

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: LERN

MEANS OF FINANCING:	CURRENT FY 2024-2025	REQUESTED ADJUSTMENT	REVISED FY 2024-2025	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$2,157,768	\$0	\$2,157,768	\$0	\$0	\$0	\$0
Interagency Transfers	\$40,000	\$0	\$40,000	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$1,000	\$15,000	\$16,000	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL MOF</b>	<b>\$2,198,768</b>	<b>\$15,000</b>	<b>\$2,213,768</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>							
Salaries	\$964,715	\$0	\$964,715	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$450,503	\$0	\$450,503	\$0	\$0	\$0	\$0
Travel	\$43,000	\$0	\$43,000	\$0	\$0	\$0	\$0
Operating Services	\$104,866	\$0	\$104,866	\$0	\$0	\$0	\$0
Supplies	\$45,657	\$0	\$45,657	\$0	\$0	\$0	\$0
Professional Services	\$393,840	\$0	\$393,840	\$0	\$0	\$0	\$0
Other Charges	\$40,000	\$15,000	\$55,000	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$156,387	\$0	\$156,387	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$2,198,768</b>	<b>\$15,000</b>	<b>\$2,213,768</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>							
Classified	9	0	9	0	0	0	0
Unclassified	1	0	1	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>10</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$1,000	\$15,000	\$16,000	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME:     LERN    

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	\$0	\$0	\$15,000	\$0	\$0	\$15,000
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$15,000	\$0	\$0	\$15,000
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,000</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## BA-7 QUESTIONNAIRE 09-324

### GENERAL PURPOSE

The purpose of this BA-7 is to increase Fees & Self-Generated Revenues budget authority in order to receive a grant from The Living Well Foundation. This grant will equip first responders and emergency care teams across Northeast Louisiana with the knowledge, skills and materials to respond to life-threatening events.

### REVENUES

Fees & Self-Generated	<u>\$15,000</u>
<b>TOTAL</b>	<b>\$15,000</b>

### EXPENDITURES

Other Charges	<u>\$15,000</u>
<b>TOTAL</b>	<b>\$15,000</b>

### OTHER

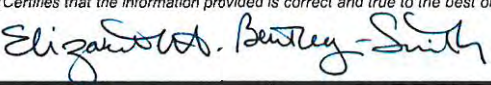
Provide names, phone numbers and e-mail addresses of agency contacts that can provide further information on this item and will attend JLCB to testify.

Paige Hargrove  
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**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>DEPARTMENT: Higher Education</b>		<b>FOR OPB USE ONLY</b>				
<b>AGENCY: Board of Regents</b>		OPB LOG NUMBER <b>136 RR</b>		AGENDA NUMBER <b>8</b>		
<b>SCHEDULE NUMBER: 19A-671</b>		Approval and Authority:				
<b>SUBMISSION DATE: 11/26/2024</b>						
<b>AGENCY BA-7 NUMBER: 3</b>						
<b>HEAD OF BUDGET UNIT: Elizabeth A. Bentley-Smith</b>						
<b>TITLE: Interim Deputy Commissioner for Finance &amp; Admin</b>						
<b>SIGNATURE</b> <small>(Certifies that the information provided is correct and true to the best of your knowledge):</small> 						
<b>MEANS OF FINANCING</b>	<b>CURRENT FY 2024-2025</b>	<b>ADJUSTMENT (+) or (-)</b>		<b>REVISED FY 2024-2025</b>		
<b>GENERAL FUND BY:</b>						
DIRECT	\$300,781,342	\$0		\$300,781,342		
INTERAGENCY TRANSFERS	\$14,752,107	\$0		\$14,752,107		
FEES & SELF-GENERATED	\$16,030,299	\$0		\$16,030,299		
Regular Fees & Self-generated	\$15,830,299	\$0		\$15,830,299		
Subtotal of Fund Accounts from Page 2	\$200,000	\$0		\$200,000		
STATUTORY DEDICATIONS	\$164,097,086	\$1,844,847		\$165,941,933		
TOPS Fund (Z19)	\$123,719,565	\$0		\$123,719,565		
Louisiana Quality Education Support Fund (Z11)	\$20,080,000	\$0		\$20,080,000		
Subtotal of Dedications from Page 2	\$20,297,521	\$1,844,847		\$22,142,368		
FEDERAL	\$34,232,149	\$0		\$34,232,149		
<b>TOTAL</b>	<b>\$529,892,983</b>	<b>\$1,844,847</b>		<b>\$531,737,830</b>		
AUTHORIZED POSITIONS	0	0		0		
AUTHORIZED OTHER CHARGES	0	0		0		
NON-TO FTE POSITIONS	0	0		0		
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>		<b>0</b>		
<b>PROGRAM EXPENDITURES</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>	<b>DOLLARS</b>	<b>POS</b>
<b>PROGRAM NAME:</b>						
Board of Regents	\$91,167,546	0	\$1,844,847	0	\$93,012,393	0
Office of Student Financial Assistance	\$411,147,771	0	\$0	0	\$411,147,771	0
LA Universities Marine Consortium	\$27,577,666	0	\$0	0	\$27,577,666	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2:	\$0	0	\$0	0	\$0	0
<b>TOTAL</b>	<b>\$529,892,983</b>	<b>0</b>	<b>\$1,844,847</b>	<b>0</b>	<b>\$531,737,830</b>	<b>0</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>DEPARTMENT: Higher Education</b>	<b>FOR OPB USE ONLY</b>	
<b>AGENCY: Board of Regents</b>	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER: 19A-671</b>		
<b>SUBMISSION DATE: 11/26/2024</b>	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER: 3</b>		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.  
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)	REVISED FY 2024-2025
<b>GENERAL FUND BY:</b>			
<b>FEES &amp; SELF-GENERATED</b>			
Proprietary School Students Protection Fund Account (E04A)	\$200,000	\$0	\$200,000
[Select Fund Account]	\$0	\$0	\$0
<b>SUBTOTAL (to Page 1)</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$200,000</b>
<b>STATUTORY DEDICATIONS</b>			
M.J. Foster Promise Program Fund (E58)	\$10,500,000	\$0	\$10,500,000
Higher Education Initiatives Fund (E18)	\$5,000,000	\$0	\$5,000,000
Health Care Employment Reinvestment Opportunity Fund (E56)	\$0	\$1,844,847	\$1,844,847
Geaux Teach Fund (E59)	\$2,500,000	\$0	\$2,500,000
Cybersecurity Talent Initiative Fund (E55)	\$1,000,000	\$0	\$1,000,000
Postsecondary Inclusive Education Fund (E63)	\$1,000,000	\$0	\$1,000,000
Medical and Allied Health Professional Education Scholarship and Loan Fund (E41)	\$200,000	\$0	\$200,000
Rockefeller Wildlife Refuge Trust and Protection Fund (RK2)	\$60,000	\$0	\$60,000
Support Education in Louisiana First Fund (G10)	\$37,521	\$0	\$37,521
<b>SUBTOTAL (to Page 1)</b>	<b>\$20,297,521</b>	<b>\$1,844,847</b>	<b>\$22,142,368</b>

Use this section for additional Program Names, if needed.  
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
<b>SUBTOTAL (to Page 1)</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?  
The source of funding is the Health Care Employment Reinvestment Opportunity (HERO) Fund created by Act 109 of the 2021 Regular Legislative Session. The fund expenditures are restricted to meeting employment demands for nursing and allied health professionals, and supporting the mentioned professions through financial incentives.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$1,844,847	\$1,306,929	\$0	\$0	\$0
FEDERAL	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$1,844,847</b>	<b>\$1,306,929</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

3. If this action requires additional personnel, provide a detailed explanation below:  
No additional personnel are required.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.  
The fund was appropriated dollars from the American Rescue Plan by Act 410 of the 2021 Regular Legislative Session. During the 2024 RLS, the fund was transferred to the LA Department of Health (LDH), however dollars were already encumbered for multi-year contracts with postsecondary institutions. It was determined that the original funding would remain at the Board of Regents, but the SGF deposit would transfer to LDH. This request cannot be postponed as the contracts have already been initiated in FY23-24.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.  
Yes, there are contracts already in place with institutions that need to be fulfilled.

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

The HERO Fund will support programs that prioritize and work to address healthcare workforce shortages, as further highlighted during the COVID-19 pandemic. Approval of this BA-7 will directly support the funding of the allied health capitation program created by the Louisiana Health Works Commission.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE:				
<b>LEVEL</b>	<b>PERFORMANCE INDICATOR NAME</b>	<b>PERFORMANCE STANDARD</b>		
		<b>CURRENT FY 2024-2025</b>	<b>ADJUSTMENT (+) OR (-)</b>	<b>REVISED FY 2024-2025</b>

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. *(For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)*

Institutions that receive dollars from the fund will have specific performance indicators. Indicators will include increasing enrollment of each nursing and allied health program that receives funding, all faculty receiving tuition scholarships, all testing waivers administered, and the percent passage rate, etc.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.  
There are no performance impacts associated with this BA-7.

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)  
If this BA-7 is not approved, the Board of Regents would not be able to disburse the already contracted funds to institutions for nursing and allied health programs during FY24 and FY25.

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: Board of Regents

MEANS OF FINANCING:	CURRENT FY 2024-2025	REQUESTED ADJUSTMENT	REVISED FY 2024-2025	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$28,356,568	\$0	\$28,356,568	\$0	\$0	\$0	\$0
Interagency Transfers	\$13,178,365	\$0	\$13,178,365	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$6,930,299	\$0	\$6,930,299	\$0	\$0	\$0	\$0
Statutory Dedications **	\$27,280,000	\$1,844,847	\$29,124,847	\$1,306,929	\$0	\$0	\$0
FEDERAL FUNDS	\$15,422,314	\$0	\$15,422,314	\$0	\$0	\$0	\$0
<b>TOTAL MOF</b>	<b>\$91,167,546</b>	<b>\$1,844,847</b>	<b>\$93,012,393</b>	<b>\$1,306,929</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>							
Salaries	\$7,758,808	\$0	\$7,758,808	\$0	\$0	\$0	\$0
Other Compensation	\$750,579	\$0	\$750,579	\$0	\$0	\$0	\$0
Related Benefits	\$3,154,147	\$0	\$3,154,147	\$0	\$0	\$0	\$0
Travel	\$323,684	\$0	\$323,684	\$0	\$0	\$0	\$0
Operating Services	\$10,961,453	\$0	\$10,961,453	\$0	\$0	\$0	\$0
Supplies	\$228,000	\$0	\$228,000	\$0	\$0	\$0	\$0
Professional Services	\$3,045,500	\$0	\$3,045,500	\$0	\$0	\$0	\$0
Other Charges	\$62,761,895	\$1,844,847	\$64,606,742	\$1,306,929	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$1,869,480	\$0	\$1,869,480	\$0	\$0	\$0	\$0
Acquisitions	\$314,000	\$0	\$314,000	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$91,167,546</b>	<b>\$1,844,847</b>	<b>\$93,012,393</b>	<b>\$1,306,929</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$6,730,299	\$0	\$6,730,299	\$0	\$0	\$0	\$0
Proprietary School Students Protection Fund Account (E04A)	\$200,000	\$0	\$200,000	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
Higher Education Initiatives Fund (E18)	\$5,000,000	\$0	\$5,000,000	\$0	\$0	\$0	\$0
Medical and Allied Health Professional Education Scholarship and Loan Fund (E41)	\$200,000	\$0	\$200,000	\$0	\$0	\$0	\$0
Cybersecurity Talent Initiative Fund (E55)	\$1,000,000	\$0	\$1,000,000	\$0	\$0	\$0	\$0
Health Care Employment Reinvestment Opportunity Fund (E56)	\$0	\$1,844,847	\$1,844,847	\$1,306,929	\$0	\$0	\$0
Postsecondary Inclusive Education Fund (E63)	\$1,000,000	\$0	\$1,000,000	\$0	\$0	\$0	\$0
Louisiana Quality Education Support Fund (Z11)	\$20,080,000	\$0	\$20,080,000	\$0	\$0	\$0	\$0

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: Board of Regents

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	\$0	\$0	\$0	\$1,844,847	\$0	\$1,844,847
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$1,844,847	\$0	\$1,844,847
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,844,847</b>	<b>\$0</b>	<b>\$1,844,847</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 2 NAME: Office of Student Financial Assistance

MEANS OF FINANCING:	CURRENT	REQUESTED	REVISED	ADJUSTMENT OUTYEAR PROJECTIONS			
	FY 2024-2025	ADJUSTMENT	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$264,719,296	\$0	\$264,719,296	\$0	\$0	\$0	\$0
Interagency Transfers	\$773,742	\$0	\$773,742	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Statutory Dedications **	\$136,779,565	\$0	\$136,779,565	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$8,875,168	\$0	\$8,875,168	\$0	\$0	\$0	\$0
<b>TOTAL MOF</b>	<b>\$411,147,771</b>	<b>\$0</b>	<b>\$411,147,771</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>							
Salaries	\$9,294,291	\$0	\$9,294,291	\$0	\$0	\$0	\$0
Other Compensation	\$134,149	\$0	\$134,149	\$0	\$0	\$0	\$0
Related Benefits	\$3,730,632	\$0	\$3,730,632	\$0	\$0	\$0	\$0
Travel	\$224,289	\$0	\$224,289	\$0	\$0	\$0	\$0
Operating Services	\$1,200,400	\$0	\$1,200,400	\$0	\$0	\$0	\$0
Supplies	\$187,867	\$0	\$187,867	\$0	\$0	\$0	\$0
Professional Services	\$966,853	\$0	\$966,853	\$0	\$0	\$0	\$0
Other Charges	\$394,410,854	\$0	\$394,410,854	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$947,236	\$0	\$947,236	\$0	\$0	\$0	\$0
Acquisitions	\$51,200	\$0	\$51,200	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$411,147,771</b>	<b>\$0</b>	<b>\$411,147,771</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
M.J. Foster Promise Program Fund (E58)	\$10,500,000	\$0	\$10,500,000	\$0	\$0	\$0	\$0
Geaux Teach Fund (E59)	\$2,500,000	\$0	\$2,500,000	\$0	\$0	\$0	\$0
Rockefeller Wildlife Refuge Trust and Protection Fund (RK2)	\$60,000	\$0	\$60,000	\$0	\$0	\$0	\$0
TOPS Fund (Z19)	\$123,719,565	\$0	\$123,719,565	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 2 NAME: Office of Student Financial Assistance

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 3 NAME: LA Universities Marine Consortium

MEANS OF FINANCING:	CURRENT	REQUESTED	REVISED	ADJUSTMENT OUTYEAR PROJECTIONS			
	FY 2024-2025	ADJUSTMENT	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$7,705,478	\$0	\$7,705,478	\$0	\$0	\$0	\$0
Interagency Transfers	\$800,000	\$0	\$800,000	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$9,100,000	\$0	\$9,100,000	\$0	\$0	\$0	\$0
Statutory Dedications **	\$37,521	\$0	\$37,521	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$9,934,667	\$0	\$9,934,667	\$0	\$0	\$0	\$0
<b>TOTAL MOF</b>	<b>\$27,577,666</b>	<b>\$0</b>	<b>\$27,577,666</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXPENDITURES:</b>							
Salaries	\$7,776,552	\$0	\$7,776,552	\$0	\$0	\$0	\$0
Other Compensation	\$45,000	\$0	\$45,000	\$0	\$0	\$0	\$0
Related Benefits	\$2,581,234	\$0	\$2,581,234	\$0	\$0	\$0	\$0
Travel	\$167,000	\$0	\$167,000	\$0	\$0	\$0	\$0
Operating Services	\$3,022,709	\$0	\$3,022,709	\$0	\$0	\$0	\$0
Supplies	\$4,111,920	\$0	\$4,111,920	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$7,997,867	\$0	\$7,997,867	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$710,893	\$0	\$710,893	\$0	\$0	\$0	\$0
Acquisitions	\$814,491	\$0	\$814,491	\$0	\$0	\$0	\$0
Major Repairs	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$27,577,666</b>	<b>\$0</b>	<b>\$27,577,666</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>							
Classified	0	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$9,100,000	\$0	\$9,100,000	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
Support Education in Louisiana First Fund (G10)	\$37,521	\$0	\$37,521	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	\$0	\$0	\$0	\$0	\$0

STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 3 NAME: LA Universities Marine Consortium

MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$0	\$0
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **BA-7 QUESTIONNAIRE ANALYSIS**

(Please reference question numbers, provide detailed information and use continuation sheets as needed.)

### **GENERAL PURPOSE**

The purpose of this BA-7 is to increase the Board of Regents (BOR) program Statutory Dedications budget authority in order to access the unexpended funding in the Health Care Employment Reinvestment Opportunity (HERO) Fund from dollars received via the American Rescue Plan by Act 410 of the 2021 Regular Legislative Session in support of programs at higher education institutions that prioritize and work to address healthcare workforce shortages.

### **REVENUES**

The source of funding is as follows:

Statutory Dedication

- \$1,844,847 to the Board of Regents (BOR) program from the Health Care Employment Reinvestment Opportunity (HERO) Fund.

This BA-7 increases Statutory Dedication budget authority by \$1,844,847 for the Board of Regents agency. Please note the complete need is \$3,151,776, of which \$1,306,929 is for FY2025-26.

### **EXPENDITURES**

These dollars will be used as follows:

The fund expenditures are restricted to meeting employment demands for nursing and allied health professionals and supporting the mentioned professions through financial incentives; these expenditures are allocated per the legislative authorization by the Louisiana Health Works Commission. The HERO Fund supports programs that prioritize and work to address healthcare workforce shortages. Approval of this BA-7 will directly support the funding of regional innovation partnerships and workforce development within Nursing and Allied Health Capitation programs as designated by the Commission and Higher Education systems.

<u>Institution</u>	<u>Description</u>	<u>FY25</u>	<u>FY26</u>	<u>Total</u>
		<u>Contract Amount</u>	<u>Contract Amount</u>	<u>Contract Amount</u>
Fletcher	Medical Assistant and Cardiovascular Sonography program	\$ 217,531	\$ 117,580	\$ 335,111
Fran U	Increase completion rates of at-risk nursing students with holistic range of services, training and experiences.	\$ 158,780	\$ -	\$ 158,780
La Tech	NursesFAST program will provide 24 students with an intensive "jump start" on the required sciences necessary to complete as foundation courses prior to beginning the clinical nursing program	\$ 124,752	\$ 124,052	\$ 248,804
LSUHSCS	DPT program in Lafayette	\$ 153,577	\$ -	\$ 153,577
LSUA	LPN to RN, Paramedic to RN, and adjunct clinical faculty from healthcare providers	\$ 237,950	\$ 249,820	\$ 487,770
McNeese	LPN to BSN	\$ 243,862	\$ 244,136	\$ 487,998
NSU	Support LPNs to become RNs	\$ 246,800	\$ 246,800	\$ 493,600
Nunez	NOEH employees enrolling in PN program	\$ 212,380	\$ 87,291	\$ 299,671
ULL	Post-Masters Psychiatric Mental Health Nurse Practitioner (PMHNP) Certificate Program	\$ 249,215	\$ 237,250	\$ 486,465
<b>TOTAL</b>		<b>\$ 1,844,847</b>	<b>\$ 1,306,929</b>	<b>\$ 3,151,776</b>

**OTHER**

Elizabeth A. Bentley-Smith  
Interim Deputy Commissioner for Finance and Administration  
Louisiana Board of Regents  
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225.342.4253

**STATE OF LOUISIANA**  
**DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET**  
**REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

DEPARTMENT: Department of Public Safety		FOR OPB USE ONLY					
AGENCY: Office of Motor Vehicles		OPB LOG NUMBER		AGENDA NUMBER			
SCHEDULE NUMBER: 08B-420		140		9			
SUBMISSION DATE: November 26, 2024		Approval and Authority:					
AGENCY BA-7 NUMBER: 12-420-03							
HEAD OF BUDGET UNIT: Daniel Casey							
TITLE: Commissioner							
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge):</small>		CURRENT FY 2024-2025		ADJUSTMENT (+) or (-)		REVISED FY 2024-2025	
<b>MEANS OF FINANCING</b>							
<b>GENERAL FUND BY:</b>							
DIRECT		\$100,000				\$100,000	
INTERAGENCY TRANSFERS		\$532,500				\$532,500	
FEES & SELF-GENERATED		\$68,874,414				\$68,874,414	
Regular Fees & Self-generated		\$59,821,486				\$59,821,486	
Subtotal of Fund Accounts from Page 2		\$9,052,928				\$9,052,928	
STATUTORY DEDICATIONS							
FEDERAL		\$1,984,312		\$2,686,526		\$4,670,838	
<b>TOTAL</b>		<b>\$71,491,226</b>		<b>\$2,686,526</b>		<b>\$74,177,752</b>	
AUTHORIZED POSITIONS		566				566	
AUTHORIZED OTHER CHARGES							
NON-TO FTE POSITIONS							
<b>TOTAL POSITIONS</b>		<b>566</b>				<b>566</b>	
PROGRAM EXPENDITURES		DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>							
100 - Licensing		\$71,491,226	566	\$2,686,526		\$74,177,752	566
Subtotal of programs from Page 2:							
<b>TOTAL</b>		<b>\$71,491,226</b>	<b>566</b>	<b>\$2,686,526</b>		<b>\$74,177,752</b>	<b>566</b>

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>DEPARTMENT:</b> Department of Public Safety	<b>FOR OPB USE ONLY</b>	
<b>AGENCY:</b> Office of Motor Vehicles	OPB LOG NUMBER	AGENDA NUMBER
<b>SCHEDULE NUMBER:</b> 08B-420		
<b>SUBMISSION DATE:</b> November 26, 2024	<b>ADDENDUM TO PAGE 1</b>	
<b>AGENCY BA-7 NUMBER:</b> 12-420-03		

Use this section for additional Dedicated Fund Accounts or Statutory Dedications, if needed.  
The subtotal will automatically be transferred to Page 1.

MEANS OF FINANCING	CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)	REVISED FY 2024-2025
<b>GENERAL FUND BY:</b>			
<b>FEES &amp; SELF-GENERATED</b>			
Office of Motor Vehicles Customer Service and Technology Dedicated Fund Account (P24A)	\$6,800,000		\$6,800,000
Unified Carrier Registration Agreement Dedicated Fund Account (P34A)	\$171,007		\$171,007
Insurance Verification System Dedicated Fund Account (P39A)	\$1,181,921		\$1,181,921
Trucking Research and Education Council Fund Account (P44A)	\$900,000		\$900,000
<b>SUBTOTAL (to Page 1)</b>	<b>\$9,052,928</b>		<b>\$9,052,928</b>
<b>STATUTORY DEDICATIONS</b>			
[Select Statutory Dedication]			
[Select Statutory Dedication]			
[Select Statutory Dedication]			
[Select Statutory Dedication]			
[Select Statutory Dedication]			
[Select Statutory Dedication]			
<b>SUBTOTAL (to Page 1)</b>			

Use this section for additional Program Names, if needed.  
The subtotal will automatically be transferred to Page 1.

PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
<b>SUBTOTAL (to Page 1)</b>						

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?

**The source of funding for this request is federal funds from the United States Department of Transportation Federal Motor Carrier Safety Administration (US DOT-FMCSA). These expenditures are restricted according to each grant's project plan and budget. The Office of Motor Vehicles currently has seven multi-year federal Commercial Driver's License Program Implementation (CDLPI) grants: 2020, 2021, 2022, 2023 Basic, 2023 High Priority (HP), 2024 Basic, and 2024 HP.**

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>					
DIRECT					
INTERAGENCY TRANSFERS					
FEES & SELF-GENERATED					
STATUTORY DEDICATIONS					
FEDERAL	\$2,686,526				
<b>TOTAL</b>	<b>\$2,686,526</b>				

3. If this action requires additional personnel, provide a detailed explanation below:

**This action will not require additional personnel.**

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.

**This request is for additional federal budget authority to allow OMV to receive funds for two new grants. The first is the 2024 CDLPI High Priority grant, to fund an expanded media campaign to increase awareness of human trafficking among CDL drivers in Louisiana, and to encourage these drivers to report suspicions of human trafficking to the National Human Trafficking Hotline (Hotline). These expenditures and revenues will be incurred/received during the current fiscal year, beginning with Super Bowl 2025 and continuing with Mardi Gras, both in New Orleans, Louisiana. The second grant is the 2024 CDLPI Basic, to fund projects that improve information systems, utilize emerging technologies, and improve commercial motor vehicle (CMV) operating standards to increase safety by reducing and preventing crashes, fatalities, and injuries. See each grant agreement and project plan for details of the period of performance and budget breakdowns.**

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.

**This BA-7 is not after the fact.**

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

**If this BA-7 is approved, the HP campaign will reach citizens attending large events and viewing online broadcasts aimed at raising human trafficking awareness, beginning with Super Bowl 2025 in New Orleans, Louisiana, and continuing with the Mardi Gras season. The Basic grant will provide funding to improve commercial motor vehicle (CMV) operating standards to reduce and prevent crashes, fatalities, and injuries along the six primary interstates (I-10, I-12, I-59, I-49, I-55, and I-20) and prominent highways (US-190, US-90, and US-61).**

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE:

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2024-2025	ADJUSTMENT (+) OR (-)	REVISED FY 2024-2025

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. *(For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)*

**Approval of this BA-7 will have a positive programmatic impact on all partners involved in these campaigns, including Louisiana State Police Special Victims Unit/Human Trafficking Taskforce, the Louisiana Office of Human Trafficking Prevention, LA Department of Transportation and Development, and FMCSA. A media strategy plan has been developed for an expanded campaign that contains innovative advertising and public awareness tools that will have the most significant impact. These tactics will raise awareness of the signs of human trafficking in an effort to stop and prevent human trafficking in LA.**

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

**While Louisiana Office of Motor Vehicles (OMV) has partnered with state, federal, and local entities to promote OMV's anti-human trafficking campaign to increase awareness and to promote citizen safety, no performance indicators will be affected in the current fiscal year; however, the campaign is directly related to OMV's Goal II., to protect consumers and ensure public safety through communication and accountability.**

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

**If this BA-7 is not approved, the Office of Motor Vehicles will not have the required federal budget authority to allow for the continuation of OMV's human trafficking awareness campaign, and the added safety to be realized from the BASIC grant initiatives.**



STATE OF LOUISIANA  
 DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
 REQUEST FOR MID-YEAR BUDGET ADJUSTMENT

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: LICENSING

MEANS OF FINANCING:	CURRENT FY 2024-2025	REQUESTED ADJUSTMENT	REVISED FY 2024-2025	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$100,000		\$100,000				
Interagency Transfers	\$532,500		\$532,500				
Fees & Self-Generated *	\$68,874,414		\$68,874,414				
Statutory Dedications **							
FEDERAL FUNDS	\$1,984,312	\$2,686,526	\$4,670,838				
<b>TOTAL MOF</b>	<b>\$71,491,226</b>	<b>\$2,686,526</b>	<b>\$74,177,752</b>				
<b>EXPENDITURES:</b>							
Salaries	\$27,138,268		\$27,138,268				
Other Compensation	\$609,270		\$609,270				
Related Benefits	\$16,284,094		\$16,284,094				
Travel	\$82,136		\$82,136				
Operating Services	\$5,210,453		\$5,210,453				
Supplies	\$2,851,518		\$2,851,518				
Professional Services	\$242,286		\$242,286				
Other Charges	\$5,296,413	\$2,686,526	\$7,982,939				
Debt Services							
Interagency Transfers	\$13,776,788		\$13,776,788				
Acquisitions							
Major Repairs							
UNALLOTTED							
<b>TOTAL EXPENDITURES</b>	<b>\$71,491,226</b>	<b>\$2,686,526</b>	<b>\$74,177,752</b>				
<b>POSITIONS</b>							
Classified	561		561				
Unclassified	5		5				
<b>TOTAL T.O. POSITIONS</b>	<b>566</b>		<b>566</b>				
Other Charges Positions							
Non-TO FTE Positions							
<b>TOTAL POSITIONS</b>	<b>566</b>		<b>566</b>				
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated Office of Motor Vehicles Customer Service and Technology Dedicated Fund Account (P24A)	\$59,821,486		\$59,821,486				
Unified Carrier Registration Agreement Dedicated Fund Account (P34A)	\$171,007		\$171,007				
Insurance Verification System Dedicated Fund Account (P39A)	\$1,181,921		\$1,181,921				
Trucking Research and Education Council Fund Account (P44A)	\$900,000		\$900,000				
<b>**Statutory Dedications:</b>							
[Select Statutory Dedication]							
[Select Statutory Dedication]							
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**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 1 NAME: LICENSING

<b>MEANS OF FINANCING:</b>	<b>State General Fund</b>	<b>Interagency Transfers</b>	<b>Fees &amp; Self-Generated Revenues</b>	<b>Statutory Dedications</b>	<b>Federal Funds</b>	<b>TOTAL</b>
<b>AMOUNT</b>					<b>\$2,686,526</b>	<b>\$2,686,526</b>
<b>EXPENDITURES:</b>						
Salaries						
Other Compensation						
Related Benefits						
Travel						
Operating Services						
Supplies						
Professional Services						
Other Charges					\$2,686,526	<b>\$2,686,526</b>
Debt Services						
Interagency Transfers						
Acquisitions						
Major Repairs						
UNALLOTTED						
<b>TOTAL EXPENDITURES</b>					<b>\$2,686,526</b>	<b>\$2,686,526</b>
<b>OVER / (UNDER)</b>						
<b>POSITIONS</b>						
Classified						
Unclassified						
<b>TOTAL T.O. POSITIONS</b>						
Other Charges Positions						
Non-TO FTE Positions						
<b>TOTAL POSITIONS</b>						

## BA-7 QUESTIONNAIRE

### GENERAL PURPOSE

1. The general purpose of BA-7 12-420-03 is to allow for an increase in federal budget authority in support of Motor Vehicles' anti-human trafficking campaign, to increase awareness within the Commercial Motor Vehicle community, and to add a layer of safety on the roadways.

### REVENUES

7.

REVENUE SOURCE	BEGINNING BUDGET	ADJUSTMENT AMOUNT	REVISED BUDGET	BRIEF DESCRIPTION
Federal	\$1,984,312	\$2,686,526	\$4,670,838	See Attachments A and B.
<b>Total Adjustments</b>		<b>\$2,686,526</b>		

### EXPENDITURES

9. The Other Charges expenditure category will be adjusted as a result of this BA-7.

11.

GL CODE	AMOUNT	MOF
5620064 - Other Charges-Professional Services	\$1,591,514	2024 CDLPI Basic Grant
5620064 - Other Charges-Professional Services	\$1,095,012	2024 CDLPI HP Grant
<b>TOTAL</b>	<b>\$2,686,526</b>	

### OTHER

12. LTC Greg Graphia  
Deputy Superintendent - Chief Administrative Officer  
225.925.6032  
Gregory.Graphia@la.gov
- Paula Tregre  
Budget Director  
225.925.1873  
Paula.Tregre@la.gov
- Vyki Thompson  
Asst. Budget Director  
225.925.6065  
Vyki.Thompson@la.gov

Office of Motor Vehicles  
 Federal Grant Award Summary  
 Attachment A

Grant Name End Date	Current Grants				New Grants			Total
	2020 CDLPI 9/30/2025	2021 CDLPI 9/30/2025	2022 CDLPI 9/30/2026	2023 CDLPI Basic 9/30/2027	2023 CDLPI HP 9/30/2027	2024 CDLPI Basic 9/30/2028	2024 CDLPI HP 9/30/2028	
Federal Award Amount	\$780,769	\$1,465,680	\$1,455,741	\$3,150,203	\$191,375	\$2,565,805	\$5,184,000	
Expended Claimed through 6/30/24	\$551,053	\$673,574	\$305,300	\$407,668	\$116,588			
Current Expenditures to be claimed	\$60,256	\$28,909	\$33,818	\$79,371	\$77,030		\$250,000	
Balance	\$169,460	\$763,197	\$1,116,623	\$2,663,163	(\$2,243)	\$2,565,805	\$4,934,000	
<b>FY25 Federal Budget</b>								\$1,984,312
FY25 Spend Plan	\$146,931	\$532,600	\$243,546	\$744,878	\$68,119	\$1,591,514	\$1,343,250	\$4,670,838
<b>Additional Federal Budget Needed</b>								(\$2,686,526)
State Share	\$54,957	\$143,181						
					No State Share			

**Louisiana Office of Motor Vehicles  
FY2024 CDLPI-Basic Project Plan**

**i) Application Introduction**

The Louisiana Office of Motor Vehicles (LA OMV) commercial driver's license (CDL) program improves information systems, utilizes emerging technologies, and works in partnership with other SDLAs and FMCSA to improve commercial motor vehicle (CMV) operating standards to reduce and prevent crashes, fatalities, and injuries.

Commercial trucking is an essential sector of Louisiana's economy due to the oil and gas and agriculture industries and the state's extensive highway system, which includes six primary interstates (I-10, I-12, I-59, I-49, I-55, I-20) and prominent highways (US-190, US-90, US-61). Additionally, Louisiana is positioned between Texas and Florida, states with high CMV traffic.

In 2022, Louisiana CMV crashes totaled 2,211 (99 fatalities, 2,112 suspected injury) – a 7.55% decrease compared to 2021. However, over the past five years, CMV fatalities increased by 3.13%, and CMV suspected injury crashes increased by 2.05%. Of the 2022 Louisiana CMV crashes, 81.32% occurred on interstates or state or Federal highways.<sup>1</sup> There is a continued need for improved commercial driver management to ensure the safest roads possible.

LA OMV's CDL program aligns with FMCSA's national CDL program to ensure that only qualified drivers receive and retain a CDL and that each driver has only one record and license. The program aims to comply with all provisions of 49 CFR parts 383 and 384 to meet rigorous standards during the issuance and renewal of CLPs/CDLs. LA OMV supports the "Safer People" initiative in the safe systems approach of the National Roadway Safety Strategy to improve safety on the Nation's roadways and realize its Zero Fatalities vision.

LA OMV's CDL program is overseen and maintained by Motor Vehicle Managers in the Driver's License Unit, the CDL Helpdesk (CDLHD) manager, 19 CDLHD staff, and four CDL consultants. LA OMV's organizational budget is funded by fees associated with licensing and reinstatement. However, the organizational budget is unable to support non-essential projects and overtime. CDL Program Implementation (CDLPI) grant funds are crucial to remain compliant with Federal regulations and rulemaking, enabling LA OMV to develop new approaches to CDL issues. Past CDLPI funds have supported creating and implementing innovative projects, including an Employer Notification System, web-based knowledge testing, and court training.

LA OMV requests a FY24 CDLPI Basic grant to support activities that correct and mitigate CDL regulatory findings, maintain the highest level of data, and enhance LA OMV's CDL program.

**Louisiana Office of Motor Vehicles  
FY2024 CDLPI High Priority Project Plan**

**i) Application Introduction**

The Louisiana Office of Motor Vehicles (LA OMV) has joined national and state agencies in the fight against human trafficking with its award-winning<sup>1</sup> “If you Suspect, Speak” campaign to increase awareness of human trafficking among drivers of commercial motor vehicles (CMV).

LA OMV is dedicated to safety on our Nation's roads through its commercial driver's license (CDL) program and its work to increase human trafficking awareness. LA OMV supports the “Safer People” initiative in the safe systems approach of the National Roadway Safety Strategy to improve safety on the Nation’s roadways and realize its Zero Fatalities vision, as well as FMCSA’s commitment to the National Action Plan to Combat Human Trafficking. Already, LA OMV has implemented *Lifetime Disqualification for Human Trafficking* in 49 CFR 383.51 by developing ACD U11 to cancel CDL status for a human trafficking conviction. LA OMV is also working with the Louisiana Office of Human Trafficking Prevention (OHTP) to create training for LA OMV staff to learn about human trafficking to recognize and prevent human trafficking.

LA OMV’s CDL program utilizes emerging technologies and works with stakeholders to improve CMV operating standards to reduce and prevent crashes, fatalities, and injuries. Likewise, LA OMV’s human trafficking campaign leverages partnerships with the Louisiana State Police (LSP) Special Victim's Unit, OHTP, LSP Motor Carrier Safety Unit, and the LA Department of Transportation Development to create innovative solutions to this alarming activity.

LA OMV’s CDL program is overseen and maintained by Motor Vehicle Managers in the Driver’s License Unit, the CDL Helpdesk (CDLHD) manager, 19 CDLHD staff, and four CDL consultants. Self-generated funds, including licensing and reinstatement fees, fund LA OMV’s organizational budget. However, the organizational budget is unable to support non-essential projects. CDL Program Implementation (CDLPI) grant funds are crucial in developing new approaches for CDL issues. LA OMV requests an FY24 CDLPI High Priority grant to support its continued work to combat human trafficking through awareness, education, and reporting.

**STATE OF LOUISIANA**  
**DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET**  
**REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

DEPARTMENT: Department of State		FOR OPB USE ONLY				
AGENCY: Secretary of State		OPB LOG NUMBER		AGENDA NUMBER		
SCHEDULE NUMBER: 04-139		139R		10		
SUBMISSION DATE: November 25, 2024		Approval and Authority:				
AGENCY BA-7 NUMBER: 3 - EASE Grant						
HEAD OF BUDGET UNIT: Nancy Landry						
TITLE: Secretary of State						
SIGNATURE <small>(Certifies that the information provided is correct and true to the best of your knowledge):</small>						
MEANS OF FINANCING		CURRENT FY 2024-2025	ADJUSTMENT (+) or (-)		REVISED FY 2024-2025	
<b>GENERAL FUND BY:</b>						
DIRECT		\$75,082,234		\$0	\$75,082,234	
INTERAGENCY TRANSFERS		\$845,100		\$0	\$845,100	
FEES & SELF-GENERATED		\$37,532,306		\$0	\$37,532,306	
Regular Fees & Self-generated		\$37,532,306		\$0	\$37,532,306	
Subtotal of Fund Accounts from Page 2		\$0		\$0	\$0	
STATUTORY DEDICATIONS		\$113,078		\$0	\$113,078	
Shreveport Riverfront and Convention Center and Independence Stadium Fund (T09)		\$113,078		\$0	\$113,078	
[Select Statutory Dedication]		\$0		\$0	\$0	
Subtotal of Dedications from Page 2		\$0		\$0	\$0	
FEDERAL		\$0		\$457,489	\$457,489	
<b>TOTAL</b>		<b>\$113,572,718</b>		<b>\$457,489</b>	<b>\$114,030,207</b>	
AUTHORIZED POSITIONS		365		0	365	
AUTHORIZED OTHER CHARGES		0		0	0	
NON-TO FTE POSITIONS		0		0	0	
<b>TOTAL POSITIONS</b>		<b>365</b>		<b>0</b>	<b>365</b>	
PROGRAM EXPENDITURES	DOLLARS	POS	DOLLARS	POS	DOLLARS	POS
<b>PROGRAM NAME:</b>						
ADMINISTRATIVE	\$18,452,841	84	\$0	0	\$18,452,841	84
ELECTIONS	\$72,167,091	151	\$457,489	0	\$72,624,580	151
ARCHIVES & RECORDS	\$6,154,708	38	\$0	0	\$6,154,708	38
MUSEUM & OTHER OPERATIONS	\$5,198,132	37	\$0	0	\$5,198,132	37
COMMERCIAL	\$11,599,946	55	\$0	0	\$11,599,946	55
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
	\$0	0	\$0	0	\$0	0
Subtotal of programs from Page 2:	\$0	0	\$0	0	\$0	0
<b>TOTAL</b>	<b>\$113,572,718</b>	<b>365</b>	<b>\$457,489</b>	<b>0</b>	<b>\$114,030,207</b>	<b>365</b>

**STATE OF LOUISIANA**  
**DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET**  
**REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

Policy and Procedure Memorandum No. 52, Revised, requires that all Requests for Changes in Appropriation be fully documented. At a minimum, the following questions and statements must be answered. Use Continuation Sheets as needed. **FAILURE TO ANSWER ALL QUESTIONS COMPLETELY WILL BE CAUSE TO RETURN THIS DOCUMENT WITHOUT ACTION.**

1. What is the source of funding (if other than General Fund (Direct))? Specifically identify any grant or public law and the purposes of the funds, if applicable. A copy of any grant application and the notice of approved grant or appropriation must accompany the BA-7. What are the expenditure restrictions of the funds?

- The source of funding is Federal Funds provided by the U.S. Department of Defense as part of the Federal Voting Assistance Program (FVAP). Expenditures are restricted to the Elections Program and provisions of the Electronic Absentee Systems for Elections (EASE) grant. See attached for additional information.

2. Enter the financial impact of the requested adjustment for the next four fiscal years.

MEANS OF FINANCING OR EXPENDITURE	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>					
DIRECT	\$0	\$0	\$0	\$0	\$0
INTERAGENCY TRANSFERS	\$0	\$0	\$0	\$0	\$0
FEES & SELF-GENERATED	\$0	\$0	\$0	\$0	\$0
STATUTORY DEDICATIONS	\$0	\$0	\$0	\$0	\$0
FEDERAL	\$457,489	\$457,489	\$457,488	\$457,488	\$457,489
<b>TOTAL</b>	<b>\$457,489</b>	<b>\$457,489</b>	<b>\$457,488</b>	<b>\$457,488</b>	<b>\$457,489</b>

3. If this action requires additional personnel, provide a detailed explanation below:

- N/A - this action does not require additional personnel.

4. Explain why this request can't be postponed for consideration in the agency's budget request for next fiscal year.

- FY25 is year one of five for this grant award. Year two has been submitted with the agency's FY26 budget request for next fiscal year.

5. Is this an after the fact BA-7, e.g.; have expenditures been made toward the program this BA-7 is for? If yes, explain per PPM No.52.

- No, this is not an after the fact BA-7.



**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PERFORMANCE IMPACT OF MID-YEAR BUDGET ADJUSTMENT**

1. Identify and explain the programmatic impacts (positive or negative) that will result from the approval of this BA-7.

- Approval of this BA-7 will allow for a more secure and efficient ballot delivery portal which will enhance the voting process for military and overseas voters and compliance with the Military and Overseas Voter Empowerment (MOVE) Act for the State of Louisiana and our local election officials.

2. Complete the following information for each objective and related performance indicators that will be affected by this request. *(Note: Requested adjustments may involve revisions to existing objectives and performance indicators or creation of new objectives and performance indicators. Repeat this portion of the request form as often as necessary.)*

OBJECTIVE:  
- N/A

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE STANDARD		
		CURRENT FY 2024-2025	ADJUSTMENT (+) OR (-)	REVISED FY 2024-2025

JUSTIFICATION FOR ADJUSTMENT(S): Explain the necessity of the adjustment(s).

3. Briefly explain any performance impacts other than or in addition to effects on objectives and performance indicators. *(For example: Are there any anticipated direct or indirect effects on program management or service recipients? Will this BA-7 have a positive or negative impact on some other program or agency?)*

- Service recipients will directly benefit from an easier to use and more simplified voting process, which will reduce the voting gap between military and domestic voters, and local election officials will be able to provide more secure and more easily attainable voter services to our military and overseas voters.

4. If there are no performance impacts associated with this BA-7 request, then fully explain this lack of performance impact.

- N/A

5. Describe the performance impacts of failure to approve this BA-7. (Be specific. Relate performance impacts to objectives and performance indicators.)

- Failure to approve this BA-7 would result in military voters having to wait on less secure email attachments to be sent, with limited computer access. Local officials and the State will not have access to a comprehensive tool for providing ballots and analyzing related information.

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

**PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

PROGRAM 2 NAME: Elections

MEANS OF FINANCING:	CURRENT FY 2024-2025	REQUESTED ADJUSTMENT	REVISED FY 2024-2025	ADJUSTMENT OUTYEAR PROJECTIONS			
				FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
<b>GENERAL FUND BY:</b>							
Direct	\$68,412,436	\$0	<b>\$68,412,436</b>	\$0	\$0	\$0	\$0
Interagency Transfers	\$530,000	\$0	<b>\$530,000</b>	\$0	\$0	\$0	\$0
Fees & Self-Generated *	\$3,224,655	\$0	<b>\$3,224,655</b>	\$0	\$0	\$0	\$0
Statutory Dedications **	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
FEDERAL FUNDS	\$0	\$457,489	<b>\$457,489</b>	\$457,489	\$457,488	\$457,488	\$457,489
<b>TOTAL MOF</b>	<b>\$72,167,091</b>	<b>\$457,489</b>	<b>\$72,624,580</b>	<b>\$457,489</b>	<b>\$457,488</b>	<b>\$457,488</b>	<b>\$457,489</b>
<b>EXPENDITURES:</b>							
Salaries	\$9,393,998	\$0	<b>\$9,393,998</b>	\$0	\$0	\$0	\$0
Other Compensation	\$55,911	\$0	<b>\$55,911</b>	\$0	\$0	\$0	\$0
Related Benefits	\$5,483,202	\$0	<b>\$5,483,202</b>	\$0	\$0	\$0	\$0
Travel	\$168,046	\$0	<b>\$168,046</b>	\$0	\$0	\$0	\$0
Operating Services	\$9,018,153	\$0	<b>\$9,018,153</b>	\$0	\$0	\$0	\$0
Supplies	\$613,946	\$0	<b>\$613,946</b>	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
Other Charges	\$44,544,096	\$457,489	<b>\$45,001,585</b>	\$457,489	\$457,488	\$457,488	\$457,489
Debt Services	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
Interagency Transfers	\$2,274,250	\$0	<b>\$2,274,250</b>	\$0	\$0	\$0	\$0
Acquisitions	\$115,489	\$0	<b>\$115,489</b>	\$0	\$0	\$0	\$0
Major Repairs	\$500,000	\$0	<b>\$500,000</b>	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$72,167,091</b>	<b>\$457,489</b>	<b>\$72,624,580</b>	<b>\$457,489</b>	<b>\$457,488</b>	<b>\$457,488</b>	<b>\$457,489</b>
<b>POSITIONS</b>							
Classified	149	0	<b>149</b>	0	0	0	0
Unclassified	2	0	<b>2</b>	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>151</b>	<b>0</b>	<b>151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	<b>0</b>	0	0	0	<b>0</b>
Non-TO FTE Positions	0	0	<b>0</b>	0	0	0	<b>0</b>
<b>TOTAL POSITIONS</b>	<b>151</b>	<b>0</b>	<b>151</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>*Dedicated Fund Accounts:</b>							
Reg. Fees & Self-generated	\$3,224,655	\$0	<b>\$3,224,655</b>	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Fund Account]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
<b>**Statutory Dedications:</b>							
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0
[Select Statutory Dedication]	\$0	\$0	<b>\$0</b>	\$0	\$0	\$0	\$0

**STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION, OFFICE OF PLANNING AND BUDGET  
REQUEST FOR MID-YEAR BUDGET ADJUSTMENT**

<b>PROGRAM LEVEL REQUEST FOR MID-YEAR BUDGET ADJUSTMENT</b>						
PROGRAM 2 NAME: <u>Elections</u>						
MEANS OF FINANCING:	State General Fund	Interagency Transfers	Fees & Self-Generated Revenues	Statutory Dedications	Federal Funds	TOTAL
<b>AMOUNT</b>	\$0	\$0	\$0	\$0	\$457,489	\$457,489
<b>EXPENDITURES:</b>						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	\$0	\$0	\$0	\$0	\$0	\$0
Related Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0	\$0	\$0
Operating Services	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0
Professional Services	\$0	\$0	\$0	\$0	\$0	\$0
Other Charges	\$0	\$0	\$0	\$0	\$457,489	\$457,489
Debt Services	\$0	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$0	\$0	\$0	\$0	\$0	\$0
Acquisitions	\$0	\$0	\$0	\$0	\$0	\$0
Major Repairs	\$0	\$0	\$0	\$0	\$0	\$0
UNALLOTTED	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$457,489</b>	<b>\$457,489</b>
<b>OVER / (UNDER)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>POSITIONS</b>						
Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
<b>TOTAL T.O. POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other Charges Positions	0	0	0	0	0	0
Non-TO FTE Positions	0	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# **BA-7 QUESTIONNAIRE**

(Provide answers on the Questionnaire Analysis Form; answer all questions applicable to the requested budget adjustment.)

## **GENERAL PURPOSE**

1. I.E.-This BA-7 is to avoid deficit expenditures in the Administration Program. This BA-7 is to budget a Supplemental Appropriation. This BA-7 is to budget receipt of a federal grant. This BA-7 budgets funding approved at March I.E.B. meeting.

## **REVENUES**

(Explain the Means of Financing. Provide details including Source, authority to spend, etc.)

### **2. If STATE GENERAL FUND**

- Provide details

### **3. If IAT**

- List sending agency
- Attach signed IAT agreement or signed letter that sending agency concurs with the need for this BA-7
- Provide original Source of Funding (Where did the sending agency get the funds?)

### **4. If Self-Generated Revenues**

- Explain how funds are generated
- Provide original fund balance and revised fund balance
- Provide amount of original fund balance that was originally budgeted
- Provide amount of revised fund balance that will be budgeted if this BA-7 is approved

### **5. If Statutory Dedications**

- Provide creating authority (Louisiana Revised Statutes and/or Administrative Code citations)
- Current fund balance
- Current year anticipated revenue

### **6. If Interim Emergency Board Appropriations**

- Attach I.E.B. notification approval (will serve as BA-7 justification)

### **7. If Federal Funds**

- Provide a copy of the grant award from the Federal Agency
- Explain matching requirements associated with the proposed source of funding (be specific)

### **8. All Grants:**

- Explain the purpose of the grant
- Provide a copy of the grant application and notification of grant award
- Provide spending plan for each year of multi-year grants

## **EXPENDITURES**

9. Provide detailed expenditure information including how the amount requested was calculated.
10. If funds are being transferred, please explain how excess funds became available.
11. Provide object details as part of explanation.

## **OTHER**

12. Provide names, phone numbers and e-mail addresses of agency contacts that can provide further information on this item and will attend JLCB to testify.

# QUESTIONNAIRE ANALYSIS

## GENERAL PURPOSE

- The purpose of this BA-7 is to budget receipt of a federal grant.

## REVENUES

- The means of financing is Federal Funds.
- There are no state matching share requirements for this grant.
- A copy of the grant award from is attached.

## EXPENDITURES

- The expenditures are restricted to the Other Charges category of the Elections Program as follows:
    - \$ 389,299 Contractual – Hardware and software for electronic ballot delivery system.
    - \$ 68,190 Operating – Election Program operating costs.
- \$ 457,489 Total**

## OTHER

1. Wyatt Vial, Budget Administrator: 225-362-5156 or [wyatt.vial@sos.la.gov](mailto:wyatt.vial@sos.la.gov)
2. Melissa Thibodeaux, Accounting Director: 225-922-1229 or [melissa.thibodeaux@sos.la.gov](mailto:melissa.thibodeaux@sos.la.gov)

**DIVISION OF ADMINISTRATION**  
**Facility Planning & Control**

**JOINT LEGISLATIVE COMMITTEE**  
**ON THE**  
**BUDGET**

**Briefing Book**

**FOR**

**December 2024**

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**December 2024**

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(Statewide)
2. Combination of Appropriations  
LSU Baton Rouge Strategic Capital Plan – Deferred Maintenance for Infrastructure, Renovations,  
and Streets  
FP&C Project No. 19-601-21-01  
and  
Louisiana State University Library Learning Commons  
FP&C Project No. 19-601-20-03
3. Request for Supplemental Funds, Interagency Transfer  
Supplemental Funds Request, Interagency Transfer  
Major Repairs, Equipment Replacement and Renovations for State Buildings to  
Address Deferred Maintenance Backlog and Infrastructures, Planning and Construction  
(Statewide)  
Project Number 01-107-24-03
4. Request for Supplemental Funds, Interagency Transfer  
Louisiana State Police Crime Laboratory  
Department of Public Safety & Corrections  
Baton Rouge, Louisiana  
Project No.: 08-419-23-03, F.08000151
5. Approval of Change Orders over \$100,000  
Bay Windows Restoration  
Louisiana Governor’s Mansion  
State Capital Park  
Baton Rouge, Louisiana  
Project No. 01-107-18-02, F.01004406
6. Approval of a Change Order over \$100,000  
Repair and Resurface of Asphalt Parking Lots  
Elayn Hunt Correctional Center  
St. Gabriel, Louisiana  
Project No. 01-1017-18-02, F.01004442
7. Approval of a Change Order over \$100,000  
Emergency Repairs, Julian White Hall  
Louisiana State University  
Baton Rouge, Louisiana  
Project No. 19-671-22-01; F.19002613
8. Reporting of Change Orders over \$50,000 and Under \$100,000
  - A) Roofing, Waterproofing, and Masonry Repairs (CO#10)  
Madame John’s Legacy  
New Orleans, Louisiana  
Project No. 01-107-06B-11, F.01003711, 01-107-18-02, F.01004017 (Supplemental)
  - B) Roofing, Waterproofing, and Masonry Repairs (CO#11)  
Madame John’s Legacy  
New Orleans, Louisiana  
Project No. 01-107-06B-11, F.01003711, 01-107-18-02, F.01004017 (Supplemental)

- C) **New Boiler Building (CO#9)**  
State Capitol  
State Capitol Park  
Baton Rouge, Louisiana  
Project No. 01-107-93B-12, F.01004180
  
- D) **Hurricane Ida Repairs (CO#1)**  
Tree and Vegetation Clearing and Repairs to Boardwalks and Trails  
Tickfaw State Park  
Springfield, Louisiana  
Project No. 06-264-11-01, F.06002350
  
- E) **Cafeteria & In Service Training Facility, Law Enforcement Training Academy & Emergency Facility Complex (CO#2)**  
Waddill Wildlife Management Area  
Baton Rouge, Louisiana  
Project No. 16-512-12-01, F.16000144
  
- F) **Renovations to University Bookstore**  
McNeese State University  
Lake Charles, Louisiana  
Project No.:19-671-21-01, F.19002467



Office of the Commissioner  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

December 2, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 44294, Capitol Station  
Baton Rouge, Louisiana 70804

**RE: Approval of Projects for Funding through the College and University Deferred Maintenance and Capital Improvement Program**

Dear Chairman Womack:

In accordance with R.S. 17:3369.1(A)(4)(a)(ii), a list of projects approved by the Commissioner of Administration shall be submitted to the Joint Legislative Committee on the Budget for approval. The attached list includes an additional project requested from the university systems.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Taylor F. Barras".

Taylor F. Barras  
Commissioner of Administration

CC: Matthew Baker, FPC  
Bobby Boudreaux, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Brittany Lea, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division

College and University Deferred Maintenance and Capital Improvement Program (Act No. 751 - HB 940 of the 2024 Regular Session)

JLCB Project Approval Request - August 09, 2024

System	Item No.	Project No. (If Applicable)	Campus	Project	Building/Site	Project Scope (2-3 Sentences)
SU	273	01-107-18-02, F.01004362	SUSLA	HVAC Equipment & Controls Replacement, Metro Building	Metro Building	Provide the replacement of failing HVAC equipment and components for the Metro building

## **Bobby Boudreaux (DOA)**

---

**From:** Kenneth Dawson <Kenneth.Dawson@sus.edu>  
**Sent:** Monday, November 18, 2024 3:37 PM  
**To:** Bobby Boudreaux (DOA); Roy Dowling (OFPC)  
**Cc:** Chris Herring (laregents.edu); Sandra Stepter; Wynton Johnson  
**Subject:** JLCB REQUEST PROJECT -01-107-18-02, F.01004362 - HVAC Equipment & Controls Replacement, Metro Building, SUSLA

**EXTERNAL EMAIL:** Please do not click on links or attachments unless you know the content is safe.

Bobby:

Southern University System Office of Facilities Planning requests Project- 01-107-18-02, F.01004362 - HVAC Equipment & Controls Replacement, Metro Building, SUSLA added to the JLCB agenda for additional funding. We are requesting the increase to include Base Bid and Alternates No. 1 & 2.

Please call if you have any questions.

Kenneth Dawson  
System Director Of Facility Planning  
(225) 771-2786 Office  
(225) 721-7333 Cell

Office of the Commissioner  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post office Box 44294, Capital Station  
Baton Rouge, Louisiana 70804

RE: **Combination of Appropriations Request for LSU Baton Rouge  
Strategic Capital Plan – Deferred Maintenance for Infrastructure, Renovations, and Streets  
FP&C Project No. 19-601-21-01  
Louisiana State University Library Learning Commons  
FP&C Project No. 19-601-20-03**

Dear Chairman Womack,


Act 5 of 2024 includes two projects for Louisiana State University titled "Strategic Capital Plan – Deferred Maintenance for Infrastructure, Renovations, and Streets" (FP&C Project No. 19-601-21-01) and "Louisiana State University Library Learning Commons" (FP&C Project No. 19-601-20-03); however, a large portion of the scope and budget of the Strategic Capital Plan project is planned to be constructed on the same site and is a necessary component for the success of the Library Learning Commons.


The combination of both appropriations would likely reduce the overall price of the two projects, shorten the timeline for construction, and increase the efficiency and coordination of the implementation of both projects.

Therefore, Facility Planning and Control is requesting to combine all appropriations for both projects under Louisiana State University Library Learning Commons (FP&C Project No. 19-601-20-03) for design, construction contracting, and accounting purposes.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,

  
Roger E. Husser, Jr.  
Director

Approved:   
Taylor F. Barras  
Commissioner of Administration

CC: Kimberly Lewid, LSU  
Anzilla Gilmore, LSU  
Bobby Boudreaux, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Brittany Lea, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division

Office of the Commissioner  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 44294, Capital Station  
Baton Rouge, Louisiana, 70804

**RE: Supplemental Funds Request, Interagency Transfer  
Major Repairs, Equipment Replacement and Renovations for State Buildings to Address Deferred  
Maintenance Backlog and Infrastructures, Planning and Construction  
(Statewide)  
Project Number 01-107-24-03**


Dear Chairman Womack:


Act 5 of the 2024 Regular Session appropriated \$25,000,000 payable from Interagency Transfers, \$13,070,000 payable from State General Fund (Direct) Non-Recurring Revenues, \$10,000,000 payable from Fees and Self-Generated Revenues, and \$10,000,000 payable from Federal Funds via Interagency Transfers for the "Major Repairs, Equipment Replacement and Renovations for State Buildings to Address Deferred Maintenance Backlog and Infrastructures, Planning and Construction (Statewide)".

Facility Planning and Control is requesting authorization to accept supplemental funding for the "Major Repairs, Equipment Replacement and Renovations for State Buildings to Address Deferred Maintenance Backlog and Infrastructures, Planning and Construction (Statewide)" project from the Department of Public Safety & Corrections in the amount of \$30,000,000 payable from Interagency Transfers. The additional funds will be used for major repairs of Department of Public Safety & Corrections facilities statewide. The source of these funds is via various major repairs appropriations in Act 4 of the 2024 Regular Session. If approved, the result will be a total FY25 Interagency Transfer appropriation of \$55,000,000.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

  
Roger E. Husser, Jr.  
Director

Approved:   
Taylor F. Barras  
Commissioner of Administration

CC: Matt Baker, FPC  
Bobby Boudreaux, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Brittany Lea, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division



Facility Planning and Control  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 80372  
Baton Rouge, Louisiana 70804

**Re: Supplemental Funds Request  
Louisiana State Police Crime Laboratory  
Department of Public Safety & Corrections  
Baton Rouge, Louisiana  
Project No.: 08-419-23-03, F.08000151**

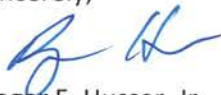
Dear Chairman Womack:

Act 465 of 2023 appropriated \$10,000,000 in Interagency Transfer and \$130,000,000 in Revenue Bonds to the Office of State Police for the construction of a new Crime Laboratory.

Office of State Police would like to pursue additional development at the subject site by relocating their existing helipad due to the new building impeding on the current helipad location. Facility Planning and Control is requesting authorization to accept supplemental funding from the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) in the amount of \$700,000 in Interagency Transfers for the construction of the new helipad. The source of these funds is the operating budget for the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP). If approved, the result will be a total FY24 Interagency Transfer appropriation of \$10,700,000.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,



Roger E. Husser, Jr.  
Director

Approved: \_\_\_\_\_



Taylor F. Barras  
Commissioner of Administration

CC: Matthew Baker, FPC  
Captain Chad Guidry, LSP, Crime Lab  
Lt. Colonel Greg Graphia, LSP  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Linda Hopkins, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Summer Metoyer, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division

**Supplemental Funds Request  
November 22, 2024**

**Louisiana State Police Crime Laboratory  
Department of Public Safety & Corrections  
Baton Rouge, Louisiana  
Project No.: 08-419-23-03, F.08000151  
Site Code: 2-17-017**

**History**

- Act 465 of 2023 appropriated \$10,000,000 in Interagency Transfer and \$130,000,000 in Revenue Bonds to the Office of State Police for the construction of a new Crime Laboratory.

**Reasons / Justifications for JLCB Action**

- The new Crime Laboratory will be constructed where the existing helipad is currently located.
- This additional funding will cover the costs for the construction of a new helipad prior to the demolition of the existing helipad necessary for the construction of the new Crime Laboratory.

Facility Planning and Control  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 80372  
Baton Rouge, Louisiana 70804

**Re: Approval of Change Orders over \$100,000  
Bay Windows Restoration  
Louisiana Governor's Mansion  
State Capitol Park  
Baton Rouge, Louisiana  
Project No.: 01-107-18-02, F.01004406**

Dear Chairman Womack:

In accordance with R.S. 39:126 the prior approval of the Joint Legislative Committee on the Budget is required for one or more change orders that cause an excess in the aggregate of one hundred thousand dollars per month for a project undertaken pursuant to an appropriation in the Capital Outlay Act. Pursuant to this authority, Facility Planning & Control has issued change orders, which are itemized on the attached list. The project scope consists of replacement of the west and north facing bay windows at the Louisiana Governor's Mansion. A contract was issued to Hill Construction, LLC in the amount of \$542,670.16 and construction commenced in October 2024.

The subject change order is in the amount of \$695,245.00 to abate, remove, and replace thirty-one (31) existing single pane wood windows on the second and third floors of the mansion with new insulated aluminum windows while the bay windows are being replaced to minimize disruption and reduce costs. The installation of aluminum, insulated windows will reduce condensation associated with temperature differential condensation. This, in turn, will reduce the long-term maintenance costs associated with wood windows and their trim being in constant contact with a source of moisture. Additionally, the new insulated aluminum windows will offer increased energy efficiency, which will reduce the operational costs associated with heating and cooling of the mansion. The Designer has reviewed the detailed cost proposal and has recommended this change order to Facility Planning and Control. Sufficient supplemental major repairs funding is available to include this work in the project.

As there is no alternative viable solution, we respectfully request that the approval of this change order to complete this scope of work.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,



Roger E. Husser, Jr.  
Director

Approved: \_\_\_\_\_



Taylor F. Barras  
Commissioner of Administration

CC: Matthew Baker, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Linda Hopkins, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Summer Metoyer, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division

**Approval of Change Orders over \$100,000  
Facility Planning and Control  
November 22, 2024**

**Bay Windows Restoration  
Louisiana Governor's Mansion  
Baton Rouge, Louisiana  
Project No. 01-107-18-02, F.01004406**

**State ID No.: S02012  
Site Code: 2-17-025  
Date of Contract: September 27, 2024**

<b>Original Contract Amount:</b>	<b>\$542,670.16</b>
<b>Changes by previous change orders:</b>	<b>\$0.00</b>
<b>Contract amount increased by this change order:</b>	<b>\$695,245.00</b>
<b>Date Change Order 1 Execution:</b>	<b>Pending Approval</b>
<b>New Contract Sum:</b>	<b>\$1,237,915.16</b>

Change Order No. 1 incorporates the removal and replacement of Thirty-One (31) windows located on the second and third floor of the Louisiana Governor's Mansion in Baton Rouge. All windows are currently single panel wood windows and are to be replaced with aluminum insulated windows. The thirty-one (31) windows are proposed to be replaced concurrent with the bay windows in order to minimize disruption and reduce costs. Lead paint abatement and replacement of miscellaneous rotted wood trim is included in the scope of the work. The current contract time and completion date will be unchanged by this change order.

All costs associated with this change order are to be covered by an increase in Statewide Major Repairs Funding.

Facility Planning and Control  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 80372  
Baton Rouge, Louisiana 70804

**Re: Approval of Change Orders over \$100,000  
Repair and Resurface of Asphalt Parking Lots  
Elayn Hunt Correctional Center  
St. Gabriel, Louisiana  
Project No. 01-107-18-02, F.01004442**

Dear Chairman Womack:

In accordance with R.S. 39:126, the prior approval of the Joint Legislative Committee on the Budget is required for one or more change orders that cause an excess in the aggregate of \$100,000 per month. Pursuant to this authority, Facility Planning & Control has issued change orders, which are itemized on the attached list. The project scope consists of repair and resurface of parking lots at Elayn Hunt Correctional Center. A contract was issued to Brown Industrial Construction in the amount of \$2,511,630.00 and construction commenced in May 2024.

The subject change order totaling \$118,424.00 is for added asphalt, concrete paving, repair to subsurface infrastructure, inspections and testing and an 18 calendar day contract extension. The Designer has reviewed the detailed cost proposal and has recommended this change order to FP&C. Sufficient funds are in place to include this work in the project.

As there is no other viable solution, we respectfully request the approval of this change order to complete the required scope of work.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

Roger E. Husser, Jr.  
Director

Approved: \_\_\_\_\_

Taylor F. Barras  
Commissioner of Administration

CC: Matthew Baker, FPC  
Charles Funderburk, FPC  
Brandon Dockery, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Linda Hopkins, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Summer Metoyer, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division



**Approval of Change Orders over \$100,000  
Facility Planning and Control  
November 22, 2024**

**Repair and Resurface of Asphalt Parking Lots  
Elayn Hunt Correctional Center  
St. Gabriel, Louisiana  
Project No. 01-107-18-02, F.01004442**

**State ID No.: N/A  
Site Code: 2-24-004  
Date of Contract: May 13, 2024**

<b>Original Contract Amount:</b>	<b>\$2,511,630.00</b>
<b>Changes by previous change orders:</b>	<b>\$0.00</b>
<b>Contract amount increased by this change order:</b>	<b>\$118,424.00</b>
<b>Date Change Order 1 Execution:</b>	<b>Pending Approval</b>
<b>New Contract Sum:</b>	<b>\$2,630,054.00</b>

Change Order No. 1 incorporates additional asphalt and concrete paving, allowing for more seamless transitions between existing areas of paving, as well as unforeseen repairs to subsurface utility infrastructure. Change Order 1 also adds 18 days to the construction schedule to account for the added paving scope and time associated with addressing unforeseen subsurface utility conditions.

The cost of this scope of work is covered by existing project contingency.

Office of the Commissioner  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 44294, Capital Station  
Baton Rouge, Louisiana 70804

**Re: Approval of a Change Order over \$100,000  
Emergency Repairs, Julian White Hall  
Louisiana State University  
Baton Rouge, Louisiana  
Project No. 19-671-22-01; WBS F.19002613**

Dear Representative Womack:

On June 26, 2024 a notice of public emergency was initiated by LSU due to falling brick on the face of Julian White Hall. Brick movement had occurred in the week(s) prior and immediate action was needed to safely remove the brick at the areas of failure.

In response to the public emergency, a scope of work for the brick removal was developed very quickly with the design team; however, upon executing the brick removal, additional brick removal is required now that the extent of the issue and the cause of the brick failure is confirmed. Years of water intrusion into the brick cavity has rusted the metal brick ties holding the brick to the building. This water intrusion has also effected the building's structural integrity as the metal framing and structural steel members were also found to be severely rusted and require extensive repairs.

Additionally, once the brick was removed, toxic mold was found on the interior surface of the exterior sheathing, the metal stud framing, the building insulation, and on the exterior surface of the interior gypsum board. As a result, the building had to be completely vacated, the existing brick, insulation, sheathing, and waterproofing must be replaced, in addition to the structural repairs and mold removal.

As there is no other viable solutions, we respectfully request approval of a change order over \$100,000.00 to address the emergency situation, allowing for completion as soon as possible and re-occupancy of the building. The Designer has reviewed the estimated price to ensure that it is appropriate and has recommended this change order to FPC for this work. All funds required for the additional work are covered by existing funding for major repair funding.

Please place this item on the agenda for the next meeting of the Committee.

Sincerely,



Roger E. Husser, Jr.  
Director

Approved: \_\_\_\_\_



Taylor F. Barras  
Commissioner of Administration

CC: Bobby Boudreaux, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Brittany Lea, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division

**Approval of Change Orders over \$100,000**  
**Facility Planning and Control**  
**November 22, 2024**

**Emergency Repairs, Julian White Hall**  
**Louisiana State University**  
**Baton Rouge, Louisiana**  
**Project No. 19-671-22-01; WBS F.19002613**  
**State ID: S10553**  
**Site Code: 2-17-014**  
**Date of Contract: August 21, 2024**  
**Original Contract Amount: \$1,794,000.00**  
**(No changes by previous change orders)**

**Contract amount increased by this change order No.1: \$1,576,144.00**  
**New contract sum: \$3,370,144.00**

- Change Order No.1 is to be approved and executed in the amount of \$1,576,144.00 for additional brick removal, steel framing and structural steel repairs, and mold remediation required for the emergency construction.

Office of the Commissioner  
State of Louisiana  
Division of Administration

JEFF LANDRY  
GOVERNOR



TAYLOR F. BARRAS  
COMMISSIONER OF ADMINISTRATION

November 22, 2024

The Honorable Glen Womack, Chairman  
Joint Legislative Committee on the Budget  
Post Office Box 44294, Capitol Station  
Baton Rouge, Louisiana 70804


**RE: Reporting of Change Orders over \$50,000 and Under \$100,000**

Dear Chairman Womack:

In accordance with R.S. 39:126, any change order in excess of fifty thousand dollars but less than one hundred thousand dollars shall be submitted to the Joint Legislative Committee on the Budget for review but shall not require committee approval. Pursuant to this authority, Facility Planning & Control has issued change orders which are itemized on the attached list.

Please place this item on the agenda of the next meeting of the Committee.

Sincerely,

  
Roger E. Husser, Jr.  
Director

Approved: \_\_\_\_\_



Taylor F. Barras  
Commissioner of Administration

CC: Matthew Baker, FPC  
Bobby Boudreaux, FPC  
Janelle Kirvin, FPC  
Margaret Hill, FPC  
Ternisa Hutchinson, OPB  
Samuel Roubique, OPB  
Paul Fernandez, OPB  
Brittany Lea, House Fiscal Division  
Mark Mahaffey, House Fiscal Division  
Daniel Waguespack, House Fiscal Division  
Bobbie Hunter, Senate Fiscal Division  
Debra Vivien, Senate Fiscal Division  
Raynel Gascon, Senate Fiscal Division

Reporting of Change Orders over \$50,000 and Under \$100,000  
Facility Planning and Control  
November 22, 2024

Roofing, Waterproofing and Masonry Repairs

Madame John's Legacy

New Orleans, Louisiana

Project No. 01-107-06B-11, F.01003711

01-107-18-02, F.01004017 (Supplement)

State ID: S00399, S16077

Site Code: 1-36-022

Date of Contract: May 17, 2021

Original Contract Amount:	\$725,541.75
Changes by previous change orders:	
Change Order 1:	\$18,432.00 (Executed 10.5.21)
Change Order 2:	\$16,877.00 (Executed 12.7.21)
Change Order 3:	\$48,011.00 (Executed 12.15.21)
Change Order 4:	\$48,835.00 (Executed 3.29.22)
Change Order 5:	\$44,511.00 (Executed 4.29.22)
Change Order 6:	\$39,995.00 (Executed 6.30.22)
Change Order 7:	\$47,978.00 (Executed 5.26.23)
Change Order 8:	\$64,603.00 (Executed 12.28.23)
Change Order 9:	\$239,400.00 (Executed 8.30.24)
<hr/> TOTAL	<hr/> \$568,642.00

Contract amount increased by this change order (No. 10): \$93,433.00  
(Executed 9.24.24)

New Contract Sum: \$1,387,616.75

- The project consists of roofing, waterproofing and masonry repairs to Madame John's Legacy Museum complex in the French Quarter, New Orleans.
- Change Order No. 10 increased the contract amount due to two separate items.
  1. Removal and replacement of the existing floor sill at the front gallery wall. Replacement is required due to excessive termite and water damage compromising the structural integrity of the building. These areas of damage were unforeseen and discovered during the course of adjacent work.

2. Reconstruction the front (Dumaine Street) elevation including porch, balusters, railing, siding, post and columns as negotiated with the Vieux Carré Commission. This reconstruction will allow for the structure to be stabilized while a separate historic preservation study is undertaken to determine the final configuration of the Dumaine Street façade. The increase of \$93,433.00 included material and labor costs associated with these two items. The change order costs will be covered by an increase in supplemental Statewide Major Repairs funding.

**Reporting of Change Orders over \$50,000 and Under \$100,000  
Facility Planning and Control  
November 22, 2024**

**Roofing, Waterproofing and Masonry Repairs  
Madame John's Legacy  
New Orleans, Louisiana  
Project No. 01-107-06B-11, F.01003711  
01-107-18-02, F.01004017 (Supplement)**

**State ID: S00399, S16077  
Site Code: 1-36-022  
Date of Contract: May 17, 2021**

<b>Original Contract Amount:</b>	<b>\$725,541.75</b>
<b>Changes by previous change orders:</b>	
<b>Change Order 1:</b>	<b>\$18,432.00</b> (Executed 10.5.21)
<b>Change Order 2:</b>	<b>\$16,877.00</b> (Executed 12.7.21)
<b>Change Order 3:</b>	<b>\$48,011.00</b> (Executed 12.15.21)
<b>Change Order 4:</b>	<b>\$48,835.00</b> (Executed 3.29.22)
<b>Change Order 5:</b>	<b>\$44,511.00</b> (Executed 4.29.22)
<b>Change Order 6:</b>	<b>\$39,995.00</b> (Executed 6.30.22)
<b>Change Order 7:</b>	<b>\$47,978.00</b> (Executed 5.26.23)
<b>Change Order 8:</b>	<b>\$64,603.00</b> (Executed 12.28.23)
<b>Change Order 9:</b>	<b>\$239,400.00</b> (Executed 8.30.24)
<b>Change Order 10:</b>	<b>\$93,433.00</b> (Executed 9.24.24)
<b>TOTAL</b>	<b>\$662,075.00</b>
<b>Contract amount increased by this change order (No. 11):</b>	<b>\$91,235.00</b> (Executed 10.17.24)
<b>New Contract Sum:</b>	<b>\$1,478,851.75</b>

The project consists of roofing, waterproofing and masonry repairs to Madame John's Legacy Museum complex in the French Quarter, New Orleans.

Change Order No. 11 increased the project amount due to multiple unforeseen items discovered during the course of the work:



- 1) Remove and replace two sections of floor sill on small alley side of building due to termite and water damage.
- 2) Remove and replace approximately 12 foot of floor sill beam at rear gallery wall due to termite and water damage.
- 3) Remove and replace 5 foot of termite damaged beam at the corner of the north alley side of building, replace cabinet and replace corner post as the same location.
- 4) Remove and replace 3 column wall posts that are rotten and termite damaged.
- 5) Remove and replace 1970's framing of stairwells in the front of the main house due to excessive deflection in the undersized intermediate supporting beams.
- 6) Delete the clear sealer, the cathedral stone coating from the project and add patching at stucco and add limewash coating to exterior.
- 7) Rework the French door and add shutters at front masonry wall.
- 8) Install struts at attic dormers where roof was cut to them the as originally installed.

The increase of \$91,235.00 covers material and labor costs associated with all items. The change order costs will be covered by an increase in supplemental Statewide Major Repairs funding.

Reporting of Change Orders over \$50,000 and Under \$100,000  
 Facility Planning and Control  
 November 22, 2024

New Boiler Building  
 State Capitol  
 State Capitol Park  
 Baton Rouge, Louisiana  
 Project No. 01-107-93B-12, F.01004180

State ID No.: New  
 Site Code: 2-17-025  
 Date of Contract: June 2, 2023

Original Contract Amount:	\$2,850,000.00
Changes by previous change orders:	
Change Order 1	\$4,026.00 (Executed 12.18.23)
Change Order 2	\$13,934.00 (Executed 12.18.23)
Change Order 3	\$9,595.00 (Executed 04.30.24)
Change Order 4	\$4,911.00 (Executed 07.25.24)
Change Order 5	\$22,119.00 (Executed 07.31.24)
Change Order 6	\$23,220.00 (Executed 08.06.24)
Change Order 7	\$37,700.00 (Executed 09.30.24)
Change Order 8	\$12,947.00 (Executed 10.02.24)
<hr/>	
TOTAL	<hr/> \$128,452.00
Contract amount increased by this Change Order (No. 9):	\$74,815.00 (Executed 10.29.24)
New Contract Sum:	\$3,053,267.00

Change Order No. 9 increases the contract sum as the result of the existing boilers being radioactive at the time of disposal. Testing for radioactivity was required by the scrapyard and the testing came back positive. Consequently, the contractor needed to take additional measures for the proper disposal of the existing boilers. The project bid \$525,000 under budget, allowing for additional funds to be made available. As a result, the change order costs will be covered by existing project and construction contingency funds.

**Reporting of Change Orders over \$50,000 and Under \$100,000**  
**Facility Planning and Control**  
**November 22, 2024**

**Hurricane Ida Repairs**  
**Tree and Vegetation Clearing and Repairs to Boardwalks and Trails**  
**Tickfaw State Park**  
**Springfield, Louisiana**  
**Project No. 06-264-11-01, F.06002350**

**State ID No.: S28324**  
**Site Code: 2-32-010**  
**Date of Contract: June 28, 2024**

<b>Original Contract Amount:</b>	<b>\$398,000.00</b>
<b>Changes by previous change orders:</b>	<b>none</b>

**Contract amount increased by this change order (No. 1): \$97,586.00**  
**(Executed 10.25.24)**

<b>New Contract Sum:</b>	<b>\$495,586.00</b>
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Change Order No. 1 increases the contract sum to incorporate the replacement of additional deteriorated wood components and will include deck boards, top rails, and joists. Additionally, 100 tons of 610 limestone base is to be evenly spread on grade to smooth walking trails and eliminate tripping hazards. The additional scope was not previously included in an effort to remain within the budget established by the Office of State Parks. When the project bid over \$400,000 under budget, additional funds were made available. As a result, the change order costs will be covered by existing project and construction contingency funds.

**Reporting of Change Orders over \$50,000 and Under \$100,000  
Facility Planning and Control  
November 22, 2024**

**Cafeteria & In Service Training Facility, Law Enforcement Training Academy & Emergency  
Facility Complex  
Waddill Wildlife Management Area  
Baton Rouge, Louisiana  
Project No. 16-512-12-01, F.16000144  
State ID No.: New  
Site Code: 2-17-079  
Date of Contract: November 20, 2023**

<b>Original Contract Amount:</b>	<b>\$2,868,000.00</b>
<b>Changes by previous change orders (No. 1):</b>	<b>\$32,799.00</b> <b>(Executed 02.14.24)</b>
<b>Contract amount increased by this change order (No. 2):</b>	<b>\$72,581.00</b> <b>(Executed 10.11.24)</b>
<b>New Contract Sum:</b>	<b>\$2,973,380.00</b>

Change Order No. 2 increases the contract sum to incorporate the following items: 1- the addition of attic access, 2- dirt fill and grading around buildings for sidewalks and parking area, 3- Contractor provision and installation of limestone previously called for to be owner provided and installed, 4-Contractor provision and installation of 1,614 SF of additional sod per owner request. The increased amount will be covered by existing project contingency.

**Reporting of Change Orders between \$50,000 and \$100,000  
Facility Planning and Control  
November 22, 2024**

**Renovations to University Bookstore  
McNeese State University  
Lake Charles, Louisiana  
Project No.: 19-671-21-01, F.19002467  
Date of Contract: December 21, 2023**

<b>Original Contract Amount:</b>	<b>\$ 1,177,800.00</b>	
<b>Contract amount increased by Change Order 1</b>	<b>\$ 13,344.00</b>	<b>4/22/24</b>
<b>Contract amount increased by Change Order 2</b>	<b>\$ 43,670.00</b>	<b>7/24/24</b>
<b>Contract amount increased by Change Order 3</b>	<b>\$ 28,980.00</b>	<b>8/26/24</b>
<b>Changes by previous change orders:</b>	<b>\$ 85,994.00</b>	
<b>Change Order 4 increases the contract by</b>	<b>\$ 87,773.00</b>	
<b>New Contract Sum:</b>	<b>\$ 1,351,567.00</b>	

- **Change Order 4:** \$87,773.00 (0 Days added): Is to replace a section of GFRC exterior wall panels with a marquee/wall panel sign. This was a User Agency requested change to the design of the building.

This amount is covered by project contingency.

**ACT No. 455**

2024 Regular Session

HOUSE BILL NO. 846

BY REPRESENTATIVES KNOX, ADAMS, BOYD, WILFORD CARTER, CHASSION, DEWITT, FISHER, FREEMAN, FREIBERG, HUGHES, JORDAN, LAFLEUR, MANDIE LANDRY, LARVADAIN, LYONS, MARCELLE, MOORE, MYERS, NEWELL, SELDERS, TAYLOR, WILLARD, AND ZERINGUE

1 AN ACT

2 To enact R.S. 39:82.3, relative to the reporting of federal and state funds allocated to  
3 providing mental health services; to provide relative to funds allocated to providing  
4 mental health services across state agencies and school systems; to require reporting  
5 by the division of administration; to require reporting by the state Department of  
6 Education; to provide for specific reports to the Joint Legislative Committee on the  
7 Budget; to provide relative to the authority of the Joint Legislative Committee on the  
8 Budget; to provide for an effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 39:82.3 is hereby enacted to read as follows:

11 §82.3. Reporting on federal and state funds allocated to mental health services

12 A.(1) The division of administration, hereinafter referred to in this Section  
13 as the "division", shall submit a report in accordance with the provisions of this  
14 Subsection to the Joint Legislative Committee on the Budget, hereinafter referred to  
15 in this Subsection as "committee", regarding federal and state funding allocated to  
16 providing mental health services across all state agencies. The report shall provide  
17 information needed by policy makers to make informed decisions about mental  
18 health services provided across the state of Louisiana.

19 (2) The division shall create and update annually the Mental Health Funding  
20 Transparency Report. The division shall submit the report to the committee no later  
21 than the first meeting of the committee after January first of each year. The  
22 information shall be provided on a form as prescribed by the division and approved  
23 by the committee. The report shall provide the funds spent by each state agency for  
24 providing mental health services and shall include, at a minimum, the following:

- 1                   (a) Budget unit.
- 2                   (b) Program description.
- 3                   (c) Means of finance.
- 4                   (d) Funding source or name of grant.
- 5                   (e) Service provided.
- 6                   (f) Population served.
- 7                   (g) Area served.
- 8                   (h) Demographic data, including the number of individuals with disabilities.

9                   (3) This Subsection shall not apply to the state Department of Education.

10                  B.(1) The state Department of Education, hereinafter referred to in this  
11                  Section as the "department", shall submit a report in accordance with the provisions  
12                  of this Subsection to the Joint Legislative Committee on the Budget, hereinafter  
13                  referred to in this Subsection as "committee", regarding federal and state funding  
14                  allocated to providing mental health services within the department and schools  
15                  across the state, including traditional public schools, charter schools, and any  
16                  nonpublic school receiving such funding.

17                  (2) The department shall create and update annually the Mental Health  
18                  Funding Transparency in Elementary and Secondary Education Report. The  
19                  department shall submit the report to the committee no later than the first meeting  
20                  of the committee after January first of each year. The information shall be on a form  
21                  as prescribed by the department and approved by the committee. The report shall  
22                  provide the funds spent by the governing authority of each traditional public school,  
23                  charter school, and nonpublic school, as applicable, for providing mental health  
24                  services and shall include, at a minimum, the following:

- 25                   (a) Budget unit.
- 26                   (b) School governing authority.
- 27                   (c) Program description.
- 28                   (d) Means of finance.
- 29                   (e) Funding source or name of grant.
- 30                   (f) Service provided.

1                   (g) Demographic data, including the number of individuals with disabilities.

2                   (h) Grade level served.

3                   (3) The department shall also submit a copy of the report to the House  
4                   Committee on Education and the Senate Committee on Education at the time the  
5                   report is submitted to the Joint Legislative Committee on the Budget.

6                   C. The Joint Legislative Committee on the Budget may make such studies  
7                   and hold such hearings as it shall deem appropriate and necessary to review the  
8                   allocation of funds as provided in the reports required pursuant to this Section.

9                   Section 2. This Act shall become effective July 1, 2024.

\_\_\_\_\_  
SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_



<b>Department</b>	0
<b>Agency</b>	0

<u>Means of Finance</u>	<b>Total Funding Summary</b>
<b>State General Fund (Direct)</b>	\$0
<b>Interagency Transfers</b>	\$0
<b>Fees and Self-generated Revenues</b>	\$0
<b>Statutory Dedications</b>	\$0
<b>Federal Funds</b>	\$0
<b>Total Means of Finance</b>	\$0

<u>Expenditures</u>	
<b>Commitment Item Category</b>	
Salaries	\$0
Other Compensation	\$0
Related Benefits	\$0
<b>Total Personal Services</b>	<b>\$0</b>
Travel	\$0
Operating Services	\$0
Supplies	\$0
<b>Total Operating Services</b>	<b>\$0</b>
<b>Professional Services</b>	<b>\$0</b>
Other Charges	\$0
Debt Service	\$0
Interagency Transfers	\$0
<b>Total O/C, Debt Service, and IAT</b>	<b>\$0</b>
Acquisitions	\$0
Major Repairs	\$0
<b>Total Acquisitions and Major Repairs</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>
CLASSIFIED POSITIONS	0
UNCLASSIFIED POSITIONS	0
TOTAL AUTHORIZED T.O. FTE POSITIONS	0
TOTAL NON-T.O. FTE POSITIONS	0

<b>Department</b>	0
<b>Agency</b>	0
<b>Service/Program Name</b>	

<u>Means of Finance</u>	<u>Amounts</u>
<b>State General Fund (Direct)</b>	\$0
<b>Interagency Transfers</b>	\$0
<b>Fees and Self-generated Revenues</b>	\$0
<b>Statutory Dedications</b>	\$0
<b>Federal Funds</b>	\$0
<b>Total Means of Finance</b>	\$0

<u>Expenditures</u>	
<b>Commitment Item Category</b>	
Salaries	\$0
Other Compensation	\$0
Related Benefits	\$0
<b>Total Personal Services</b>	<b>\$0</b>
Travel	\$0
Operating Services	\$0
Supplies	\$0
<b>Total Operating Services</b>	<b>\$0</b>
<b>Professional Services</b>	<b>\$0</b>
Other Charges	\$0
Debt Service	\$0
Interagency Transfers	\$0
<b>Total O/C, Debt Service, and IAT</b>	<b>\$0</b>
Acquisitions	
Major Repairs	
<b>Total Acquisitions and Major Repairs</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>
CLASSIFIED POSITIONS	0
UNCLASSIFIED POSITIONS	0
TOTAL AUTHORIZED OTHER CHARGES POSITIONS	0
TOTAL NON-T.O. FTE POSITIONS	0

**Additional Detail**

Program Description:

Service(s) Provided:

Population Served:

Area Served:

Funding source(s), including names of Federal Grants:

Relevant Demographic Information, including Number of Disabled Individuals Served:

## RS 24:653

### §653. Duties and functions

A. The committee shall make such study and examination of the matters pertaining to the budgeting and fiscal affairs of the state and its political subdivisions, their funds, revenues, expenditures, and any other financial affairs of the state and of its political subdivisions as may be deemed desirable by the committee or the legislature. The committee may also study and examine all requests for professional, personal, social service, and consulting service contracts to determine the impact of privatizing state government programs, functions, or activities. The committee shall make such reports of its findings and recommendations with regard to such matters to the legislature upon its request or as is deemed advisable by the committee.

B. Prior to and during each regular session of the legislature, the joint committee may make such studies and hold such hearings with respect to budget requests or statements and with respect to the executive budget as it shall deem appropriate and are necessary to carry out its duties and functions.

C. Following the review, analysis, and study of the proposed executive budget, the committee shall submit its findings and recommendations thereon to the members of the legislature not later than two weeks prior to each regular session of the legislature.

D. The committee shall make such continuing study and examination of matters pertaining to the budgeting of the state revenues and their expenditures, and the fiscal affairs of the state and its agencies, and shall make quarterly reports and recommendations to the legislature and such other reports as the committee or the legislature deems advisable.

E. The committee shall interpret the legislative intent respecting all fiscal and budgetary matters of the state and conduct general oversight and review of the budget execution processes of the various budget units and other agencies of the state when necessary.

F. The committee shall study, review, and approve or disapprove all transfers of funds from one program specified in the allotments established in each agency's budget to another program. Except as provided in R.S. 39:73 and 87.4, no transfer of funds from one program specified in the allotments in an agency's budget to another shall be made without prior approval of the committee.

G. The committee shall have the full power and authority to adopt rules and regulations prescribing and governing its procedures, policies, meetings, and any and all other activities relating to its functions and duties, including the power and authority to issue binding directives to agencies concerning the proper and efficient execution of their respective budgets as same were approved by the legislature.

H.(1) The committee shall have a litigation subcommittee which shall monitor and study the amounts of state funds required to pay judgments and compromises arising out of lawsuits against the state, its departments, and, with respect to payment of state funds as insurance premiums, the insurers thereof. The committee, by its own rules, motions, or resolutions, shall provide for the size, membership, appointment, all administrative matters, and the delegated powers and duties of the litigation subcommittee.

(2) No attorney representing the state or any of its departments or agencies or any of its employees entitled to indemnification under R.S. 13:5108.1 shall sign any compromise or settlement which obligates the state to pay five hundred thousand dollars or more without prior consultation with the attorney general and the members of the litigation subcommittee. The consultation with the members of the litigation subcommittee shall occur in executive session.

(3)(a) At the request of the litigation subcommittee, any department, agency, board, commission, educational institution, or other state entity entitled to indemnification by the state or any employer of an employee entitled to indemnification under R.S. 13:5108.1 shall report on any corrective measures or actions taken to mitigate state risk exposure if the litigation subcommittee determines that such a report is necessary after consideration of a compromise or settlement of litigation.

(b) A meeting of the litigation subcommittee to receive a report from a state entity on corrective measures or actions pursuant to this Paragraph shall occur only after the subject litigation has been concluded. The litigation subcommittee may require that any indemnified state entity or employer of an indemnified employee appear at one or more meetings of the litigation subcommittee to discuss and report on corrective measures or actions.

(c) Any information provided by a state entity pursuant to this Paragraph may only be presented in executive session, and any documentation prepared or compiled by the state entity pursuant to this Paragraph shall not be subject to disclosure pursuant to the Public Records Law set forth in R.S. 44:1 et seq.

I. The committee shall have the authority to nullify a penalty applied by the office of risk management relative to a state agency which has failed to receive certification after undergoing a loss prevention audit, as provided in R.S. 39:1536(B).

J. The committee may establish a subcommittee to execute its duties relative to oversight of performance-based budgeting under the Louisiana Government Performance and Accountability Act, as provided in Subpart D of Part II of Chapter 1 of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950. When the subcommittee acts on behalf of the committee, the chairman of the subcommittee shall provide to each member of the committee a summary report of the subcommittee's action.

K.(1) In the conduct of its responsibility to discharge the constitutional fiscal and budgetary responsibilities of the Louisiana Legislature, the committee shall consider the operating budgets of public entities and salaries of particular public officials which by law require the approval of the committee in accordance with the following:

(a) The committee shall consider operating budgets in advance of the beginning of a subject entity's fiscal year. If the committee finds that the entity has failed to receive the required approval, either by failure to appear or by committee disapproval of its budget, the committee may adopt a resolution to direct the commissioner of administration and the state treasurer to deny any warrant or payment of money from the state treasury for any amount contained within that budget. The committee may also adopt a resolution to direct the commissioner of administration and state treasurer to recommence the acceptance of warrants. If the committee determines that an entity whose operating funds are administered outside of the state treasury has failed to receive the required approval of its budget, either by failure to appear or by committee disapproval of its budget, the committee may adopt a resolution to that effect, and any expenditure of public monies by such entity shall constitute a violation of the provisions of Article VII, Section 14 of the Constitution of Louisiana.

(b) The consideration of salaries of public officials that by law require the approval of the committee shall occur prior to the execution of any employment contract for that official. The state shall not be liable for any payment of such salary if the salary has not been approved by the Joint Legislative Committee on the Budget. The committee shall have the authority to adopt a resolution to direct the commissioner of administration and the state treasurer to deny any warrant or payment of money from the state treasury for any monies related to the payment of the salary at issue. The committee is also authorized to adopt a resolution to direct the commissioner of administration and state treasurer to recommence the acceptance of warrants.

(2) The provisions of this Section shall have no effect on the provisions of any contract which is in effect prior to July 1, 2008.

(3) Notwithstanding any contrary provision of law, the chairman of the Joint Legislative Committee on the Budget may grant an entity, for good cause shown, an extension of time, not to exceed thirty days, to comply with the provisions of this Subsection, and the Joint Legislative Committee on the Budget may grant an additional extension of time.

L.(1)(a) Upon receipt of the reports from the various departments within the executive branch of state government as provided by R.S. 36:8(A)(6) and the public postsecondary education management boards as provided by R.S. 17:3130(C) and 3351(F), the Joint Legislative Committee on the Budget shall transmit the reports to the legislative fiscal office for review and analysis and may conduct hearings to review the reports.

(b) The legislative fiscal office shall review the reports and perform any additional analysis of the reports that is necessary to provide an accurate actual estimate as compared to the fiscal note as the bill was enacted.

(2) The reports required to be submitted under this Section shall be in a manner as prescribed by the chairman of the Joint Legislative Committee on the Budget and shall be accompanied by such other information as the chairman may require. At a minimum, the report shall present the differences between the original estimate as the bill was enacted and the actual current revenues or expenditures. Depending upon the scope of the original legislation, the comparisons between the fiscal note as the bill was enacted and the actual amounts shall include but not be limited to tax increases, decreases, fee increases and repeals, tax exemptions, suspensions, credits, rebates, exclusions, and deductions, among others.

(3) No later than February first of each year, the committee shall report its findings in a public meeting relative to any legislation that has been enacted that affects state revenues, public postsecondary education management boards and the related institutions or the various departments and the related entities and that legislation has a fiscal impact which has increased by the amount of one million dollars or more over the amount of the fiscal note as the bill was enacted. The review and analysis shall also examine the receipt, expenditure, allocation, dedication, or means of financing to determine specifically how the increases impact state revenue, the departments, agencies, boards, commissions, and like entities within the executive branch of state government, as well as among the public postsecondary education institutions of the state. The Joint Legislative Committee on the Budget shall transmit copies of the final report to the governor, the president of the Senate, and the speaker of the House of Representatives, and distribute a copy to each member of the legislature.

M.(1) All economic and financial reports for projects submitted in conjunction with the request for approval of the Joint Legislative Committee on the Budget in excess of a total state commitment of ten million dollars for the term of the project shall provide the following information:

(a) Inclusion of all input information, data, and assumptions, including but not limited to data sources, economic growth assumptions, and an assessment/basis of the reasonableness of each.

(b) A description of the analytical model employed for the report and how each input was utilized with that model.

(c) Results in terms of value-added, household earnings, and employment, and a description of each concept.

(d) Results by industry sector, with an assessment of possible adverse effects on sectors that compete with the subsidized company for in-state customers.

(e) Explicit identification of the project's effect on direct expenditure requirements in the state budget or any reduction in taxes or state revenues, including but not limited to tax exemptions, exclusions, deductions, reductions, repeals, rebates, incentives, abatements, or credits.

(f) An additional assessment by the secretary of the Department of Economic Development regarding the extent to which the project would not have occurred but for the proposed state financial support. The secretary's assessment shall reference other business factors which contributed to the project activity occurring and factors which will be required for ongoing sustainability including but not limited to labor, transportation, energy, among others.

(g) Cost/benefit comparisons of the incentives in the package compared to the costs in the package shall be for the same period of time or the same term, both for the direct benefits to the state as well as the indirect benefits to the state.

(2)(a) The department shall submit the request for Joint Legislative Committee on the Budget approval of the project with the analysis to the committee for its review at least seventeen business days, or as permitted by the chairman, prior to the meeting for which the department is seeking the committee's approval. In the event that the chairman specifies a request submission period that is less than seventeen business days, the chairman shall notify all members of the committee of the revised submission time period. Presentation of the information required shall be in a format developed by the department in consultation with the Legislative Fiscal Office and the Joint Legislative Committee on the Budget.

(b) Upon receipt of the request, the Joint Legislative Committee on the Budget shall transmit the report to the legislative fiscal office for evaluation of the department's assessment and the legislative fiscal office shall make such information available to the committee during its review.

(3) For the purposes of this Section and notwithstanding any other provision of law to the contrary, "project" shall mean any public-private partnership, agreement with a nonpublic party, lease, cooperative endeavor agreement, memorandum of understanding, or other contractual agreement which would result in or is expected to result in the obligation of state resources or the expenditure of revenues from the operation, management, or control of a state resource for the purposes of engendering economic growth or development in the state through the utilization of certain incentives, including but not limited to tax exemptions, exclusions, deductions, reductions, repeals, rebates, incentives, abatements, or credits.

N.(1) The committee shall have a dedicated fund review subcommittee which shall review and make recommendations on special funds in the state treasury that dedicate state revenue.

(2) The committee, by its own rules, motions, or resolutions, shall provide for the size, membership, appointment, all administrative matters, and the delegated powers and duties of the dedicated fund review subcommittee. The committee shall provide that the membership of the subcommittee is bipartisan and diverse.

(3) No later than September 1, 2017, and every two years thereafter, the committee shall provide for the dedicated fund review subcommittee.

(4) The dedicated fund review subcommittee shall conduct the review of special funds and submit recommendations to the committee as required in R.S. 49:308.5.

Added by Acts 1976, No. 538, §3, eff. March 10, 1980. Acts 1984, No. 694, §1; Acts 1997, No. 738, §1; Acts 1997, No. 1465, §1, eff. July 15, 1997; Acts 1998, 1st Ex. Sess., No. 11, §1; Acts 2001, No. 894, §1, eff. June 26, 2001; Acts 2008, No. 842, §1, eff. July 8, 2008; Acts 2010, No. 861, §10; Acts 2013, No. 96, §2, eff. July 1, 2013; Acts 2014, No. 704, §1, eff. July 1, 2014; Acts 2017, No. 355, §1, eff. June 22, 2017; Acts 2018, No. 612, §8, eff. July 1, 2020; Acts 2019, No. 404, §16; Acts 2023, No. 291, §1.

NOTE: See Acts 2019, No. 404, §§16 and 20 regarding the repeal of certain changes made to R.S. 24:653(N)(3) in Acts 2018, No. 612.

NOTE: See Acts 2018, No. 612 and Acts 2019, No. 404 providing for the effects of the conversion of certain dedicated funds to special statutorily dedicated fund accounts.

State of Louisiana  
Department of Revenue

**JEFF LANDRY**  
GOVERNOR



**RICHARD NELSON**  
SECRETARY

December 10, 2024

Susan B. Bourgeois  
607 N 3<sup>rd</sup> Street  
Baton Rouge, LA 70802

Re: Expansion of Lakefront Economic Development District

Dear Secretary Bourgeois,

I have reviewed your department's letter dated December 10, 2024 regarding the proposed expansion of the Lakefront Economic Development District (the "District"). I concur with your evaluation of the economic benefit to the State of Louisiana as a result of any economic activity within the expanded district as per the revised economic impact analysis, as referred to in your letter.

We also hereby certify that no sales tax has been reported or collected in the proposed expansion area for the Base Year or any subsequent year through present.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard Nelson".

Richard Nelson  
Secretary



# Analysis of Expanding Lakefront Economic Development District in Lake Charles, LA

**Prepared by the H.C. Drew Center for Business and  
Economic Analysis (Drew CBEA) at McNeese State  
University**

**Requested by and presented to Louisiana Economic  
Development**

**December 5, 2024**

**Executive Summary**

The Drew CBEA estimated the economic impacts and state sales taxes generated from the construction and operation of three projects in the Lakefront Economic Development District in Lake Charles, LA. Using various methods, the estimates of sales taxes generated from each of the projects are illustrated. These can be combined with an earlier analysis of Port Wonder that was conducted by Dek Terrell, submitted with the original TIF application.

## Project Overview

The City of Lake Charles is looking to slightly expand the Lakefront Economic Development District (Lakefront EDD) in the downtown area. The property that will be included is on the site of the old Capital One tower that was recently demolished.

According to the Calcasieu Parish School Board, total parish sales tax collected in the Lakefront EDD totaled only \$27,365 and \$50,762 in FY 2023 and FY 2024, respectively. In terms of distributions from the state based on the incremental collections, the Lakefront EDD has only produced \$544. This is according to the 2022 – 2023 LDR Annual Report. Expanding the district as new development occurs will lead to more economic activity and sales tax collections.

Previous impact reports submitted with the proposal to create the district were based on projects that had not occurred. One was produced by Dek Terrel on the Port Wonder facility that is now under construction and close to completion and opening. The other was produced by the Drew CBEA at McNeese State University estimating the economic impact of a new dining hall in the area<sup>1</sup>. Since the production of that report, the area has been affected by the COVID-19 pandemic and natural disasters. This will report sets out to estimate economic impacts and state sales tax collections from three projects in the area. Crying Eagle is currently under construction and two potential projects are illustrated based on potential announcements and news stories.

Looking at the Crying Eagle development, according to LED Fastlane incentive search, Crying Eagle has applied for Quality Jobs and ITEP for their expansion on North Lakeshore. The advance application states the project is estimated to have 10 construction jobs and create 5 new jobs on top of the 36 existing<sup>2</sup>. This report will show the estimated economic impacts of this development.

***As of this writing, there is no new development announced taking place in the area that will be in the expanded part of the EDD.*** However, there has been a news report of a hotel possibly being constructed and operated on the property. Furthermore, the City of Lake Charles has passed a sales tax change at the local level for the “LC Rebound” project which includes Lakefront Amphitheater & Millennium Park Upgrades which will take place in the district. This report will briefly show the impacts of hypothetical hotel construction and operations as well as the impacts of the LC Rebound Amphitheater Project.

## Sales Tax Projections

State sales tax projections will be shown from two different methods. Both will adjust for the upcoming change in the state sales tax rate from 4.45% to 5%. Using sales tax estimates from IMPLAN

### a. IMPLAN Sales Tax Estimates

IMPLAN was used to estimate the economic impacts of each project. The model constructed is a Multi-Regional Input-Output (MRIO) model that places the direct effect of the project in Calcasieu parish and the effects to the rest of the state are estimated via trade flows with an outside region consisting of the 63 other parishes. IMPLAN also estimates the tax impacts coming from an economic impact. According to IMPLAN, the tax data is compiled from Census Bureau releases, including the annual State Government Tax collections survey<sup>3</sup>. Since the latest data from this Census release is from FY 2022/2023, this would mean that the tax impacts were calculated using the sales tax rate of 4.45%. The sales tax rate will rise to 5%. This implies that if one were

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<sup>1</sup> Another report was submitted pertaining to an Acadian Ambulance project that was in a different district.

<sup>2</sup> A board approved QJ application is also available, but it is uncertain in terms of expansion on the project for equipment, etc. is used, so a basic estimate from the QJ and ITEP advance notifications is used.

<sup>3</sup> <https://implanhelp.zendesk.com/hc/en-us/articles/360041446574-Tax-Data>

to use the sales tax estimates from IMPLAN, the results must be scaled up using the ratio of the new rate to the old rate (equaling 112.4%).

b. Using ratios of sales tax collections to earnings

IMPLAN’s tax effects are modeled using relationships between tax categories from public data sources to income and other economic variables from public data sources. In order to get a more specific Louisiana measure, one could use a methodology that has been adopted by other impact reports being conducted in the state.

The Legislative Fiscal Office (LFO) releases a document explaining the relationship between average state tax yield and household earnings<sup>4</sup>. Using categories from the state tax collections related to personal earnings in the state, the measure yields an estimate of total state taxes that can be expected to be collected from household earnings. While this is a total state tax measure, one can use this methodology and the same sources to look at the relationship between sales tax collections and earnings.

Figures obtained show that general and vehicle sales taxes have had an average ratio of 3.5% with earnings over the last 3 years. This leads to the conclusion that 3.9% of earnings will be associated with sales taxes after adjusting for the new 5% rate. This essentially assumes 3.9 cents of every dollar in personal income will go back to the state as sales tax revenue.

## Crying Eagle Advance Notification Modeling

According to the advance notifications for the facility on N. Lakeshore in Lake Charles, the Crying Eagle expansion will be a \$7.7 million investment with 100 construction jobs and 5 new jobs on top of the existing 36. This report will model the 100 construction jobs and 41 permanent jobs associated with the project. The impacts are illustrated below. The impacts for the operations occur one year later and are adjusted for one year of inflation using IMPLAN’s deflators.

Construction					
Impact	Employment	Labor Income	Value Added	Output	State Sales Tax Revenues Using Ratio
1 - Direct	100	\$6,851,798.83	\$10,079,501.95	\$19,286,641.45	\$260,368.36
2 - Indirect	16	\$1,178,855.67	\$2,203,191.78	\$4,507,961.62	\$44,796.52
3 - Induced	30	\$1,482,194.09	\$2,948,527.46	\$4,817,660.92	\$56,323.38
	146	\$9,512,848.60	\$15,231,221.19	\$28,612,263.99	\$361,488.25

The state sales tax ratio shows that the total state sales revenues collected from construction would be over \$360 thousand in this scenario. The IMPLAN state sales tax estimate is \$233,128.69.

In terms of operations, the Crying Eagle expansion, according to the application, will consist of a new facility for the manufacturing of their line of beverage projects and the purchase of additional brewing equipment. However, the facility will also be a full-service restaurant and microbrewery<sup>5</sup>. For simplicity, this report will model the facility as a brewery, but results could differ depending on modeling method chosen<sup>6</sup>.

Operations					
Impact	Employment	Labor Income	Value Added	Output	State Sales Tax Revenues Using Ratio
1 - Direct	41	\$2,290,782.46	\$4,524,935.34	\$13,693,938.50	\$87,049.73
2 - Indirect	17	\$841,528.89	\$1,551,437.94	\$3,773,928.50	\$31,978.10

<sup>4</sup> Found at [https://lfo.louisiana.gov/files/revenue/Topics%20of%20Interest/AvgTaxYieldofEarnings\\_2021.pdf](https://lfo.louisiana.gov/files/revenue/Topics%20of%20Interest/AvgTaxYieldofEarnings_2021.pdf)

<sup>5</sup> <https://www.americanpress.com/2024/01/11/crying-eagle-breaks-ground-on-12m-lakefront-investment/>

<sup>6</sup> The newspaper report states that the total investment will be \$12 million. This figure is similar to what is obtained by summing the advance applications for the project at N. Lakeshore and a project application advanced in 2015. The address associated with the application is another location. It may be all a part of the same project and could have higher impacts and tax collections. However, to remain conservative, this report will only look at the application associated with the address in the Lakefront EDD.

3 - Induced	11	\$582,265.15	\$1,159,970.31	\$1,898,810.18	\$22,126.08
	69	\$3,714,576.51	\$7,236,343.60	\$19,366,677.18	\$141,153.91

Whereas the construction impacts generally show the state sales tax ratio having higher estimates, this is the reverse. The total state sales tax revenues associated with the operation are slightly over \$141 thousand. However, the IMPLAN sales tax revenues are \$352,475.70.

These results display a wide range of potential sales tax collections to the state. It should also be noted that the hotel will operate every year. So these impacts and tax collections will continue on as long as the project is in operation.

## Lakefront Amphitheater & Millennium Park Upgrades

According to the LC Rebound project<sup>7</sup>, the city will spending \$24 million over two years to construct a new Amphitheater and make upgrades to Millenium Park.

# Lakefront Amphitheater & Millennium Park Upgrades

- Renovated amphitheater (larger stage, enhanced A/V, improved aesthetics)
- Attract additional live music events & festivals
- Installation of "box seats"

- Water fountain & additional aesthetic improvements
- Installation of covered carousel next to Millennium Park
- Family-friendly/fun activities & additional tourism



Estimated Total Project Cost \$24M  
City's Portion \$23.25M

Additional Funding Partners:  
Convention & Visitor's Bureau



Assuming \$24 million in construction spread out evenly over two years, the impacts are illustrated below. The impacts in the second year are adjusted for one year of inflation using IMPLAN's deflators.

Year 1					
Impact	Employment	Labor Income	Value Added	Output	State Sales Tax Revenues Using Ratio
1 - Direct	62	\$4,263,136.54	\$6,271,388.60	\$12,000,000.00	\$161,999.19
2 - Indirect	10	\$733,146.75	\$1,370,297.61	\$2,803,602.65	\$27,859.58
3 - Induced	19	\$922,096.08	\$1,834,327.25	\$2,997,136.88	\$35,039.65
	91	\$5,918,379.37	\$9,476,013.46	\$17,800,739.53	\$224,898.42

<sup>7</sup> Information available at [https://www.cityoflakecharles.com/egov/documents/1689774693\\_25627.pdf](https://www.cityoflakecharles.com/egov/documents/1689774693_25627.pdf)

Year 2					
Impact	Employment	Labor Income	Value Added	Output	State Sales Tax Revenues Using Ratio
1 - Direct	62	\$4,324,063.56	\$6,361,016.74	\$12,171,499.12	\$164,314.42
2 - Indirect	10	\$744,044.76	\$1,390,179.00	\$2,839,831.73	\$28,273.70
3 - Induced	19	\$937,385.55	\$1,869,569.77	\$3,053,148.86	\$35,620.65
	91	\$6,005,493.87	\$9,620,765.50	\$18,064,479.71	\$228,208.77

The state sales tax ratio shows that the total state sales revenues collected over two years total over \$453 thousand.

According to IMPLAN state sales tax estimates, the results are somewhat lower, totaling almost \$300 thousand. These are illustrated below.

	Year 1	Year 2
TOPI: Sales Tax	\$145,030.13	\$147,298.09

This report makes no assumptions on the event and visitor spending that the new LC Rebound project will bring in. If this project does result in more economic activity, this would lead to higher sales tax revenues over time.

## Potential Hotel

According to the American Press<sup>8</sup>, a new hotel is possible at the site of the of the old Capital One tower. As of this date, there is no confirmed economic development taking place. However, if a hotel was to be constructed on that site, there would be sales tax revenues associated with the construction and operation. Since there is no known details at this time, this report will show the hypothetical impacts of using 200 construction workers to build the hotel in one year and 50 employees to operate<sup>9</sup>. These numbers are assumptions for illustration and results can always be scaled to appropriate figures if any new developments in this industry are announced.

Construction					
Impact	Employment	Labor Income	Value Added	Output	State Sales Tax Revenues Using Ratio
1 - Direct	200	\$13,703,597.67	\$20,159,003.90	\$38,573,282.91	\$520,736.71
2 - Indirect	33	\$2,359,229.07	\$4,408,604.24	\$9,020,921.14	\$89,650.70
3 - Induced	59	\$2,964,889.12	\$5,898,041.46	\$9,636,972.60	\$112,665.79
	292	\$19,027,715.85	\$30,465,649.59	\$57,231,176.65	\$723,053.20

The state sales tax ratio shows that the total state sales revenues collected would be over \$723 thousand in this scenario. The IMPLAN state sales tax estimate is \$466,343.61.

<sup>8</sup> <https://www.americanpress.com/2024/12/04/new-hotel-possible-for-site-of-old-capital-one-tower/>

<sup>9</sup> This assumes 100 rooms and 0.5 employees to a room <https://www.mara-solutions.com/post/hotel-staff-positons>

Assuming 50 employees at the hotel, the annual impacts are illustrated below (with the estimates inflated one year out using the IMPLAN deflators).

<b>Operations</b>					
<b>Impact</b>	<b>Employment</b>	<b>Labor Income</b>	<b>Value Added</b>	<b>Output</b>	<b>State Sales Tax Revenues Using Ratio</b>
1 - Direct	50	\$2,191,057.67	\$4,818,958.13	\$6,975,872.09	\$83,260.19
2 - Indirect	8	\$398,481.38	\$668,238.29	\$1,298,202.63	\$15,142.29
3 - Induced	9	\$465,700.69	\$928,707.02	\$1,516,637.81	\$17,696.63
	68	\$3,055,239.74	\$6,415,903.44	\$9,790,712.53	\$116,099.11

Whereas the construction impacts generally show the state sales tax ratio having higher estimates, this is the reverse. The total state sales tax revenues associated with the operation are slightly over \$166 thousand. However, the IMPLAN sales tax revenues are over \$381 thousand.

As with the Crying Eagle operations impacts estimation, these tax collections will continue on as long as the project is in operation.

## **Conclusion**

This report has shown a wide range of estimated potential state sales tax collections that could come from developments in the Lakefront EDD in Lake Charles. One project, Crying Eagle, is currently under construction and is in the area of the current EDD. However, no impact report or sales tax estimation has been completed. This figure, along with the previous estimates of Port Wonder, can be used to look at potential collections from the EDD.

In terms of the new land that will be added to the district, this report looks at two potential projects that may occur. These impacts and estimated collections can be used to gauge possible sales tax collections that will occur should the expansion go through. However, these results are subject to change as projects are announced and associated numbers come into clearer focus.

**Jeff Landry**  
Governor




**LED** | LOUISIANA  
ECONOMIC  
DEVELOPMENT

**Susan B. Bourgeois**  
Secretary

## MEMORANDUM

**DATE:** October 2, 2024

**TO:** Members of the Joint Legislative Committee on the Budget

**FROM:** Christopher Stelly   
Director of Legislative Affairs

**RE:** Agenda & Approval Request: Lake Charles' Lakefront Economic  
Development District Amendment

Louisiana Economic Development, requests that the attached amendment to the Lake Charles' Lakefront Economic Development District be placed on the October 2022 agenda for approval of the JLCB.

All supporting material is included with this request via e-mail and will be hand delivered.

Should there be any questions in this regard, please feel free to contact me at [Chris.Stelly@la.gov](mailto:Chris.Stelly@la.gov) or 342-5555.

Jeff Landry  
Governor



**LED** | LOUISIANA  
ECONOMIC  
DEVELOPMENT

Susan B. Bourgeois  
Secretary

October 2, 2024

Senator Glen Womack  
Chairman, Joint Legislative Committee on the Budget  
P.O. Box 44294  
Baton Rouge, Louisiana. 70804

Re: Lake Charles' Lakefront Economic Development District – Amendment to Previously Approved CEA.

Dear Chairman Womack:

The attached request was received from Lake Charles Mayor, Nic Hunter, requesting that the state approve the attached amendment to expand the boundaries of the Lakefront Economic Development District (LEDD).

As you may know, at the March 2021 hearing of the Joint Legislative Committee on the Budget, the execution of the Cooperative Endeavor Agreement (CEA) for LEDD was approved by the Committee. In addition, the State Bond Commission approved the CEA in May of that same year. Pursuant to the CEA, the state is currently contributing 45% of the incremental increases in state sales tax dollars within the boundaries of the LEDD to the LEDD to be used for certain public improvement projects described in the CEA which is attached to this letter.

The City Council recently expanded the boundaries of the LEDD to include the site of the former Capital One building. The attached amendment seeks to include these expanded boundaries of the LEDD so that any additional sales taxes generated within the expanded boundaries would also be available to fund public improvement projects.

For the original submission in 2021, Louisiana Economic Development (LED) commissioned two independent economic impact analyses; LED remains in agreement with the original findings and is in support of this request. In addition, Louisiana Department of Revenue has concurred with the language in the amendment.

Please accept this letter as the written approval of such amendment as well.

Thank you for your consideration in this matter. Should you have any questions, please do not hesitate to contact me or Chris Stelly, Director of Legislative Affairs.

Sincerely,

A handwritten signature in cursive script that reads "Susan Bonnett Bourgeois".

Susan Bonnett Bourgeois  
Secretary  
Louisiana Economic Development

Attachments: Draft CEA Amendment, Resolutions, Executed CEA, Original JLCB Package (2021)





## CITY OF LAKE CHARLES

NICHOLAS E. HUNTER  
MAYOR

326 Pujio Street • P.O. Box 900  
Lake Charles, LA 70602-0900  
(337) 491-1201 • FAX (337) 491-1206

OFFICE OF THE MAYOR

October 02, 2024

Secretary Susan Bourgeois  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: Lakefront Economic Development District of the City of Lake Charles –  
Amendment of CEA with the State

Dear Secretary Bourgeois,

The City Council of the City of Lake Charles (the “City”) created several economic development districts in 2018 within the City limits as authorized by the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the “EDD Laws”). One of the districts was named the Lakefront Economic Development District (the “Lakefront District”), and the boundaries of the district were generally drawn around underdeveloped areas of the City near the City’s lakefront.

The EDD Laws, specifically Section 9038.34(A) (6) thereof, authorize State sales tax increments to be dedicated to pay the costs of a project within the boundaries of an economic development district, and to pay revenue bonds for a local economic development project provided that the amount dedicated will not exceed the aggregate portion of the local sales tax increment dedicated for such purposes. The proposed use of State sales tax increments must be submitted by the secretary of the Department of Economic Development to the Joint Legislative Committee on the Budget for approval. The submission by the Department is required to include an evaluation and determination by the Department of the anticipated increase in State sales tax revenues to be collected within the State over State sales tax revenues that were collected within the State in the year immediately prior to the year in which the project is submitted to the committee that would be a direct result of the project.

Following the processes described above, the City received the approval of the Joint Legislative Committee on the Budget and the State Bond Commission for the execution of a Cooperative Endeavor Agreement between the City, the Lakefront District and the State, acting through the Louisiana Department of Revenue (the “Original CEA”), which was executed by all parties on June 29, 2021. The Original CEA permits forty-five percent (45%) of the incremental

*United for Progress and Prosperity*

increases in State sales taxes collected within the boundaries of the Lakefront District to be used by the Lakefront District and the City for certain public improvement projects within the boundaries of the District as described in the Original CEA.

As a result of the significant hurricane damage to an office building formerly known as the Capital One Building in downtown Lake Charles, the owner of the building recently decided to demolish the building rather than to renovate it and return it to commerce. The City Council of the City also recently adopted an ordinance to expand the boundaries of the Lakefront District to include the site of the former building and is requesting the amendment of the Original CEA in order to permit it to apply to the expanded boundaries of the Lakefront District. The amendment of the Original CEA to include the expanded boundaries of the Lakefront District will assist the City to incentivize redevelopment of the site.

Please let me know what information you need from the City in order to request that the Joint Legislative Committee on the Budget consider the approval of the amendment to the Original CEA as described.

Please do not hesitate to contact me with any questions.

Sincerely,



Nicholas E. Hunter  
Mayor  
City of Lake Charles

FIRST AMENDMENT TO  
COOPERATIVE ENDEAVOR AGREEMENT

This FIRST AMENDMENT TO COOPERATIVE ENDEAVOR AGREEMENT (the “*First Amendment to CEA*”), dated as of \_\_\_\_\_ 1, 2024 but effective upon execution by all parties hereto, is made by and among the LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, City of Lake Charles (the “*Lakefront EDD*” or the “*District*”), the CITY OF LAKE CHARLES, State of Louisiana (the “*City*”), and the STATE OF LOUISIANA, acting by and through the Louisiana Department of Revenue (“*LDR*”) and amends that certain Cooperative Endeavor Agreement dated as of July 1, 2021 between the District, the City and LDR (the “*Original CEA*”).

WITNESSETH:

WHEREAS, the District is an economic development district duly created under and pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31 to 9038.42, inclusive) (the “*Economic Development Act*”) and Ordinance No. 18188 adopted on June 20, 2018, by the City Council of the City of the City, and other constitutional and statutory authority;

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended (the “*Constitution*”), provides that for a public purpose, the State may engage in cooperative endeavors with political subdivisions, private associations, corporations, or individuals;

WHEREAS, pursuant to the Economic Development Act, a sales tax increment consists of that portion of sales tax revenues for any or all tax recipient entities collected each year on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services, all as defined in La. R.S. 47:301 *et seq.*, or any other appropriate provision of law, as amended, from taxpayers located within an economic development district, which exceeds the sales tax revenues that were collected for such taxing authority in the year immediately prior to the year in which such area was designated as an economic development district;

WHEREAS, the District, the City and LDR previously entered into the Original CEA to provide for certain incremental increases in State of Louisiana sales taxes to be used by the District to support economic development projects subject to certain limitations included in the Original CEA; and

WHEREAS, the City Council of the City adopted Ordinance No. 20037 on August 21, 2024 amending Ordinance No. 18188 in order to expand the boundaries of the District and the parties hereto desire to amend the Original CEA to identify the expanded boundaries of the District within which the State of Louisiana sales taxes described by the Original CEA will be remitted to the District.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby covenant and agree as follows:

ARTICLE I  
DEFINITIONS

Section 1.1 Definitions. Capitalized terms used herein and not specifically defined herein shall have the meanings given to them in the Original CEA.

ARTICLE 2  
AMENDMENT TO ORIGINAL CEA

Section 2.1 Amendment to Exhibit A of the Original CEA. Exhibit A attached to the Original CEA is hereby amended in its entirety and replaced with Exhibit A attached to this First Amendment to CEA. This amendment to Exhibit A reflects the expansion of the boundaries of the District as approved by the Joint Legislative Committee on Budget on \_\_\_\_\_, 2024.

Section 2.2 No Impact on Annual State Base. The parties hereto acknowledge that the expansion of the boundaries of the District does not have any impact of the Annual State Base as set forth in the Original CEA.

ARTICLE 3  
MISCELLANEOUS

Section 3.1 Amendments. This First Amendment to CEA may be amended only upon the written consent of all affected parties.

Section 3.2 Captions. The captions or headings in this First Amendment to CEA are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this First Amendment to CEA.

Section 3.3 Counterparts. This First Amendment to CEA may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same agreement.

Section 3.4 Governing Law. This First Amendment to CEA shall be construed in accordance with and governed by the laws of the State of Louisiana.

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Thus done and signed this \_\_\_ day of \_\_\_\_\_, 2024, at \_\_\_\_\_, Louisiana.

CITY OF LAKE CHARLES

By: \_\_\_\_\_  
Nicholas E. Hunter, Mayor

LOUISIANA DEPARTMENT OF REVENUE

By: \_\_\_\_\_  
Richard Nelson  
Secretary, Louisiana Department of Revenue  
State of Louisiana

LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Craig Marks, Chairman

## EXHIBIT A

### **BOUNDARY DESCRIPTION AND MAP OF THE LAKE CHARLES LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT**

Commencing at the point where eastbound I-10 crosses the shoreline immediately north and east of the Lake Charles Yacht Club, proceed due east to the centerline of the I-10 Service Rd. and continuing (south of I-10) east along said centerline to the intersection of Veterans Memorial Blvd/N. Lakeshore Dr., then following the centerline of the southbound side of Veterans Memorial Blvd/N. Lakeshore Dr. to the intersection of W. Mill Street, proceed due east along the centerline of W. Mill Street to the intersection of Ann St., then proceeding south along the centerline of Ann Street to the intersection of Division St., then proceeding west along the centerline of Division St. to the intersection of Lakeshore Dr., then proceeding south following the centerline of the southbound side of Lakeshore Dr. to the shoreline of the drainage canal/coulee immediately south of Clarence St., then following the shoreline of Lake Charles west and north around Millennium Park and the Lake Charles Civic Center, and continuing along said shoreline north and west to the Lake Charles Yacht Club, then following said shoreline around the west and north sides of the Lake Charles Yacht Club to the point of beginning.



CITY OF LAKE CHARLES, STATE OF LOUISIANA  
LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT

ORDINANCE NO. 20037

An ordinance to amend Ordinance No. 18188 creating Lakefront Economic Development District of the City of Lake Charles, State of Louisiana, amending the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and providing for other matters in connection with the foregoing.

WHEREAS, Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31, et seq.) (the "*EDD Act*") authorizes municipalities, parishes and certain other local governmental subdivisions to create economic development districts to carry out the purposes of the EDD Act, which economic development districts are political subdivisions of the State of Louisiana and possess such power and authority and have such duties as provided by the Act and other law;

WHEREAS, the City of Lake Charles, State of Louisiana (the "*City*"), acting through this City Council as its governing authority, previously enacted Ordinance No. 18188 creating an economic development district named the "Lakefront Economic Development District of the City of Lake Charles, State of Louisiana" (the "*District*"), in accordance with La. R.S. 33:9038.32, from which District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund economic development projects;

WHEREAS, the City desires to amend Ordinance No. 18188 solely for the purpose of expanding the geographical boundaries of the District;

WHEREAS, there are no qualified electors within the expanded geographical boundaries of the District;

WHEREAS, in accordance with the EDD Act, particularly La. R.S. 33:9038.32(B), the following ordinance (i) was introduced on August 7, 2024; (ii) Notice of Introduction was published in the City's official journal on August 14, 2024, as required by Section 2-15 of the Lake Charles City Charter; (iii) Notice of Intention to Amend the District, including a map showing the boundaries of the District, was published twice in the City's official journal, on August 13, 2024 and August 15, 2024, as required by La. R.S. 33:9038.32(C), and (iv) a public hearing was held on August 21, 2024, at which no objections were received with respect to the ordinance or the amendment of the District's boundaries; and

WHEREAS, on this date, prior to the adoption of this ordinance, this governing authority did hold a public hearing pursuant to the aforesaid notice of intention, at which public hearing no objections were received with respect to the amendment of the District's boundaries.

NOW THEREFORE, BE IT ORDAINED by the Lake Charles City Council, acting as the governing authority of the City of Lake Charles, State of Louisiana, in regular session convened, that:

SECTION 1. All of the above "Whereas" clauses are adopted as part of this Ordinance.

SECTION 2. Exhibit A attached to Ordinance No. 18188 is hereby amended and replaced in its entirety with the Exhibit A attached hereto.

SECTION 3. Publication, Effective Date. This ordinance shall be published one time in the official journal of the City, and as provided by Section 2-18 of the Charter shall become effective immediately upon approval by the Mayor.

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This Ordinance, having been submitted to a vote of the City Council, the vote thereon was as follows:

YEAS: Mark Eckard, Rodney Geyen, Luvertha August, Craig Marks, Ronnie Harvey, Jr., John Ieyoub and Stuart Weatherford

NAYS: None

ABSENT: None

NOT VOTING: None

THUS DONE, APPROVED AND ADOPTED by the City Council, at a meeting of said public body duly held and on August 21, 2024 in the City Council Chambers at 326 Pujoe Street in the City of Lake Charles.

  
Renee P. Deville, Clerk of the Council

  
Craig Marks, Council President

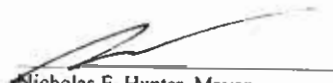
  
Nicholas E. Hunter, Mayor  
City of Lake Charles, Louisiana



EXHIBIT A

BOUNDARIES AND MAP OF LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT  
OF THE CITY OF LAKE CHARLES, STATE OF LOUISIANA

Commencing at the point where eastbound I-10 crosses the shoreline immediately north and east of the Lake Charles Yacht Club, proceed due east to the centerline of the I-10 Service Rd. and continuing (south of I-10) east along said centerline to the intersection of Veterans Memorial Blvd/N. Lakeshore Dr., then following the centerline of the southbound side of Veterans Memorial Blvd/N. Lakeshore Dr. to the intersection of W. Mill Street, proceed due east along the centerline of W. Mill Street to the intersection of Ann St., then proceeding south along the centerline of Ann Street to the intersection of Division St., then proceeding west along the centerline of Division St. to the intersection of Lakeshore Dr., then proceeding south following the centerline of the southbound side of Lakeshore Dr. to the shoreline of the drainage canal/coulee immediately south of Clarence St., then following the shoreline of Lake Charles west and north around Millennium Park and the Lake Charles Civic Center, and continuing along said shoreline north and west to the Lake Charles Yacht Club, then following said shoreline around the west and north sides of the Lake Charles Yacht Club to the point of beginning.



LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT  
STATE OF LOUISIANA

RESOLUTION 02-24

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THAT CERTAIN COOPERATIVE ENDEAVOR AGREEMENT DATED AS OF JULY 1, 2021 BY AND BETWEEN THE LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, THE CITY OF LAKE CHARLES, LOUISIANA AND THE STATE OF LOUISIANA; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, the City of Lake Charles, State of Louisiana (the “City”), acting through the City Council as its governing authority, previously enacted Ordinance No. 18188 creating an economic development district named the “Lakefront Economic Development District of the City of Lake Charles, State of Louisiana” (the “District”), in accordance with La. R.S. 33:9038.32, from which District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund economic development projects;

WHEREAS, the City and the District previously entered into that certain Cooperative Endeavor Agreement dated as of July 1, 2021 by and between the District, the City and the State of Louisiana (the “State”), through the Louisiana Department of Revenue (the “CEA”) pursuant to which the State has agreed to provide incremental increases in certain State taxes within the boundaries of the District to the District to assist with the funding of economic development projects;

WHEREAS, the City Council has, on this date, adopted an ordinance expanding the boundaries of the District and, in connection therewith, it is necessary to amend the CEA to provide for the expanded District boundaries; and

WHEREAS, the District desires to approve the form of the First Amendment to Cooperative Endeavor Agreement between the District, the City and the State attached hereto as Exhibit A and to authorize the execution thereof.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Lakefront Economic Development District that:

SECTION 1. The foregoing preamble clauses are hereby adopted as set forth in the preamble to this Resolution.

SECTION 2. The District hereby approves the form of and authorizes the execution and delivery of the First Amendment to Cooperative Endeavor Agreement (the “CEA Amendment”), the form of which is attached hereto as Exhibit A, with such additions, omissions or changes as may be recommended by legal counsel to the City.

SECTION 3. The Council hereby authorizes the Chairman of the District to execute the CEA Amendment any and all documents, certificates, instruments and writings as may be necessary to carry out the purposes of this resolution.

SECTION 4. This Resolution does hereby incorporate by reference as though fully set forth herein the provisions and requirements of the Act.

This Resolution, having been submitted to a vote of the Board of Directors of the Lakefront Economic Development District, acting as the governing authority of the District, the vote thereon was as follows:

YEAS: Mark Eckard, Rodney Geyen, Luvertha August, Craig Marks, Ronnie Harvey, Jr. and  
Stuart Weatherford

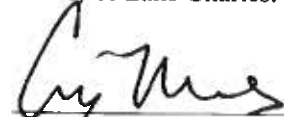
NAYS: None

ABSENT: None

NOT VOTING: None

THUS DONE, APPROVED AND ADOPTED by the Board of Directors of the Lakefront Economic Development District, at a meeting of said public body duly held and conducted on August 21, 2024 in the City Council Chambers at 326 Pujoe Street in the City of Lake Charles.

  
\_\_\_\_\_  
Renee P. Deville, Clerk of the Council

  
\_\_\_\_\_  
Craig Marks, Chairman

STATE OF LOUISIANA

PARISH OF CALCASIEU

I, the undersigned City Clerk of the City of Lake Charles, State of Louisiana, do hereby certify that the foregoing constitutes a true and correct copy of the proceedings taken by the Board of Directors of the Lakefront Economic Development District (the "*District*"), the governing authority of the District on August 21, 2024, captioned as follows:

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THAT CERTAIN COOPERATIVE ENDEAVOR AGREEMENT DATED AS OF JULY 1, 2021 BY AND BETWEEN THE LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, THE CITY OF LAKE CHARLES, LOUISIANA AND THE STATE OF LOUISIANA; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

IN FAITH WHEREOF, witness my official signature on this, the 21 day of August, 2024.

  
\_\_\_\_\_  
City Clerk

CITY OF LAKE CHARLES  
STATE OF LOUISIANA

RESOLUTION NO. 251-24

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THAT CERTAIN COOPERATIVE ENDEAVOR AGREEMENT DATED AS OF JULY 1, 2021 BY AND BETWEEN THE LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, THE CITY OF LAKE CHARLES, LOUISIANA AND THE STATE OF LOUISIANA; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

WHEREAS, the City of Lake Charles, State of Louisiana (the "City"), acting through this City Council as its governing authority, previously enacted Ordinance No. 18188 creating an economic development district named the "Lakefront Economic Development District of the City of Lake Charles, State of Louisiana" (the "District"), in accordance with La. R.S. 33:9038.32, from which District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund economic development projects;

WHEREAS, the City and the District previously entered into that certain Cooperative Endeavor Agreement dated as of July 1, 2021 by and between the District, the City and the State of Louisiana (the "State"), through the Louisiana Department of Revenue (the "CEA") pursuant to which the State has agreed to provide incremental increases in certain State taxes within the boundaries of the District to the District to assist with the funding of economic development projects;

WHEREAS, the City Council has, on this date, adopted an ordinance expanding the boundaries of the District and, in connection therewith, it is necessary to amend the CEA to provide for the expanded District boundaries; and

WHEREAS, the City desires to approve the form of the First Amendment to Cooperative Endeavor Agreement between the District, the City and the State attached hereto as Exhibit A and to authorize the execution thereof.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Lake Charles that:

SECTION 1. The foregoing preamble clauses are hereby adopted as set forth in the preamble to this Resolution.

SECTION 2. The Council hereby approves the form of and authorizes the execution and delivery of the First Amendment to Cooperative Endeavor Agreement (the "CEA Amendment"), the form of which is attached hereto as Exhibit A, with such additions, omissions or changes as may be recommended by legal counsel to the City.

SECTION 3. The Council hereby authorizes the Mayor and the Council Clerk to execute the CEA Amendment any and all documents, certificates, instruments and writings as may be necessary to carry out the purposes of this resolution.

SECTION 4. This Resolution does hereby incorporate by reference as though fully set forth herein the provisions and requirements of the Act.

This Resolution, having been submitted to a vote of the City Council of the City of Lake Charles, acting as the governing authority of the City, the vote thereon was as follows:

YEAS: Mark Eckard, Rodney Geyen, Luvertha August, Craig Marks, John Ieyoub, Ronnie Harvey, Jr., and Stuart Weatherford

NAYS: None

ABSENT: None

NOT VOTING: Nonw

THUS DONE, APPROVED AND ADOPTED by the City Council, at a meeting of said public body duly held and conducted on August 21, 2024 in the City Council Chambers at 326 Pujo Street in the City of Lake Charles.

  
Renee' P. Deville, Clerk of the Council

  
Craig Marks, Council President

STATE OF LOUISIANA

PARISH OF CALCASIEU

I, the undersigned City Clerk of the City of Lake Charles, State of Louisiana (the "City"), do hereby certify that the foregoing constitutes a true and correct copy of the proceedings taken by the City Council of the City, the governing authority of the City on August 21, 2024, captioned as follows:

A RESOLUTION APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THAT CERTAIN COOPERATIVE ENDEAVOR AGREEMENT DATED AS OF JULY 1, 2021 BY AND BETWEEN THE LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, THE CITY OF LAKE CHARLES, LOUISIANA AND THE STATE OF LOUISIANA; AND OTHERWISE PROVIDING WITH RESPECT THERETO.

IN FAITH WHEREOF, witness my official signature on this, the 21 day of August, 2024.

  
\_\_\_\_\_  
City Clerk

COOPERATIVE ENDEAVOR AGREEMENT

by and among

LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT

and

CITY OF LAKE CHARLES

and

THE STATE OF LOUISIANA,  
through the Louisiana Department of Revenue

Dated as of July 1, 2021



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## COOPERATIVE ENDEAVOR AGREEMENT

This COOPERATIVE ENDEAVOR AGREEMENT (the "*Agreement*"), dated as of July 1, 2021 but effective upon execution by all parties hereto, is made by and among the LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, City of Lake Charles (the "*Lakefront EDD*" or the "*District*"), the CITY OF LAKE CHARLES, State of Louisiana (the "*City*"), and the STATE OF LOUISIANA, acting by and through the Louisiana Department of Revenue ("*LDR*").

### WITNESSETH:

WHEREAS, the District is an economic development district duly created under and pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31 to 9038.42, inclusive) (the "*Economic Development Act*") and Ordinance No. 18188 adopted on June 20, 2018, by the City Council of the City of Lake Charles, and other constitutional and statutory authority;

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended (the "*Constitution*"), provides that for a public purpose, the State may engage in cooperative endeavors with political subdivisions, private associations, corporations, or individuals;

WHEREAS, pursuant to the Economic Development Act, a sales tax increment consists of that portion of sales tax revenues for any or all tax recipient entities collected each year on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services, all as defined in La. R.S. 47:301 *et seq.*, or any other appropriate provision of law, as amended, from taxpayers located within an economic development district, which exceeds the sales tax revenues that were collected for such taxing authority in the year immediately prior to the year in which such area was designated as an economic development district;

WHEREAS, the District encompasses the land located in the City within the boundaries set forth in Exhibit A hereto;

WHEREAS, pursuant to the Act, the District and the City have requested that LDR enter into this Agreement on behalf of the State to authorize the use by the District of forty-five percent (45.0%) of the sales tax increment collected by LDR for the State within the boundaries of the District (the "*State Sales Tax Revenues*") to finance the cost of additions, acquisitions, repairs and/or expansions needed to reduce blight and maintain works of public improvement within the boundaries of the District (the "*Project*");

WHEREAS, the construction of the Project is expected to result in significant economic benefits to the City, the District, and the State, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits, as well as further intangible benefits to the City, the District, the surrounding areas, and the State (collectively, the "*Economic Benefits*");

WHEREAS, pursuant to this Agreement the State has pledged and dedicated and will irrevocably pledge and dedicate an amount of Annual Pledged State Increment (as hereinafter defined) to pay the costs of the Project, including the debt service on Bonds (as hereinafter defined) issued to finance the Project;

WHEREAS, the District and the City anticipate entering into a separate cooperative endeavor agreement (the "*Local Cooperative Endeavor Agreement*") pursuant to which the City will agree to use

incremental increases in its undedicated taxes collected within the boundaries of the District (the “*City Tax Revenues*”) to support economic development projects within the District; and

WHEREAS, pursuant to the Local Cooperative Endeavor Agreement, the Lakefront EDD will agree to use the revenues generated by a one percent (1.0%) sales tax levied by the Lakefront EDD to induce economic development within the boundaries of the Lakefront EDD (the “*Lakefront EDD Tax Revenues*” and, together with the City Tax Revenues, the “*Local Tax Revenues*”).

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby covenant and agree as follows:

## ARTICLE I DEFINITIONS

Section 1.1 Definitions. The following terms shall, for purposes of this Agreement, have the following meanings:

“*Act*” shall mean, collectively, Section 14(C) of Article VII of the Louisiana Constitution of 1974, as amended and the Economic Development Act, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

“*Agreement*” shall mean this Cooperative Endeavor Agreement, dated as of July 1, 2021 by and among the City, the State through LDR, and the District, and any amendments or modifications hereto.

“*Annual Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Annual State Increment collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term.

“*Annual State Base*” shall mean Thirty-Eight Thousand, Sixty-Six Dollars (\$38,066.00).

“*Annual State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term exceeds the Annual State Base.

“*Base Year*” shall mean the Fiscal Year for the State ending June 30, 2018.

“*Bonds*” shall mean the revenue bonds, if any, issued by the City or the District to finance all or a portion of the Project.

“*Business Day*” shall mean a day which is not (a) a Saturday or Sunday, (b) a legal holiday, or (c) a day on which banking institutions are authorized by law to close in the State of Louisiana.

“*City*” shall mean the City of Lake Charles, State of Louisiana.

“*City Tax Revenues*” means the incremental increases in the City’s undedicated taxes collected within the boundaries of the District.

“*Commencement Date*” shall mean July 1, 2021.

“*Constitution*” means Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended.

“*Depository Bank*” shall mean the bank into which LDR deposits State Sales and Use Tax receipts of the State.

“*District*” shall mean the Lakefront EDD.

“*Economic Benefits*” shall mean the impact on the economy of the City, the District, and the State as a result of the Project proposed pursuant to this Agreement and resulting from the ongoing fulfillment of the contract obligations hereunder, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits.

“*Economic Development Act*” shall mean Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended.

“*Fiscal Year*” shall mean the twelve-month period beginning on July 1 and ending June 30 of each year.

“*Lakefront EDD*” shall mean that certain economic development district created pursuant to Ordinance No. 18188 on June 20, 2018, as the same may be amended from time to time, and within the boundaries of the area set forth in Exhibit A hereto.

“*Lakefront EDD Tax Revenues*” means the revenues generated by a one percent (1.0%) sales tax levied by the Lakefront EDD.

“*Lakefront EDD Trust Fund*” shall mean that certain fund established under Ordinance No. 18188 on June 20, 2018 by the City, as the same may be amended from time to time, for the purposes of receipt of the Monthly Pledged State Increment and paying costs in connection with economic development projects as defined in La. R.S. 33:9038.34(M) and La. R.S. 33:9038.36.

“*LDR*” shall mean the Louisiana Department of Revenue, the Sales and Use Tax collection agent of the State.

“*Local Cooperative Endeavor Agreement*” shall mean that cooperative endeavor agreement between the City and the District by which the City and the District will pledge the Local Tax Revenues to contribute to the funding of the Project to induce economic development within the boundaries of the District.

“*Local Tax Revenues*” shall mean, collectively, the City Tax Revenues and the Lakefront EDD Tax Revenues.

“*Month*” shall mean a calendar month.

“*Monthly Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Monthly State Increment collected from taxpayers within the geographic area comprising the Lakefront EDD attributable to any Month during the Term.

“*Monthly State Base*” shall mean one-twelfth of the Annual State Base.

“*Monthly State Collection*” shall mean the total State Sales and Use Tax collected within the geographic area comprising the District attributable to any Month during the Term.

“*Monthly State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Month during the Term exceeds the Monthly State Base.

“*Parish*” shall mean the Parish of Calcasieu, State of Louisiana.

“*Project*” shall mean the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works of public improvement and other public infrastructure improvements related thereto, including the Public Improvements.

“*Public Improvements*” shall mean, collectively, (i) the construction, acquisition, extension, expansion, improvement, maintenance and operation of public roads, bridges and related road drainage within the District and the acquisition of equipment related thereto, (ii) financing the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works and to reduce blight within the District, and (iii) the general public infrastructure improvements in the District, including but not limited to, water distribution and transmission, sewerage lines and facilities, publicly owned gas service lines and facilities and other public infrastructure improvements related thereto.

“*Sales and Use Tax*” shall mean that net sales and use tax pledged hereunder and levied and collected in the District by the State, exclusive of rebates issued under contract through the Enterprise Zone Program administered by the Department of Economic Development, the .03% sales tax levied under La. R.S. 51:1286 by the Louisiana Tourism and Promotion District, and any dedicated hotel motel sales tax, on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property, and on sales and services, all as defined in Section 301 *et seq.* of Title 47 of the Louisiana Revised Statutes of 1950, as amended, or any other appropriate provisions of law as amended.

“*State*” shall mean, for the purposes of this Agreement, the State of Louisiana, acting through LDR.

“*Tax Collector*” shall mean LDR.

“*Term*” shall mean the term of this Agreement as set forth in Article VIII hereto.

“*Treasurer’s Office*” shall mean the Louisiana Department of the Treasury.

“*Trust Fund*” shall mean the Lakefront EDD Trust Fund.

“*Year*” shall mean any consecutive twelve (12) month period.

Section 1.2 Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement furnished from time to time in connection with this Agreement unless the context otherwise requires. Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) All references herein to particular articles or sections are references to articles or sections of this Agreement.

(c) The captions and headings herein are solely for convenience of references and shall not constitute part of this Agreement, nor shall they affect its meaning, construction or effect.

(d) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereinbelow,” “hereunder,” or any similar terms as used in this Agreement refer to the Agreement in its entirety and not the particular article or section of this Agreement in which they appear, and the term “hereafter” means after and the term “heretofore” means before the date of execution of this Agreement

## ARTICLE 2 STATE’S REPRESENTATIONS AND OBLIGATIONS

Section 2.1 Authority of State. The State, through LDR, is granted the authority, pursuant to the Act, the Budget Committee Approval and approval of the Louisiana State Bond Commission, and other constitutional and statutory authority, to enter into this Agreement and makes the following representations and undertakes the following obligations.

Section 2.2 Scope of Authorized Agreement. As provided by the Act, the State may enter into cooperative endeavor agreements with local government subdivisions that may provide for the use of Sales and Use Tax receipts of the State for economic development projects, such as the Project, upon Budget Committee Approval, which approval was granted on March 19, 2021, and upon approval of the Louisiana State Bond Commission, which approval was granted on May 20, 2021, and to dedicate the Annual Pledged State Increment to the payment of debt service on the Bonds.

Section 2.3 Collections. The State hereby represents that current law and the current internal collection processes and systems of LDR are adequate for the purpose of collecting, classifying, reconciling, calculating and remitting the Annual Pledged State Increment on a quarterly basis, provided that with the prior written consent of the District such systems may be changed by LDR as they pertain to their respective collection processes relative to this Agreement. Not later than the twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter, LDR shall direct the State Treasurer’s Office to transfer to the Trust Fund, using wiring instructions provided by the District, the aggregate Monthly Pledged State Increment for the prior quarter.

Section 2.4 Ownership of Monthly Pledged State Increment; Rebate to State. The State hereby represents and agrees that: (i) the Monthly Pledged State Increment, by virtue of the Act, does not constitute State funds and requires no appropriation by the Louisiana Legislature for the Depository Bank to forward such funds to the Trust Fund; and (ii) pending classification as Monthly Pledged State Increment, such funds, although collected by the State, are not part of the State treasury but are held in trust pending classification as Monthly Pledged State Increment and disbursement to the District.

Section 2.5 Public Purpose. The District hereby represent that there is a reasonable expectation that the Project will serve a public purpose and result in economic development within the State that will exceed the value of the obligations of the State, as described herein.

Section 2.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the State, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the State or that might adversely affect the ability of the State to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

ARTICLE 3  
CITY'S AND DISTRICT' REPRESENTATIONS AND OBLIGATIONS

Section 3.1 Scope of Project. The Project is within the scope of the Act and the City and the District will use the Annual Pledged State Increment solely to pay for the costs of the Project, including the debt service on the Bonds, in order to induce economic development and reduce blight within the boundaries of the District.

Section 3.2 Public Hearing. The formation of the District is valid and the approval and execution of this Agreement have been the subject of public meetings and hearings held in accordance with the Act.

Section 3.3 District Authority. The City and the District have all requisite power pursuant to the Act to enter into this Agreement and the authorization, execution and delivery hereof and compliance with the provisions hereof do not conflict with or constitute on the part of the City or the District a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the City or the District are a party or by which it is bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

Section 3.4 Public Purpose. The City and the District anticipate that the Project will result in the creation of jobs, stimulate economic development, and increase sales and use tax receipts within the geographic area comprising the District, serving an integral public purpose.

Section 3.5 Validity of District Obligation. The City and the District have taken or caused to be taken all necessary and proper action to authorize the execution, issuance, and delivery of and the performance of their respective obligations under this Agreement and any and all instruments and documents required to be executed or delivered pursuant hereto or in connection herewith. This Agreement constitutes a valid and legally binding obligation of the City and the District.

Section 3.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the City or the District, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the City and the District or that might adversely affect the ability of the City and the District to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

Section 3.7 Use of Local Resources. In connection with the Project, the City and the District hereby agree to use their reasonable best efforts to purchase materials and equipment from businesses and individuals located in the Parish, and to employ residents of the Parish, for construction jobs and permanent jobs.

ARTICLE 4  
COLLECTION AND TRANSFER

Section 4.1 Department. The State hereby agrees to act as agent of the District commencing the Commencement Date, for the sole purpose of collecting the Monthly Pledged State Increment. The District shall provide the State with the name, address and transfer information relative to the Trust Fund. Such agency shall continue from the Commencement Date until the last day of the Term of this Agreement, or as otherwise provided by amendment or addendum to this Agreement. The State hereby further agrees



that it shall additionally take all reasonable and customary enforcement procedures necessary in connection with the collection of the Monthly Pledged State Increment.

Section 4.2 Transfer of Funds. It is understood that the Monthly Pledged State Increment collected by LDR is the property of the District and thus the payment thereof to the District does not require legislative appropriation by the State Legislature. However, as a means of facilitating the collection of the Monthly Pledged State Increment, it shall be the continuing duty of LDR during the Term to send data to the Treasurer's Office and request deposit by the Treasurer's Office of the Monthly Pledged State Increment on a quarterly basis with the Depository Bank. LDR shall classify and reconcile State Sales and Use Tax receipts from within the geographic area comprising the District as promptly as practicable, and shall inform the Treasurer's Office and the District, as soon as practicable, as to the amount of receipts on deposit with the Depository Bank that constitute the Monthly Pledged State Increment. LDR shall work with the Treasurer's Office regarding which receipts must be transferred by the Depository Bank to the District for deposit to the Trust Fund, as defined herein, and the date for such transfer, which shall be no later than the twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter for transfer of the prior quarter's aggregate Monthly Pledged State Increment. Each quarter LDR will inform the Treasurer's Office as to the requirement for the Depository Bank to transfer the prior quarter's aggregate Monthly Pledged State Increment to the District.

Section 4.3 Calculations. (A) LDR, the City and the District hereby agree that the Monthly Pledged State Increment shall be calculated at least quarterly for each Month during the term of this Agreement. Such calculations shall be made by LDR and the calculation shall be provided to the City and the District. A re-calculation of the Monthly Pledged State Increment for any Month or Months shall be made at any time upon reasonable notice upon the request of the City or the District. Collections of State Sales and Use Tax by LDR from within the geographic area comprising the District shall be attributed to the Month for which such collections are actually made and included in the corresponding Monthly Pledged State Increment, regardless of which such State Sales and Use Taxes are deemed due and owing; provided that collections of State Sales and Use Taxes paid under protest shall be set aside in accordance with LDR's normal procedures and shall not be included in the Monthly Pledged State Increment unless and until a final judicial determination is made by a court of competent jurisdiction that such State Sales and Use Taxes have been legally collected.

(B) If it is determined that for any period of time fewer monies have been transferred to the District than were due, or more funds have been transferred than were due, for whatever reason, LDR shall direct an adjustment in the Monthly Pledged State Increment paid to the District in order that the shortfall or overcollection for any prior period is eliminated as soon as practicable and in any event no more than ninety (90) days subsequent to the recalculation giving rise to the need for the adjustment.

Section 4.4 Effective Date of Monthly Pledged State Increment. The Monthly Pledged State Increment shall be pledged effective the Commencement Date. LDR shall direct the Treasurer's Office and the Depository Bank to pay all Monthly Pledged State Increment collected on and after the Commencement Date to the District for deposit to the Trust Fund as provided herein.

Section 4.5 Collection Process. To the extent it is not in conflict with the provisions of this Agreement, LDR is hereby authorized and directed and agrees to continue the collection processes currently utilized and is directed and agrees to audit, assess or take other action necessary to assure the enforcement and collection of State Sales and Use Tax in the geographic area comprising the District in the same manner as State Sales and Use Taxes are currently being collected or authorized to be collected as of the Commencement Date.

Section 4.6 LDR Collection Fees. LDR is hereby authorized and directed to withhold from the State Sales and Use Tax collected by LDR each Month within the geographical boundaries of the District,

as compensation for the performance of LDR's obligations hereunder, an amount equal to one percent (1%) of such State Sales and Use Tax collected, not to exceed in the aggregate of ten thousand dollars (\$10,000) within any Fiscal Year (the "*LDR Collection Commission*"). At such point in the Fiscal Year that the LDR Collection Commission reaches an aggregate total of ten thousand dollars collected for previous Months, LDR shall not withhold any further LDR Collection Commission for that Fiscal Year.

Section 4.7 Rescission or Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior execution and delivery thereof by all parties hereto.

Section 4.8 Accounting. Not later than March 1 of each Year LDR shall provide a written accounting to the District of all Annual Pledged State Increment collected on behalf of the State and the District in the previous Year. In addition, LDR shall provide current collection information to the District upon request thereby. It is not the intention of this Agreement to violate La. R.S. 47:1508 or R.S. 47:1508.1, and the parties hereto shall comply with such provisions.

Section 4.9 Indemnification. The District agrees to indemnify and hold LDR and its members, officers, employees and agents harmless against any claim, loss, liability, damage or expense (including reasonable attorneys' fees) whatsoever incurred by the LDR arising from or in connection with any claim relating to the performance of its obligations hereunder except to the extent such claim, loss, liability or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR. LDR shall be entitled to appear in any action or proceeding to defend itself against such claims, and all costs reasonably incurred by LDR in connection with such defense, including reasonable attorneys' fees, shall be paid by the District to LDR except to the extent such claim, loss, liability, or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR.

## ARTICLE 5 TERM

Section 5.1 Term of this Agreement. This Agreement shall be effective upon execution by all parties hereto and shall terminate thirty (30) years following the Commencement Date.

## ARTICLE 6 DEFAULT

Section 6.1 Events of Default. The following occurrences or acts shall constitute "Events of Default" under this Agreement if not cured within the applicable cure period:

(a) Any party hereunder shall fail to make payment when due of any sum payable by it hereunder; or

(b) Any party hereunder shall fail to observe or perform any other obligation required hereunder; and

if such event shall continue for ninety (90) days after the non-defaulting party shall have given the defaulting party notice specifying such failure and demanding that the same be cured. If, by reason of the nature thereof, such failure cannot with due diligence be wholly cured within such ninety (90) day period, such cure period may be extended for such period as may be necessary to complete the curing of the same with the agreement of the other party.

Section 6.2 Remedies. Upon a default under Section 6.1 above, each party may proceed to protect and enforce its rights by suits in equity or at law, whether for the specific performance of any

obligation, covenant or agreement contained in this Agreement or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy, as it shall deem most effectual to protect and enforce the obligations of the other hereunder, except for consequential damages, including, but not limited to, loss of sales, income or profit, which shall not be recoverable by a party from the others.

## ARTICLE 7 MISCELLANEOUS

Section 7.1 Accuracy of Base Collections. LDR hereby covenants and represents that Sales and Use Taxes in the amount of Thirty-Eight Thousand, Sixty-Six Dollars (\$38,066.00) were collected in the geographic area comprising the Lakefront EDD in the Base Year.

Section 7.2 Audit. The Legislative Auditor of the State may audit any and all books and records of the District related to this Agreement and the District shall make such books and records available for such purpose upon reasonable notice during reasonable business hours.

Section 7.3 Entire Agreement. This Agreement and the appendices hereto shall constitute the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. There is no representation or warranty of any kind made in connection with the transactions contemplated hereby that is not expressly contained in this Agreement.

Section 7.4 Notices. All reports, statements or notices required or advisable to be given hereunder shall be deemed to be given if sent to the following parties at the following addresses:

### TO LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT:

Lakefront Economic Development District  
c/o City of Lake Charles  
326 Pujoe Street  
Lake Charles, Louisiana 70601  
Attention: Clerk of Council

### TO LDR:

Department of Revenue  
P.O. Box 44098  
Baton Rouge, Louisiana 70804  
Attention: Director, Policy Services Division

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth above, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other party.

Section 7.5 Further Assurances. From time to time hereafter, the parties hereto shall execute and deliver such additional instruments, certificates or documents, and take all such actions as each party hereto may reasonably request for the purpose of fulfilling its obligations hereunder.

Section 7.6 Amendments, Supplements, and Modifications. This Agreement may not be amended, supplemented, or modified, except in writing and executed by the parties hereto.

Section 7.7 Venue. Any suit brought by any party hereto arising out of or by reason of this Agreement shall be brought in the Fourteenth Judicial District Court, Calcasieu Parish, Louisiana or such federal court as may have jurisdiction over any matter. However, if any suit brought is against LDR, venue shall be appropriate and suit shall be brought in the Nineteenth Judicial District Court, East Baton Rouge Parish, State of Louisiana.

Section 7.8 Severance. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or a portion of any provision of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 7.9 No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member, official, trustee, officer, agent or employee of the District or the State in his individual capacity, and neither the officers thereof nor any official executing this Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

Section 7.10 Rights and Remedies. All rights and remedies of the parties under this Agreement shall be exclusive and limited to those remedies set forth in Article 4 hereof. In the event of a dispute hereunder, the party hereto who shall prevail in such dispute resolution shall be entitled to restitution for all reasonable fees and expenses, including legal fees, incurred in such dispute resolution from the other adversarial party or parties.

Section 7.11 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

Section 7.12 Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

Section 7.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

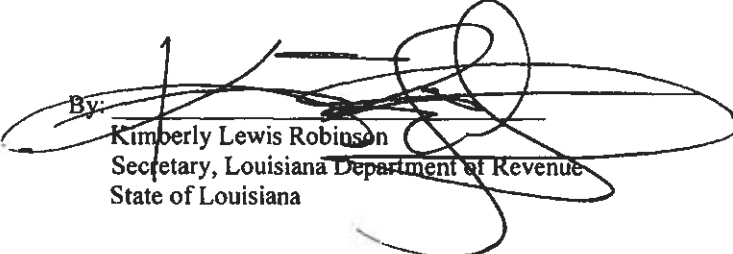
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Thus done and signed this 29<sup>th</sup> day of June, 2021, at Baton Rouge, Louisiana.

CITY OF LAKE CHARLES

By:   
Nicholas E. Hunter, Mayor

LOUISIANA DEPARTMENT OF REVENUE

By:   
Kimberly Lewis Robinson  
Secretary, Louisiana Department of Revenue  
State of Louisiana

LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT

By:   
Mark Eckard, Chairman

EXHIBIT A

**BOUNDARY DESCRIPTION AND MAP OF THE LAKE CHARLES  
LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT**

Commencing at the point where eastbound I-10 crosses the shoreline immediately north and east of the Lake Charles Yacht Club, proceed due east to the centerline of the I-10 Service Rd. and continuing (south of I-10) east along said centerline to the intersection of Veterans Memorial Blvd/N. Lakeshore Dr., then following the centerline of the southbound side of Veterans Memorial Blvd/N. Lakeshore Dr. to the intersection of Lakeshore Dr., then following the centerline of the southbound side of Lakeshore Dr. to the shoreline of the drainage canal/coulee immediately south of Clarence St., then following the shoreline of Lake Charles west and north around Millennium Park and the Lake Charles Civic Center, and continuing along said shoreline north and west to the Lake Charles Yacht Club, then following said shoreline around the west and north sides of the Lake Charles Yacht Club to the point of beginning.



**EXHIBIT B**

**LAKEFRONT EDD BASE YEAR TAX COLLECTIONS**

<b>EDD/TIF DISTRICT</b>	<b>LAKEFRONT</b>
State Annual Base (Gross Tax Reported less V.C.)	\$38,066.00
State Monthly Base (Annual State Base divided by 12)	\$3,172.17

**LKCH TIF JLCB AGENDA ITEM REQUEST**  
**03/08/21**

The attached packet of information is being submitted by LED on behalf of the City of Lake Charles to request approval for Tax Increment Financing utilizing 45% of future increments of the 4.5% state sales tax within three Economic Development Districts (EDD) within the City of Lake Charles: the *I-10 Corridor EDD*, the *Lakefront EDD*, and the *Enterprise Boulevard EDD*. Specifically, the request is for JLCB to approve the State to enter into a CEA with each of the EDDs for said purpose.





February 28, 2020

Senator Mack "Bodi" White  
Chairman, Joint Legislative Committee on the Budget  
900 North Third Street  
Baton Rouge, Louisiana 70802

**Re: Lakefront Economic Development District, Enterprise Boulevard - Economic Development District and 1-10 Corridor Economic Development District of the City of Lake Charles**

Dear Chairman White,

I received the attached letter from Mayor Nic Hunter of the City of Lake Charles requesting that the State dedicate two percent (2%) of the four and forty-five hundredths of one percent (4.45%) or forty-five percent (45%) of the incremental increases of State sales tax collected within the boundaries of the three economic development districts named above. The City has informed us that the areas within the boundaries of the economic development districts are currently underdeveloped. The City has identified several types of projects it wishes to induce to locate within the boundaries of these districts in order to encourage economic development in the area within the districts using a combination of undedicated City sales tax revenue, sales tax revenue to be received from a sales tax levied by one of the districts and the incremental increase of a portion of the State sales tax collected within the districts.

Louisiana Economic Development has commissioned two independent economic impact analyses and the studies indicates that any new development within the Lakefront and Enterprise Boulevard Economic Development Districts would result in an increase in collections of State sales taxes above the amounts currently being collected. Further, due to the current lack of economic activity along the I-10 Corridor, the City has determined that the public investments made possible with State sales tax increment financing support in this EDD would lead to increased private economic development. Our evaluation concurs with the City's determination that any economic activity within the districts will benefit the State economically, and that under the City's proposal the State will receive more funds from the increased sales tax revenue than the City would receive from the State sales tax increment dedicated to these projects.

Please accept this letter as the written evaluation and determination of the Louisiana Department of Economic Development as required under La. R.S. 33:9038.34(A)(6).

Thank you for your assistance and cooperation with this matter. Should you have any further questions, please do not hesitate to contact me or LED Assistant Secretary, Mandi Mitchell.

Sincerely,

Handwritten signature of Don Pierson in black ink.

Don Pierson, Secretary

Attachments



## CITY OF LAKE CHARLES

NICHOLAS E. HUNTER  
MAYOR

326 Pujot Street • P.O. Box 900  
Lake Charles, LA 70602-0900  
(337) 491-1201 • FAX (337) 491-1206

OFFICE OF THE MAYOR

July 2, 2019

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

**Re: Lakefront Economic Development District, Enterprise Boulevard Economic Development District and 1-10 Corridor Economic Development District of the City of Lake Charles**

Dear Secretary Pierson:

The City Council of the City of Lake Charles recently created several economic development districts within the City limits as authorized by the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "EDD Laws"). The districts were named the Lakefront Economic Development District (the "Lakefront District"), the Enterprise Boulevard Economic Development District (the "Enterprise District") and the 1-10 Corridor Economic Development District (the "1-10 District") and the boundaries of such districts were generally drawn around underdeveloped areas of the City.

Attached hereto is a map showing the three districts. Of significance to the State, each district's major roadway is a State (North Lakeshore Drive, Veteran's Memorial Boulevard and Enterprise Boulevard) or Federal (1-10) roadway.

In the next sixty days, the City expects to (a) release an advertisement for a restaurant to be located in the Lakefront District, (b) receive bids and enter into cooperative endeavors for the construction of a \$20 million science and education center/museum, and (c) further discussions with an outdoor outfitter to expand the use of the City's lake and beachfront. Daily, the City continues to seek out developers who can revitalize these once thriving but now depressed and blighted areas of the City.

The City intends to offer certain economic incentives through the use of the districts in a manner that is intended to encourage economic development within the boundaries of the districts. The City receives revenue from an aggregate of two percent (2.0%) of undedicated sales taxes levied by the City that it expects to use to incentivize economic development in all three districts. In addition, the Lakefront District has levied a one percent (1.0%) sales tax within the boundaries of the Lakefront District that is expected to be used to support projects within its boundaries. The City also desires for the State of Louisiana (the "State") to authorize the incremental increases of two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales taxes collected within the boundaries of all three districts to be used to fund certain public infrastructure needs to support projects within the districts.

*United for Progress and Prosperity*

The EDD Laws, specifically Section 9038.34(A)(6) thereof, authorize State sales tax increments to be dedicated to pay the costs of a project within the boundaries of an economic development district, and to pay revenue bonds for a local economic development project provided that the amount dedicated will not exceed the aggregate portion of the local sales tax increment dedicated for such purposes. The proposed use of State sales tax increments must be submitted by the secretary of the Department of Economic Development to the Joint Legislative Committee on the Budget for approval. The submission by the Department is required to include an evaluation and determination by the Department of the anticipated increase in State sales tax revenues to be collected within the State over State sales tax revenues that were collected within the State in the year immediately prior to the year in which the project is submitted to the committee that would be a direct result of the project.

The City has identified certain types of projects that it desires to induce to locate within the boundaries of the districts. These projects include restaurants, retail and other commercial establishments, places of entertainment, and any other projects that will add to the tax base of the City and the State. However, the City's incentives are intended to be used to induce a variety of development within the districts and not one specific project. Any State sales tax increments that would be available for use within the districts would result from an increase in State sales taxes above the amount currently being collected. In addition, because the City desires to use only two percent (2.0%) of the State sales taxes generated within the districts, the State will receive more funds from any increased sales tax revenue than the City would generate as a result of the State sales tax increment to be dedicated to these projects.

While it may not be possible to include a determination of the anticipated increase in the State sales tax revenues as a result of the proposed use of State sales tax increment by the City, the City respectfully requests that the Department submit an evaluation of this request for consideration by the Joint Legislative Committee on the Budget. I have enclosed with this letter a draft of a Cooperative Endeavor Agreement between the City and the State, acting through the Louisiana Department of Revenue, which we would propose for consideration by the committee at the appropriate time.

Please do not hesitate to contact me with any questions.

Sincerely,



**NICHOLAS E. HUNTER**  
Mayor  
City of Lake Charles

Enclosures

**State of Louisiana**  
**Department of Revenue**

**JOHN BEL EDWARDS**  
Governor



**KIMBERLY LEWIS ROBINSON**  
Secretary

December 5, 2019

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: 1-10 Corridor Economic Development District of the City of Lake Charles

Dear Secretary Pierson,

I have reviewed your department's letter regarding the proposed dedication of the incremental increases in two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales tax collected within the boundaries of the 1-10 Corridor economic development district in the City of Lake Charles.

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the district, as referred to in your letter. Please accept this letter as certification as to the correctness of your department's evaluation of the anticipated increase in State sales tax revenues to be collected, as required by La. R.S. 33:9038(A)(6). The Louisiana Department Revenue's sales tax analysis of the 1-10 Corridor economic development district is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly L. Robinson".

Kimberly L. Robinson  
Secretary  
Department of Revenue

*Contributing to a better quality of life.*

617 North Third Street, Post Office Box 66258, Baton Rouge, Louisiana 70896

Telephone (225) 219-4059 • Fax (225) 219-2114

[www.revenue.louisiana.gov](http://www.revenue.louisiana.gov)

**State of Louisiana**  
**Department of Revenue**

**JOHN BEL EDWARDS**  
Governor



**KIMBERLY LEWIS ROBINSON**  
Secretary

December 5, 2019

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: Enterprise Boulevard Economic Development District of the City of Lake Charles

Dear Secretary Pierson,

I have reviewed your department's letter regarding the proposed dedication of the incremental increases in two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales tax collected within the boundaries of the Enterprise Boulevard economic development district in the City of Lake Charles.

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the district, as referred to in your letter. Please accept this letter as certification as to the correctness of your department's evaluation of the anticipated increase in State sales tax revenues to be collected, as required by La. R.S. 33:9038(A)(6). The Louisiana Department Revenue's sales tax analysis of the Enterprise Boulevard economic development district is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly L. Robinson".

Kimberly L. Robinson  
Secretary  
Louisiana Department of Revenue

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State of Louisiana  
Department of Revenue

JOHN BEL EDWARDS  
Governor



KIMBERLY LEWIS ROBINSON  
Secretary

December 5, 2019

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: Lakefront Economic Development District of the City of Lake Charles

Dear Secretary Pierson,

I have reviewed your department's letter regarding the proposed dedication of the incremental increases in two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales tax collected within the boundaries of the Lakefront economic development district in the City of Lake Charles.

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the district, as referred to in your letter. Please accept this letter as certification as to the correctness of your department's evaluation of the anticipated increase in State sales tax revenues to be collected, as required by La. R.S. 33:9038(A)(6). The Louisiana Department Revenue's sales tax analysis of the Lakefront economic development district is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly L. Robinson".

Kimberly L. Robinson  
Secretary  
Department of Revenue

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Lake Charles TIF Cost Estimate

FYE June 30, 2018

TIF Districts	Enterprise Blvd	I-10 Business Corridor	Lakefront
State Annual Base (Gross Tax Reported less V.C.)	\$294,938.88	\$445,990.00	\$38,066.00
Monthly State Base (Annual State Base divided by 12)	\$24,578.24	\$37,165.83	\$3,172.17

\*updated Enterprise Blvd 12.17.2019

\*updated Lakefront 2.26.20

# The Economic Impact of Proposed Lake Charles Tax Increment Financing Districts on Louisiana

Dek Terrell, PhD  
Professor, Louisiana State University

November 24, 2019



**E. J. Ourso College of Business**  
Economics & Policy Research Group



## EXECUTIVE SUMMARY

This report summarizes the estimated economic impact of Port Wonder on the Louisiana economy. Two other economic districts are planned, but detailed economic data on new commitments in these developments is not available at this time. The impact study is conducted at the state level and it estimates the impact of the operations of the Lakefront District containing Port Wonder on output, earnings, jobs and tax revenues. The analysis includes construction and the operational impacts over a 30-year period. The results are limited to data provided on the Children's Center, Science and Educational Complex and one proposed additional Lakeside private facility late in development. Because a number of retail, food services and entertainment facilities are planned but not yet at the stage of providing detailed data, estimates are likely to be conservative.

### Economic Impacts:

- The initial phase of construction activities will involve \$22.2 million in total spending.
- Operations add \$185.3 million of spending or \$95.6 million in 2020\$.
- When indirect effects are included, Port Wonder and related developments should increase Louisiana output by approximately \$370 million over 30 years. The net present value of the output stream implies that this is equivalent to \$205 million in 2020 dollars.
- This translates into \$113 million of earnings (\$63 million when converted to 2020\$).
- We consider a range from 20%-50% of net new spending attracted in tax computations. Direct sales & use cumulative tax projections range from \$1,338,051-\$3,345,127. In 2020\$, this translates into a range of \$742,310-\$1,855,755.
- Accounting for direct and indirect impacts on sales & use, this impact ranges from \$1.8 million to \$4.6 million.
- During the construction phase, the Lakefront District projects will create 223 jobs. Operations will ramp up over time to reach roughly 100 jobs at the peak.
- Analysis from the Louisiana Department of Revenue shows that today the state is currently collecting \$374,180.96 from the Lakefront, I-10, and Enterprise EDDs, collectively.
- LDR analysis shows that collections in the Lakefront EDD were \$42,653.00 in 2019. Taking into account existing and projected projects in the Lakefront District, the net effect of the proposed TIF district would likely be positive.
- There are no currently proposed projects for the Enterprise and I-10 Corridor EDDs, hence we do not have enough information to estimate a net impact of those TIFs.

## INTRODUCTION

This report summarizes estimates of the economic impact on the state of the Port Wonder Lake Front Development project in Lake Charles. The business is expected to ramp up with construction of Port Wonder's Children Center, a Science and Educational Complex, and some additional facilities immediately with more to follow. Our computations are based only on the two Port Wonder Museum facilities and one additional private business.

## METHODOLOGY

Like a rock dropped into a pond, an injection of new dollars into an economy ripples throughout that economy. Spending by the firm and its employees directly creates new sales in the community. Area businesses that benefit from those expenditures in turn hire additional workers. Spending by those businesses and their employees then creates another round of sales for other businesses and the process continues. Economic impact analysis provides us with the tools to quantify the full impact of these ripple effects within an economy using jobs, earnings, and value added multipliers.

Wassily Leontief was awarded the 1973 Nobel Prize in Economics "... for the development of the input-output method and for its application to important economic problems."<sup>1</sup> Not surprisingly, input-output models have advanced considerably over the five decades since Leontief's award. However, the same fundamental principles apply. The methodology relies on the assumption of linear relationships (and technology) to capture commodity flows from producers to intermediate and final consumers.

The model is attractive because it allows economists to quantify the spillovers from additional activity in one sector. For instance, an expansion in one industry leads to greater income

<sup>1</sup>Miller, Ronald E. and Peter D. Blair (2009), *Input-Output Analysis*, New York: Cambridge University Press.

for workers in other industries. These groups in turn spend more in the economy, creating another round of activity. Input-Output analysis provides a method of estimating the sum total of these ripples through the economy. Miller and Blair (2009) provide a full overview of input-output analysis. This study uses BEA RIMS II multipliers for those computations.

### DATA AND ASSUMPTIONS

The main source of input data for Port Wonder were reports obtained from Louisiana Economic Development. Another important assumption is the method by which nominal and real prices are calculated. All discounting in this report is based on the Parish cost of capital. At the time of this analysis, the most recent yield on Calcasieu Parish bonds was 4.00%.<sup>2</sup>

### ECONOMIC IMPACT

Table 1 contains the total direct revenues estimated during the construction phase and over the first 30 years (29 years of operations allowing for a one-year construction period). Total construction costs are anticipated to be \$22.2 million with \$15.8 million of Louisiana spending. Operations push total spending to \$207.5 million with \$157.5 million of estimated Louisiana taxable spending. The operations jobs figure in Table 1 is the average employment gain over the full 29- year operations period; thus, no sum is given. The total spending and impact on output earnings and jobs is computed at this stage as if there were no crowding out of current Louisiana businesses or attractions. We address this issue with taxes.

<sup>2</sup> <https://louisiana.municipalbonds.com/bonds/recent/>

<sup>3</sup> Some exhibits were not available in Louisiana and must be sourced out-of-State.

**TABLE 1  
ECONOMIC IMPACT (NOMINAL \$MILLIONS)**

<b>Item</b>	<b>Spending</b>	<b>Nominal Taxable Spending</b>	<b>Output</b>	<b>Earnings</b>	<b>Jobs</b>
Construction	\$22.2	\$15.8	\$30.6	\$10.8	223
Operations	\$185.3	\$141.7	\$339.1	\$102.0	93
<b>Total</b>	<b>\$207.5</b>	<b>\$157.5</b>	<b>\$369.6</b>	<b>\$112.8</b>	

Note: Jobs represent average annual employment. All other figures are the sum in millions of current period dollars and based on U.S. RIMS II multipliers and author's computations. Totals may not sum due to rounding.

**TABLE 2  
ECONOMIC IMPACT (NOMINAL \$)**

<b>Net New Spend</b>	<b>Net New Direct Sales &amp; Use Tax</b>	<b>Indirect Sales &amp; Use Tax</b>	<b>Total LA Sales &amp; Use Tax Benefit</b>
20%	\$1,338,051	\$501,622	\$1,839,673
25%	\$1,672,564	\$627,028	\$2,299,592
30%	\$2,007,076	\$752,433	\$2,759,510
35%	\$2,341,589	\$877,839	\$3,219,428
40%	\$2,676,102	\$1,003,244	\$3,679,346
45%	\$3,010,615	\$1,128,650	\$4,139,265
50%	\$3,345,127	\$1,254,056	\$4,599,183

Table 2 reports estimated direct sales taxes for a range of percentages of new Louisiana spending. Based on license plate counts and intercept surveys, prior studies have estimated that over 60% of Lake Charles casino revenues are from outside Louisiana. We anticipate a lower portion for this development, though the proximity to Texas and visitors already attracted to the area's casinos led to a range of 20% to 50% new spending (80% to 50% of spending cannibalizes existing Louisiana spending.) The first column converts estimated taxable Louisiana sales to direct sales taxes using the current state tax rate. Note that we assume the Museum facilities are non-profit and

thus not subject to sales taxes. Indirect sales & use taxes are computed based on the implicit tax rate implied by the ratio of taxes in the 2017 FY CAFR to BEA personal income.

Table 3 discounts future operations revenues, Louisiana spending, and raw output and earnings to the first year using the current cost of capital for Calcasieu Parish. Table 4 provides similar discounted values for the estimated tax revenue flows.

**TABLE 3  
ECONOMIC IMPACT (2020\$ MILLIONS)**

Item	Spending	Nominal Taxable Spending	Output	Earnings	Jobs
Construction	\$22.2	\$15.8	\$30.6	\$10.8	223
Operations <sup>1</sup>	\$95.6	\$72.3	\$174.8	\$52.5	93
Total	\$117.8	\$88.1	\$205.3	\$63.3	

Note: Jobs represent average annual employment across all thirty years. All other figures are the sum in millions of current period dollars and based on U.S. RIMS II multipliers and author's computations. Totals may not sum due to rounding. <sup>1</sup>Jobs total for operations is the average over 29 years of operations.

**TABLE 4  
STATE TAX IMPACT (2020\$)**

Net New Spend	Net New Direct Sales & Use Tax	Indirect Sales & Use Tax	Total LA Sales & Use Tax Benefit
20%	\$742,310	\$284,295	\$1,026,605
25%	\$927,888	\$355,369	\$1,283,257
30%	\$1,113,465	\$426,443	\$1,539,908
35%	\$1,299,043	\$497,517	\$1,796,559
40%	\$1,484,620	\$568,590	\$2,053,211
45%	\$1,670,198	\$639,664	\$2,309,862
50%	\$1,855,775	\$710,738	\$2,566,513

### Conclusion

This report examines the economic impact of proposed developments in three proposed economic Lake Charles economic development districts. Because no detailed proposals were provided for the Enterprise Boulevard and I-10 Business Corridor, we focus on the Lakefront area. Accounting for 50%-80%

“crowd-out,” we estimate \$1.3-\$3.3 million (\$0.7-1.9 million in 2020\$) in net new Louisiana sales & use taxes from construction and operations over the first thirty years based on current proposals.

## References

U.S. Bureau of Economic Analysis (BEA), "User Inputs," in *Regional Input- Output Modeling application (RIMS II) Handbook* (Washington, DC: BEA, September 2011, 5–1).

Miller, Ronald E. and Peter D. Blair (2009), *Input-Output Analysis*, New York: Cambridge University Press.

# **Analysis of State Sales Tax Generated from the Acadian Project**

**Prepared by the H.C. Drew Center for Business and  
Economic Analysis (Drew CBEA) at McNeese State  
University**

**Requested by and presented to Louisiana Economic  
Development**

**March 2020**



## Executive Summary

The Drew CBEA estimated the state sales taxes generated from the construction and operation of a new operations and administrative building in Lake Charles, LA. Using various methods, the estimates of sales taxes generated from each phase are as follows:

### Construction Phase

	Sales Taxes Collected	Sales Taxes Collected - Assuming 2% Inflation
IMPLAN State Sales Tax Estimates	\$28,305	\$28,493
Ratio of Sales Tax Collections to Earnings	\$61,608	\$62,019
All Materials Purchased in LA	\$126,825	\$127,671
Additional Collections from IMPLAN	\$148,923	\$149,916
Additional Collections from Ratios	\$140,415	\$141,351
<b>Average</b>	<b>\$101,215</b>	<b>\$101,890</b>

### Operations Phase – 30 Year Period Cumulative Estimates

	Sales Taxes Collected	Sales Taxes Collected - Assuming 2% Inflation
IMPLAN State Sales Tax Estimates	\$2,597,218	\$3,642,607
Ratio of Sales Tax Collections to Earnings	\$1,927,949	\$2,703,955
<b>Average</b>	<b>\$2,262,583</b>	<b>\$3,173,281</b>

## Project Overview

Acadian Ambulance is building a new Operations and Administrative Building for the Lake Charles market. The building will also house their National EMS Academy which will train future employees that will allow them to test for their Basic Paramedic Certification.

The construction of the facility should consist of an 11,000 square foot two story office building and a 2,500 square foot mechanic shop. The building will have 60 parking spaces for customers and employees and should be on between 1.5 and 2 acres of land. The building will also install a 6 foot decorative iron security fence and electric gate system. The construction start date is still to be determined, but the timeline is slated at 18 months from start to finish.

Once in operation, the project is expected to employ 108 full-time workers with a payroll of \$4,930,500 and 17 part-time employees with a payroll of \$383,500. The projected annual growth in sales is 15%.

## Sales Tax Projections

### 1. Construction Phase

The construction phase of the project is projected to cost a total of \$2.85 million. In order to calculate the sales tax generated from the project, there are different ways to obtain the estimate and each will be presented. Since the construction is projected to take 18 months, it is assumed the sales tax will be generated in all 12 months of 2020 and 6 months of 2021.

The latest annual CPI measurements show that the average inflation rate from 2010 to 2019 was 1.8%. Rounding to 2%, this inflation figure can be applied to the final 6 months of construction in 2021 (as well as future years for operations). Results with and without this inflation factor are presented for all analyses.

a. Using sales tax estimates from IMPLAN

IMPLAN was used to estimate the economic impacts of this project. The model constructed is a Multi-Regional Input-Output (MRIIO) model that places the direct effect of the project in Calcasieu parish and the effects to the rest of the state are estimated via trade flows with an outside region consisting of the 63 other parishes. IMPLAN also estimates the tax impacts coming from an economic impact. According to IMPLAN, the tax data is compiled from Census Bureau releases, including the annual State Government Tax collections survey<sup>1</sup>. Since the latest data from this Census release is from FY 2018, this would mean that the tax impacts were calculated using the old sales tax rate of 5%. Beginning in FY 19 (July 1, 2018), the sales tax rate fell to 4.45%. This implies that if one were to use the sales tax estimates from IMPLAN, the results must be scaled down using the ratio of the new rate to the old rate (equaling 89%).

The sales tax results from IMPLAN show that total sales tax collected from the construction of the project should amount to \$28,305. If the inflation rate is applied to the first six months of the next year, the results are slightly higher at \$29,562.

b. Using ratios of sales tax collections to earnings

IMPLAN's tax effects are modeled using relationships between tax categories from public data sources to income and other economic variables from public data sources. In order to get a more specific Louisiana measure, one could use a methodology that has been adopted by other impact reports being conducted in the state.

The Legislative Fiscal Office (LFO) releases a document explaining the relationship between average state tax yield and household earnings<sup>2</sup>. Using categories from the state tax collections related to personal earnings in the state, the measure yields an estimate of total state taxes that can be expected to be collected from household earnings. While this is a total state tax measure, one can use this methodology and the same sources to look at the relationship between sales tax collections and earnings.

Figures obtained show that general sales taxes have a ratio of 2.9% with earnings and vehicle sales tax collections have a ratio of 0.4% with earnings. This leads to the conclusion that 3.3% of earnings will be associated with sales taxes<sup>3</sup>.

Assuming 3.3 cents of every dollar goes back to the state as personal income, a \$2.85 million construction project is projected by IMPLAN to have \$1.86 million in total labor income (including indirect and induced effects). Using that ratio estimates the project would result in \$61,008 in sales tax revenues to the state. If inflation is added for the first half of the second year, the results show a slightly higher increase of \$62,019.

c. All costs of materials are purchased in Louisiana

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<sup>1</sup> <https://implanhelp.zendesk.com/hc/en-us/articles/360041446574-Tax-Data>

<sup>2</sup> Found at [http://lfo.louisiana.gov/files/revenue/AvgTaxYieldOfEarnings\\_2019.pdf](http://lfo.louisiana.gov/files/revenue/AvgTaxYieldOfEarnings_2019.pdf)

<sup>3</sup> Due to the frequent changes in the sales tax rate, the ratio for FY 2019 was obtained and used due to it being the first full year of the current sales tax rate with a full year of sales tax collections and earnings measures with the 4.45% figure.

If all costs of construction come from Louisiana, it may be assumed these are all taxable. If that is the case, the sales tax generated from the construction phase is a simple calculation of \$2.85 million times the current state sales tax rate of 4.45% giving a total of \$126,825.

The sales tax generated would equal \$84,550 in 2020 and \$43,121 in 2021 for a slightly higher total of \$127,671 if the figures are adjusted for inflation.

i. Indirect and induced effects of construction from IMPLAN

Assuming the total cost of materials results in the sales tax of 4.45% times the \$2.85 million, the indirect and induced effects also have tax collections implications. Adding the indirect and induced state level sales tax collections from IMPLAN to this figure results in a total sales tax collection amount of \$148,923 when not accounting for inflation and \$149,916 when assuming 2% inflation per year.

ii. Indirect and induced effects of construction using ratio of sales tax collections to earnings

Instead of using the indirect and induced sales tax collections from IMPLAN, one could also use the indirect and induced labor income estimates from IMPLAN. If these are multiplied by the 3.3% figure to obtain a measure of sales taxes from additional economic activity and added to obtain a total, the results show \$140,415 in sales taxes when not accounting for inflation. Adding inflation results in a total of \$141,351.

## 2. Operations Phase

Once the project is in operation, the new building will be expected to employ 125 workers with a total payroll of \$5.314 million. Generating estimates of sales tax from this project can be seen as particularly difficult due to the fact that ambulance transportation service is not taxable in Louisiana. While sales are reported to increase at 15% a year for the first 10 years of operation, none of the sales will be taxable under the state tax code.

Therefore, the additional sales taxes generated will most likely come from the indirect and induced effects of the income generated by the economic activity at the project<sup>4</sup>. Once again, an IMPLAN MRIO model was used to model the impacts of 125 net new workers with a total payroll of \$5.314 million.<sup>5</sup> The operations were assumed to begin in 2022. The sales tax collections were estimated for one year and 30 years of sales tax collections were calculated. The sales tax collections were estimated in two different ways.

a. Using sales tax estimates from IMPLAN

As with the construction estimates, the sales tax generated from the operations of the facility were scaled down to match the current tax rate of 4.45%. Estimates must also account for the fact that on July 1, 2025, current law has the sales tax rate falling to 4%. Therefore in 2025, half of the sales tax estimates for the year are reduced by the ratio of the current sales tax rate to previous 5% rate and the other half are reduced by the ratio of the future rate of 4% to the previous ratio of 5% (which is 80%). All estimates in further years are scaled solely by this lower ratio.

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<sup>4</sup> There may be an argument that direct sales will lead to more direct income which could result in more sales taxes, but that is not shown here (plus, future rounds of spending from the direct income will be in the indirect and induced impacts). The total payroll estimate and number of employees were used to obtain an estimate of the direct sales that would be modeled for impacts. However, the attached documents have the estimates of sales taxes that would occur from direct effects as well as the indirect and induced effects.

<sup>5</sup> A note on the operations phase is that these estimates could be considered somewhat conservative. The payroll estimate of \$5.314 million does not include benefits. Sometimes, when inputting payroll figures into economic impact estimation, practitioners will include a measure of benefits to add to the payroll to get a figure in line with labor income reported in the model. That approach was not taken here so as to keep the estimates conservative.

Without accounting for inflation, the annual sales tax generated from the indirect and induced effects estimated by IMPLAN is \$95,006 for the first year. Over a 30 year period, taking into account the future sales tax change, the cumulative figure amounts to \$2,597,218. If inflation is assumed to be 2% a year, the results show that sales taxes generated over the 30 year period amount to \$3,642,607.

b. Using ratios of sales tax collections to income

If the same 3.3% rate from before is applied to the indirect and induced labor income estimates from IMPLAN, estimates of sales tax generated can be obtained. Since the ratio was calculated using the current sales tax rate, estimates of future revenues need to account for the drop from the current rate of 4.45% to 4% that is in current law taking effect on July 1, 2025. (This ratio is approximately 90%).

IMPLAN estimates the project will result in \$2.13 million in indirect and induced labor income per year. Assuming 3.3 cents of every dollar goes back to the state as sales taxes, this results in a figure of \$70,569 for the first year. Over a 30 year period, the cumulative results show \$1,927,949 in sales tax generated. If the 2% inflation rate is assumed, the total sales tax collected over 30 years is \$2,703,955.

## Conclusion

Using alternative methods of calculating sales taxes from construction and operations of the project show that construction of the facility could result in sales tax revenues ranging from approximately \$28 thousand to \$150 thousand. The average of all methods produces a figure a little over \$100 thousand dollars.

The operations of the facility could result in tax revenues from approximately \$2 million to \$2.6 million if inflation is not considered, resulting in an average of \$2.3 million across the figures. If inflation is used, the sales taxes collected range from \$2.7 million to \$3.6 million for an average of \$3.2 million across all estimations.



# **Analysis of State Sales Tax Generated from the Acadian Project and Railroad Avenue Market**

**Prepared by the H.C. Drew Center for Business and Economic Analysis (Drew CBEA) at McNeese State University**

**Requested by and presented to Louisiana Economic Development**

**March 2020**

# The Acadian Project

## Executive Summary

The Drew CBEA estimated the state sales taxes generated from the construction and operation of a new operations and administrative building in Lake Charles, LA. Using various methods, the estimates of sales taxes generated from each phase are as follows:

### Construction Phase

	Sales Taxes Collected	Sales Taxes Collected - Assuming 2% Inflation
IMPLAN State Sales Tax Estimates	\$28,305	\$28,493
Ratio of Sales Tax Collections to Earnings	\$61,608	\$62,019
All Materials Purchased in LA	\$126,825	\$127,671
Additional Collections from IMPLAN	\$148,923	\$149,916
Additional Collections from Ratios	\$140,415	\$141,351
<b>Average</b>	<b>\$101,215</b>	<b>\$101,890</b>

### Operations Phase – 30 Year Period Cumulative Estimates

	Sales Taxes Collected	Sales Taxes Collected - Assuming 2% Inflation
IMPLAN State Sales Tax Estimates	\$2,597,218	\$3,642,607
Ratio of Sales Tax Collections to Earnings	\$1,927,949	\$2,703,955
<b>Average</b>	<b>\$2,262,583</b>	<b>\$3,173,281</b>

## Project Overview

Acadian Ambulance is building a new Operations and Administrative Building for the Lake Charles market. The building will also house their National EMS Academy which will train future employees that will allow them to test for their Basic Paramedic Certification.

The construction of the facility should consist of an 11,000 square foot two story office building and a 2,500 square foot mechanic shop. The building will have 60 parking spaces for customers and employees and should be on between 1.5 and 2 acres of land. The building will also install a 6 foot decorative iron security fence and electric gate system. The construction start date is still to be determined, but the timeline is slated at 18 months from start to finish.

Once in operation, the project is expected to employ 108 full-time workers with a payroll of \$4,930,500 and 17 part-time employees with a payroll of \$383,500. The projected annual growth in sales is 15%.

## Sales Tax Projections

### 1. Construction Phase

The construction phase of the project is projected to cost a total of \$2.85 million. In order to calculate the sales tax generated from the project, there are different ways to obtain the estimate and each will be presented. Since the construction is projected to take 18 months, it is assumed the sales tax will be generated in all 12 months of 2020 and 6 months of 2021.

The latest annual CPI measurements show that the average inflation rate from 2010 to 2019 was 1.8%. Rounding to 2%, this inflation figure can be applied to the final 6 months of construction in 2021 (as well as future years for operations). Results with and without this inflation factor are presented for all analyses.

a. Using sales tax estimates from IMPLAN

IMPLAN was used to estimate the economic impacts of this project. The model constructed is a Multi-Regional Input-Output (MRIIO) model that places the direct effect of the project in Calcasieu parish and the effects to the rest of the state are estimated via trade flows with an outside region consisting of the 63 other parishes. IMPLAN also estimates the tax impacts coming from an economic impact. According to IMPLAN, the tax data is compiled from Census Bureau releases, including the annual State Government Tax collections survey<sup>1</sup>. Since the latest data from this Census release is from FY 2018, this would mean that the tax impacts were calculated using the old sales tax rate of 5%. Beginning in FY 19 (July 1, 2018), the sales tax rate fell to 4.45%. This implies that if one were to use the sales tax estimates from IMPLAN, the results must be scaled down using the ratio of the new rate to the old rate (equaling 89%).

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c. All costs of materials are purchased in Louisiana

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<sup>1</sup> <https://implanhelp.zendesk.com/hc/en-us/articles/360041446574-Tax-Data>

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<sup>3</sup> Due to the frequent changes in the sales tax rate, the ratio for FY 2019 was obtained and used due to it being the first full year of the current sales tax rate with a full year of sales tax collections and earnings measures with the 4.45% figure.

If all costs of construction come from Louisiana, it may be assumed these are all taxable. If that is the case, the sales tax generated from the construction phase is a simple calculation of \$2.85 million times the current state sales tax rate of 4.45% giving a total of \$126,825.

The sales tax generated would equal \$84,550 in 2020 and \$43,121 in 2021 for a slightly higher total of \$127,671 if the figures are adjusted for inflation.

i. Indirect and induced effects of construction from IMPLAN

Assuming the total cost of materials results in the sales tax of 4.45% times the \$2.85 million, the indirect and induced effects also have tax collections implications. Adding the indirect and induced state level sales tax collections from IMPLAN to this figure results in a total sales tax collection amount of \$148,923 when not accounting for inflation and \$149,916 when assuming 2% inflation per year.

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Instead of using the indirect and induced sales tax collections from IMPLAN, one could also use the indirect and induced labor income estimates from IMPLAN. If these are multiplied by the 3.3% figure to obtain a measure of sales taxes from additional economic activity and added to obtain a total, the results show \$140,415 in sales taxes when not accounting for inflation. Adding inflation results in a total of \$141,351.

## 2. Operations Phase

Once the project is in operation, the new building will be expected to employ 125 workers with a total payroll of \$5.314 million. Generating estimates of sales tax from this project can be seen as particularly difficult due to the fact that ambulance transportation service is not taxable in Louisiana. While sales are reported to increase at 15% a year for the first 10 years of operation, none of the sales will be taxable under the state tax code.

Therefore, the additional sales taxes generated will most likely come from the indirect and induced effects of the income generated by the economic activity at the project<sup>4</sup>. Once again, an IMPLAN MRIO model was used to model the impacts of 125 net new workers with a total payroll of \$5.314 million.<sup>5</sup> The operations were assumed to begin in 2022. The sales tax collections were estimated for one year and 30 years of sales tax collections were calculated. The sales tax collections were estimated in two different ways.

a. Using sales tax estimates from IMPLAN

As with the construction estimates, the sales tax generated from the operations of the facility were scaled down to match the current tax rate of 4.45%. Estimates must also account for the fact that on July 1, 2025, current law has the sales tax rate falling to 4%. Therefore in 2025, half of the sales tax estimates for the year are reduced by the ratio of the current sales tax rate to previous 5% rate and the other half are reduced by the ratio of the future rate of 4% to the previous ratio of 5% (which is 80%). All estimates in further years are scaled solely by this lower ratio.

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<sup>4</sup> There may be an argument that direct sales will lead to more direct income which could result in more sales taxes, but that is not shown here (plus, future rounds of spending from the direct income will be in the indirect and induced impacts). The total payroll estimate and number of employees were used to obtain an estimate of the direct sales that would be modeled for impacts. However, the attached documents have the estimates of sales taxes that would occur from direct effects as well as the indirect and induced effects.

<sup>5</sup> A note on the operations phase is that these estimates could be considered somewhat conservative. The payroll estimate of \$5.314 million does not include benefits. Sometimes, when inputting payroll figures into economic impact estimation, practitioners will include a measure of benefits to add to the payroll to get a figure in line with labor income reported in the model. That approach was not taken here so as to keep the estimates conservative.



Without accounting for inflation, the annual sales tax generated from the indirect and induced effects estimated by IMPLAN is \$95,006 for the first year. Over a 30 year period, taking into account the future sales tax change, the cumulative figure amounts to \$2,597,218. If inflation is assumed to be 2% a year, the results show that sales taxes generated over the 30 year period amount to \$3,642,607.

b. Using ratios of sales tax collections to income

If the same 3.3% rate from before is applied to the indirect and induced labor income estimates from IMPLAN, estimates of sales tax generated can be obtained. Since the ratio was calculated using the current sales tax rate, estimates of future revenues need to account for the drop from the current rate of 4.45% to 4% that is in current law taking effect on July 1, 2025. (This ratio is approximately 90%).

IMPLAN estimates the project will result in \$2.13 million in indirect and induced labor income per year. Assuming 3.3 cents of every dollar goes back to the state as sales taxes, this results in a figure of \$70,569 for the first year. Over a 30 year period, the cumulative results show \$1,927,949 in sales tax generated. If the 2% inflation rate is assumed, the total sales tax collected over 30 years is \$2,703,955.

## Conclusion on Acadian Project

Using alternative methods of calculating sales taxes from construction and operations of the project show that construction of the facility could result in sales tax revenues ranging from approximately \$28 thousand to \$150 thousand. The average of all methods produces a figure a little over \$100 thousand dollars.

The operations of the facility could result in tax revenues from approximately \$2 million to \$2.6 million if inflation is not considered, resulting in an average of \$2.3 million across the figures. If inflation is used, the sales taxes collected range from \$2.7 million to \$3.6 million for an average of \$3.2 million across all estimations.

## ***Railroad Avenue Market***

### **Executive Summary**

The Drew CBEA estimated the state sales taxes generated from the renovation and operation of a new food hall building/operation in Lake Charles, LA. Using various methods, the estimates of sales taxes generated from each phase are as follows:

#### **Construction Phase**

	<b>Sales Taxes Collected</b>	<b>Sales Taxes Collected - Assuming 2% Inflation</b>
IMPLAN State Sales Tax Estimates	\$53,056	\$53,586
Ratio of Sales Tax Collections to Earnings	\$65,564	\$66,219
All Materials Purchased in LA	\$178,000	\$179,780
Additional Collections from IMPLAN	\$224,420	\$226,664
Additional Collections from Ratios	\$198,651	\$200,637
<b>Average</b>	<b>\$143,938</b>	<b>\$145,377</b>

## Operations Phase – 30 Year Period Cumulative Estimates

	Sales Taxes Collected	Sales Taxes Collected - Assuming 2% Inflation
<b>No Substitution Effects</b>		
IMPLAN State Sales Tax Estimates – 100%	\$6,000,752	\$8,416,075
Ratio of Sales Tax Collections to Earnings – 100%	\$4,071,901	\$5,710,855
Direct Annual Sales - 100%	\$7,780,800	\$10,912,599
Additional Collections from IMPLAN	\$9,420,508	\$13,212,295
Additional Collections from Ratios	\$8,775,976	\$12,308,336
<b>Average</b>	<b>\$7,209,987</b>	<b>\$10,112,032</b>
<b>75% Net New Sales</b>		
IMPLAN State Sales Tax Estimates – 75%	\$4,910,491	\$6,886,980
Ratio of Sales Tax Collections to Earnings – 75%	\$3,302,720	\$4,632,075
Direct Annual Sales - 75%	\$5,835,600	\$8,184,449
Additional Collections from IMPLAN	\$7,475,308	\$10,484,145
Additional Collections from Ratios	\$6,830,776	\$9,580,186
<b>Average</b>	<b>\$5,670,979</b>	<b>\$7,953,567</b>
<b>50% Net New Sales</b>		
IMPLAN State Sales Tax Estimates – 50%	\$3,820,230	\$5,357,885
Ratio of Sales Tax Collections to Earnings – 50%	\$2,533,538	\$3,553,296
Direct Annual Sales - 50%	\$3,890,400	\$5,456,299
Additional Collections from IMPLAN	\$5,530,108	\$7,755,995
Additional Collections from Ratios	\$4,885,576	\$6,852,037
<b>Average</b>	<b>\$4,131,970</b>	<b>\$5,795,102</b>
<b>25% Net New Sales</b>		
IMPLAN State Sales Tax Estimates – 25%	\$2,729,969	\$3,828,791
Ratio of Sales Tax Collections to Earnings – 25%	\$1,764,357	\$2,474,517
Direct Annual Sales - 25%	\$1,945,200	\$2,728,150
Additional Collections from IMPLAN	\$3,584,908	\$5,027,845
Additional Collections from Ratios	\$2,940,376	\$4,123,887
<b>Average</b>	<b>\$2,592,962</b>	<b>\$3,636,638</b>

## Project Overview

Railroad Avenue Market is a project consisting of the renovation of an abandoned, historic structure to create a food hall for the Lake Charles market. The concept will be similar to the White Star Market in Baton Rouge and St. Roch Market in New Orleans, providing a variety of restaurant establishments in a central location where customers can choose their cuisine. The food hall will be registered as a historic landmark.

The renovations of the facility should begin in June 2020 with construction completing in early to mid-2021.

Once in operation, the project is expected to employ 118 full-time workers and 38 part-time workers with a payroll of \$3,400,000. The projected annual sales are \$6,400,000.

## Sales Tax Projections

### 1. Construction Phase

The construction phase of the project is projected to cost a total of \$4 million. In order to calculate the sales tax generated from the project, there are different ways to obtain the estimate and each will be presented as was done with the Acadian Project. Since the construction is projected to take approximately twelve months, it is assumed the sales tax will be generated in all 6 months of 2020 and 6 months of 2021. Results with and without the 2% inflation factor are presented for all analyses.

#### a. Using sales tax estimates from IMPLAN

Once again, an MRIO model that places the direct effect of the project in Calcasieu parish and the effects to the rest of the state estimated via trade flows with an outside region consisting of the 63 other parishes was used to calculate the economic impacts from construction of the project. The same considerations for changes in the sales tax rate the state has seen were used in analysis of this project.

The sales tax results from IMPLAN show that total sales tax collected from the construction of the project should amount to \$53,056. If the inflation rate is applied to the first six months of the next year, the results are slightly higher at \$53,586.

#### b. Using ratios of sales tax collections to earnings

Assuming 3.3 cents of every dollar goes back to the state as personal income, a \$4 million construction project is projected by IMPLAN to have \$1.98 million in total labor income (including indirect and induced effects). Using that ratio estimates the project would result in \$65,564 in sales tax revenues to the state. If inflation is added for the first half of the second year, the results show a slightly higher increase of \$66,219.

#### c. All costs of materials are purchased in Louisiana

If all costs of construction come from Louisiana, it may be assumed these are all taxable. If that is the case, the sales tax generated from the construction phase is a simple calculation of \$4 million times the current state sales tax rate of 4.45% giving a total of \$178,000.

The sales tax generated would equal \$89,000 in 2020 and \$90,780 in 2021 for a slightly higher total of \$179,780 if the figures are adjusted for inflation.

#### i. Indirect and induced effects of construction from IMPLAN

Assuming the total cost of materials results in the sales tax of 4.45% times the \$4 million, the indirect and induced effects also have tax collections implications. Adding the indirect and induced state level sales tax collections from IMPLAN to this figure results in a total sales tax collection amount of \$224,420 when not accounting for inflation and \$226,664 when assuming 2% inflation per year.

#### ii. Indirect and induced effects of construction using ratio of sales tax collections to earnings

If multiplying indirect and induced labor income by the 3.3% figure to obtain a measure of sales taxes from additional economic activity are added to the original direct sales tax calculations, this results in a total of \$198,651 in sales taxes when not accounting for inflation. Adjusting for inflation results in a total of \$200,637.

## 2. Operations Phase

Once the project is in operation, the renovated food hall will be expected to employ 156 workers with a total payroll of \$3.4 million. Unlike the Acadian Project, the Railroad Avenue Market will produce taxable sales during its operations. The projected annual sales of the project amount to \$6.4 million and possible sales taxes generated from these direct sales must be analyzed.

It must also be mentioned, from the point of view of the state, consideration(s) for substitution must be made. If sales at the new food hall divert from sales at other established restaurants in the state, there will be no net change in sales taxes at the state level. If there is diversion from consumers buying food for preparation at home to the new food hall, this will represent an increase in sales tax collections. This is due to food prepared for home consumption being exempted from state sales tax. If consumers decide to spend more than they normally would have at the new food hall this would also represent a net increase in sales tax revenues. In terms of location, Lake Charles is in Southwest Louisiana approximately 35 miles from the Texas border. The city has three gaming establishments that attract visitors from within the state, but also from outside Louisiana borders. According to Louisiana DOTD, the section of 1-10 where this project will be placed has an average daily traffic count of almost 69,000<sup>6</sup>. This stretch of 1-10 is travelled not only by Louisiana and Texas residents, but also drivers from other parts of the country. All of these points lead to an elusive measure of substitution that would be definitive. Due to the many uncertainties associated with substitution effects in the state, a range of sales tax estimates are shown which assume different levels of net new sales to the state. The amounts of net new sales analyzed are 100%, 75%, 50%, and 25%.

Additional sales taxes generated will also come from the indirect and induced effects of the income generated by the economic activity at the project. Once again, an IMPLAN MRIO model was used to model the impacts of the new project. The operations were assumed to begin in 2022. The sales tax collections were estimated for one year and 30 years of sales tax collections were calculated. The sales tax collections were estimated in three different ways shown below (as well as adjusting for substitution).

### a. Using sales tax estimates from IMPLAN

The first way of estimating the sales taxes generated from the operations of the facility are to take the estimates straight from IMPLAN. As was done with the operations of the Acadian project, all sales tax estimates were scaled down to match the current tax rate of 4.45%. Estimates further into the future made the same adjustments for the 2025 tax rate drop to 4% which is in current law. However, while the Acadian project did not add in the direct tax effects (due to the sales of the project not being taxable), this analysis does include the direct tax effects from the Railroad Avenue Market.

During the analysis, the sales tax revenues were split into direct, indirect, and induced amounts. To account for substitution, the direct tax effects were reduced by the amount of substitution. It was assumed that indirect and induced tax amounts would be net new due to the jobs creating net new income that would be spent, resulting in new economic activity<sup>7</sup>.

#### i. 100% Net New Sales

If 100% of the sales are counted as net new to the state, IMPLAN estimates the annual sales tax revenue generated from the project is \$219,645 for the first year. Over a 30 year period, taking into account the future sales tax change, the cumulative figure amounts to \$6,000,752 with no inflation. If inflation is assumed to be 2% a year, the results show that sales taxes generated over the 30 year period amount to \$8,416,075.

#### ii. 75% Net New Sales

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<sup>6</sup> <http://wwwapps.dotd.la.gov/engineering/tatv/>

<sup>7</sup> Although, if one would like to see what would occur if all effects were reduced by substitution, the data provided with this report allows for manipulation in order to get this change.

If 75% of the sales are counted as net new to the state, IMPLAN estimates the annual sales tax generated from the project is \$179,738 for the first year. Over a 30 year period, taking into account the future sales tax change, the cumulative figure amounts to \$4,910,491 with no inflation. Sales taxes generated over the 30 year period amount to \$6,886,980 with annual inflation of 2%.

iii. 50% Net New Sales

If 50% of the sales are counted as net new to the state, IMPLAN estimates the annual sales tax generated from the project is \$139,832 for the first year. Over a 30 year period, the cumulative figure amounts to \$3,820,230 with no inflation. Sales taxes generated over the 30 year period amount to \$5,357,885 with annual inflation of 2%.

iv. 25% Net New Sales

The sales taxes generated will be much lower if only 25% of sales at the food hall are considered net new. IMPLAN estimates the annual sales tax generated from the project are \$99,925 for the first year. Over a 30 year period, the cumulative figure amounts to \$2,729,969 with no inflation. With an annual 2% inflation figure, Sales taxes generated over the 30 year period amount to \$3,828,791.

b. Using ratios of sales tax collections to income

The labor income estimates from IMPLAN were used to calculate an alternative measure of state sales tax generated by using the 3.3% ratio. As before, estimates of future revenues account for the drop from the current rate of 4.45% to 4% that is in current law taking effect on July 1, 2025. (This ratio is approximately 90%). IMPLAN estimates the project will result in \$4.5 million in total labor income per year.

In order to account for substitution effects, the percentages are applied to the direct labor income estimates while the indirect and induced effects are still considered net new.

i. 100% Net New Sales

Assuming 100% of the sales at the food hall are net new, using the ratio of sales taxes to income results in cumulative tax revenues of \$4,071,901 over a 30-year period and \$5,710,855 with 2% annual inflation.

ii. 75% Net New Sales

Assuming 75% of the sales at the food hall are net new, using the ratio of sales taxes to income results in cumulative tax revenues of \$3,302,720 over a 30-year period and \$4,632,075 with 2% annual inflation.

iii. 50% Net New Sales

With 50% net new tax sales, cumulative tax revenues are estimated to be \$2,533,538 over a 30-year period with no inflation and \$3,553,296 with 2% annual inflation.

iv. 25% Net New Sales

If only 25% of sales at the food hall are net new to the state, this would result in cumulative tax revenues of \$1,764,357 over 30 years if there was no inflation. Assuming a 2% annual inflation figure, the cumulative state tax increase is estimated to be \$2,474,517.

c. Assuming all direct sales are taxed at the state sales tax rate

Since the Railroad Avenue Market has taxable sales, any amount of sales at the project can be applied to the current state sales tax rate of 4.45%. Sales at the facility in the future can also be applied to the future tax rate of 4% set to take place in July 2025. In order to obtain sales tax estimates using the estimated \$6.5 million in sales, estimates were first calculated for direct sales only. To capture the indirect and induced effects on tax collections, first, the indirect and induced sales tax collections estimates

were taken from IMPLAN. Next, the indirect and induced labor income estimates were taken from IMPLAN and multiplied by the sales tax ratio. This gives a range of possible state sales tax revenue estimates. Appropriate adjustments for differences in sales taxes were made as previously. Different rates of substitution for the direct sales were also analyzed.

i. 100% Net New Sales

a. Direct Sales Tax Only

Assuming 100% of the sales at the food hall are net new, the first year's collection of sales taxes is a simple calculation of 4.45% times the \$6.5 million in sales. This results in a first year figure \$284,800. Over a 30-year period, while adjusting for the future sales tax change, the cumulative sales tax revenues amount to \$7,780,800. If 2% inflation per year is assumed, this figure is \$10,912,599.

b. Direct sales tax with indirect and induced tax collections from IMPLAN

Adding the indirect and induced sales tax estimates from IMPLAN to the direct sales tax estimates above produces a cumulative estimate of total tax revenues equaling \$9,420,508 with no inflation. If inflation is included, the total amounts to \$13,212,295.

c. Direct sales tax with indirect and induced collections using ratio of sales tax collections to earnings

Taking the indirect and induced labor income estimates from IMPLAN and applying the 3.3% sales tax ratio gives a 30-year cumulative total tax estimate of \$8,775,976 without inflation. The results increase to \$12,308,336 with 2% annual inflation.

ii. 75% Net New Sales

a. Direct Sales Tax Only

Assuming 75% of the sales at the food hall are net new, the first year's collection of sales taxes is a simple calculation of 4.45% times the \$6.5 million in sales, reduced by 25%. This results in a first year figure \$213,600. Over a 30-year period, while adjusting for the future sales tax change, the cumulative sales tax revenues amount to \$5,835,600. If 2% inflation per year is assumed, this figure is \$8,184,449.

b. Direct sales tax with indirect and induced tax collections from IMPLAN

Adding the indirect and induced sales tax estimates from IMPLAN to the direct sales tax estimates above produces a cumulative estimate of total tax revenues equaling \$7,475,308 with no inflation. If inflation is included, the total amounts to \$10,484,145.

c. Direct sales tax with indirect and induced collections using ratio of sales tax collections to earnings

Taking the indirect and induced labor income estimates from IMPLAN and applying the 3.3% sales tax ratio gives a 30-year cumulative total tax estimate of \$6,830,776 without inflation. The results increase to \$9,580,186 with 2% annual inflation.

iii. 50% Net New Sales

a. Direct Sales Tax Only

Assuming 50% of the sales at the food hall are net new, the first year's collection of sales taxes is a simple calculation of 4.45% times the \$6.5 million in sales, reduced by 50%. This results in a first year figure \$142,400. Over a 30-year period, while adjusting for the future sales tax change, the cumulative sales tax revenues amount to \$3,890,400. If 2% inflation per year is assumed, this figure is \$5,456,299.

b. Direct sales tax with indirect and induced tax collections from IMPLAN

Adding the indirect and induced sales tax estimates from IMPLAN to the direct sales tax estimates above produces a cumulative estimate of total tax revenues equaling \$5,530,108 with no inflation. If inflation is included, the total amounts to \$7,755,955.

- c. Direct sales tax with indirect and induced collections using ratio of sales tax collections to earnings

Taking the indirect and induced labor income estimates from IMPLAN and applying the 3.3% sales tax ratio gives a 30-year cumulative total tax estimate of \$4,885,576 without inflation. The results increase to \$6,852,037 with 2% annual inflation.

- iv. 25% Net New Sales

- a. Direct Sales Tax Only

If the amount of net new sales in the state is very low at 25%, the first year's collection of sales taxes is a simple calculation of 4.45% times the \$6.5 million in sales, reduced by 75%. This results in a low first year figure \$71,200. Over a 30-year period, while adjusting for the future sales tax change, the cumulative sales tax revenues amount to \$1,945,200. If 2% inflation per year is assumed, this figure is \$2,728,150.

- b. Direct sales tax with indirect and induced tax collections from IMPLAN

Adding the indirect and induced sales tax estimates from IMPLAN to the direct sales tax estimates above produces a cumulative estimate of total tax revenues equaling \$3,584,908 with no inflation. If inflation is included, the total amounts to \$5,027,845.

- c. Direct sales tax with indirect and induced collections using ratio of sales tax collections to earnings

Taking the indirect and induced labor income estimates from IMPLAN and applying the 3.3% sales tax ratio gives a 30-year cumulative total tax estimate of \$2,940,376 without inflation. The results increase to \$4,123,887 with 2% annual inflation.

## Conclusion on Railroad Avenue Market

Using alternative methods of estimating sales tax revenues shows that renovation of the facility could result in sales tax revenues ranging from approximately \$53 thousand to \$224 thousand if inflation is not considered. The average across all methods without inflation amounts to about \$144 thousand. In a 2% annual inflation rate is assumed, sales tax collection estimates range from \$53.6 thousand to \$226.7 thousand with an average across methods of approximately \$145 thousand dollars.

The operations of the facility could result in a wide range tax revenues due to both estimation methods and assumptions on the amount of net new sales to the state. Assuming 100% of the sales at the Railroad Avenue Market are net new, the sales tax collection estimates range from \$4 million to \$9.4 million over a 30 year period with an average of \$7.2 million across all methods. If the estimates are adjusted for inflation, the range jumps to \$5.7 million to \$13.2 million with an average across all methods equalizing \$10.1 million.

If only 75% of sales are net new to the state, the sales tax revenues generated range from \$3.3 million to \$7.5 million for an average of \$5.7 million. Adding inflation results in a range from \$4.6 million to \$10.5 million for an average of approximately \$8 million over a 30-year period. With half of the sales classified as net new to the state, the state sales taxes range from \$2.5 million to \$5.5 million with an average across all methods equaling \$4.1 million. If inflation is added, the range rises to between \$3.6 million and \$7.8 million for an overall average of \$5.8 million across methods.

Finally, at a very low net new sales rate of 25%, estimates range from 30-year cumulative revenues of \$1.9 million to \$3.6 million with no inflation. The average across methods is approximately \$2.6 million. If inflation is added, the range becomes \$2.5 million to \$5 million for an average across methods of \$3.6 million.



Draft 02/28/2021

COOPERATIVE ENDEAVOR AGREEMENT

by and among

I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT

and

CITY OF LAKE CHARLES

and

THE STATE OF LOUISIANA,  
through the Louisiana Department of Revenue

Dated as of \_\_\_\_\_, 2021

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EXHIBIT A – BOUNDARY DESCRIPTION OF THE ECONOMIC DEVELOPMENT DISTRICT

EXHIBIT B – I-10 CORRIDOR EDD BASE YEAR TAX COLLECTIONS

## COOPERATIVE ENDEAVOR AGREEMENT

This COOPERATIVE ENDEAVOR AGREEMENT (the “*Agreement*”), dated as of \_\_\_\_\_, 2021 but effective upon execution by all parties hereto, is made by and among the I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT, City of Lake Charles (the “*I-10 Corridor EDD*” or the “*District*”), the CITY OF LAKE CHARLES, State of Louisiana (the “*City*”), and the STATE OF LOUISIANA, acting by and through the Louisiana Department of Revenue (“*LDR*”).

### WITNESSETH:

WHEREAS, the District is an economic development district duly created under and pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31 to 9038.42, inclusive) (the “*Economic Development Act*”) and Ordinance No. 18187 adopted on June 20, 2018, by the City Council of the City of Lake Charles, and other constitutional and statutory authority;

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended (the “*Constitution*”), provides that for a public purpose, the State may engage in cooperative endeavors with political subdivisions, private associations, corporations, or individuals;

WHEREAS, pursuant to the Economic Development Act, a sales tax increment consists of that portion of sales tax revenues for any or all tax recipient entities collected each year on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services, all as defined in La. R.S. 47:301 *et seq.*, or any other appropriate provision of law, as amended, from taxpayers located within an economic development district, which exceeds the sales tax revenues that were collected for such taxing authority in the year immediately prior to the year in which such area was designated as an economic development district;

WHEREAS, the District encompasses the land located in the City within the boundaries set forth in Exhibit A hereto;

WHEREAS, pursuant to the Act, the District and the City have requested that LDR enter into this Agreement on behalf of the State to authorize the use by the District of forty-five percent (45.0%) of the sales tax increment collected by LDR for the State within the boundaries of the District (the “*State Sales Tax Revenues*”) to finance the cost of additions, acquisitions, repairs and/or expansions needed to reduce blight and maintain works of public improvement within the boundaries of the District (the “*Project*”);

WHEREAS, the construction of the Project is expected to result in significant economic benefits to the City, the District, and the State, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits, as well as further intangible benefits to the City, the District, the surrounding areas, and the State (collectively, the “*Economic Benefits*”);

WHEREAS, pursuant to this Agreement the State has pledged and dedicated and will irrevocably pledge and dedicate an amount of Annual Pledged State Increment (as hereinafter defined) to pay the costs of the Project, including the debt service on Bonds (as hereinafter defined) issued to finance the Project; and

WHEREAS, the District and the City anticipate entering into a separate cooperative endeavor agreement (the “*Local Cooperative Endeavor Agreement*”) pursuant to which the City will agree to use

incremental increases in its undedicated taxes collected within the boundaries of the District (the “*City Tax Revenues*”) to support economic development projects within the District.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby covenant and agree as follows:

## ARTICLE I DEFINITIONS

Section 1.1 Definitions. The following terms shall, for purposes of this Agreement, have the following meanings:

“*Act*” shall mean, collectively, Section 14(C) of Article VII of the Louisiana Constitution of 1974, as amended and the Economic Development Act, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

“*Agreement*” shall mean this Cooperative Endeavor Agreement, dated as of \_\_\_\_\_, 2021 by and among the City, the State through LDR, and the District, and any amendments or modifications hereto.

“*Annual Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Annual State Increment collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term.

“*Annual State Base*” shall mean Four Hundred Forty-Five Thousand, Nine Hundred Ninety Dollars (\$445,990.00).

“*Annual State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term exceeds the Annual State Base.

“*Base Year*” shall mean the Fiscal Year for the State ending June 30, 2018.

“*Bonds*” shall mean the revenue bonds, if any, issued by the City or the District to finance all or a portion of the Project.

“*Business Day*” shall mean a day which is not (a) a Saturday or Sunday, (b) a legal holiday, or (c) a day on which banking institutions are authorized by law to close in the State of Louisiana.

“*City*” shall mean the City of Lake Charles, State of Louisiana.

“*City Tax Revenues*” means the incremental increases in the City’s undedicated taxes collected within the boundaries of the District.

“*Commencement Date*” shall mean [July 1, 2021].

“*Constitution*” means Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended.

“*Depository Bank*” shall mean the bank into which LDR deposits State Sales and Use Tax receipts of the State.

“*District*” shall mean the I-10 Corridor EDD.

*“Economic Benefits”* shall mean the impact on the economy of the City, the District, and the State as a result of the Project proposed pursuant to this Agreement and resulting from the ongoing fulfillment of the contract obligations hereunder, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits.

*“Economic Development Act”* shall mean Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended.

*“Fiscal Year”* shall mean the twelve-month period beginning on July 1 and ending June 30 of each year.

*“I-10 Corridor EDD”* shall mean that certain economic development district created pursuant to Ordinance No. 18187 on June 20, 2018, as the same may be amended from time to time, and within the boundaries of the area set forth in Exhibit A hereto.

*“I-10 Corridor EDD Trust Fund”* shall mean that certain fund established under Ordinance No. 18187 on June 20, 2018 by the City, as the same may be amended from time to time, for the purposes of receipt of the Monthly Pledged State Increment and paying costs in connection with economic development projects as defined in La. R.S. 33:9038.34(M) and La. R.S. 33:9038.36.

*“LDR”* shall mean the Louisiana Department of Revenue, the Sales and Use Tax collection agent of the State.

*“Local Cooperative Endeavor Agreement”* shall mean that cooperative endeavor agreement between the City and the District by which the City and the District will pledge the Local Tax Revenues to contribute to the funding of the Project to induce economic development within the boundaries of the District.

*“Local Tax Revenues”* shall mean the City Tax Revenues.

*“Month”* shall mean a calendar month.

*“Monthly Pledged State Increment”* shall mean a sum equal to forty-five percent (45.0%) of the Monthly State Increment collected from taxpayers within the geographic area comprising the I-10 Corridor EDD attributable to any Month during the Term.

*“Monthly State Base”* shall mean one-twelfth of the Annual State Base.

*“Monthly State Collection”* shall mean the total State Sales and Use Tax collected within the geographic area comprising the District attributable to any Month during the Term.

*“Monthly State Increment”* shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Month during the Term exceeds the Monthly State Base.

*“Parish”* shall mean the Parish of Calcasieu, State of Louisiana.

“*Project*” shall mean the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works of public improvement and other public infrastructure improvements related thereto, including the Public Improvements.

“*Public Improvements*” shall mean, collectively, (i) the construction, acquisition, extension, expansion, improvement, maintenance and operation of public roads, bridges and related road drainage within the District and the acquisition of equipment related thereto, (ii) financing the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works and to reduce blight within the District, and (iii) the general public infrastructure improvements in the District, including but not limited to, water distribution and transmission, sewerage lines and facilities, publicly owned gas service lines and facilities and other public infrastructure improvements related thereto.

“*Sales and Use Tax*” shall mean that net sales and use tax pledged hereunder and levied and collected in the District by the State, exclusive of rebates issued under contract through the Enterprise Zone Program administered by the Department of Economic Development, the .03% sales tax levied under La. R.S. 51:1286 by the Louisiana Tourism and Promotion District, and any dedicated hotel motel sales tax, on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property, and on sales and services, all as defined in Section 301 *et seq.* of Title 47 of the Louisiana Revised Statutes of 1950, as amended, or any other appropriate provisions of law as amended.

“*State*” shall mean, for the purposes of this Agreement, the State of Louisiana, acting through LDR.

“*Tax Collector*” shall mean LDR.

“*Term*” shall mean the term of this Agreement as set forth in Article VIII hereto.

“*Treasurer’s Office*” shall mean the Louisiana Department of the Treasury.

“*Trust Fund*” shall mean the I-10 Corridor EDD Trust Fund.

“*Year*” shall mean any consecutive twelve (12) month period.

Section 1.2 Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement furnished from time to time in connection with this Agreement unless the context otherwise requires.

Section 1.3 Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) All references herein to particular articles or sections are references to articles or sections of this Agreement.

(c) The captions and headings herein are solely for convenience of references and shall not constitute part of this Agreement, nor shall they affect its meaning, construction or effect.

(d) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereinbelow,” “hereunder,” or any similar terms as used in this Agreement refer to the Agreement in its entirety and not the particular article or section of this Agreement in which they appear, and the term “hereafter” means after and the term “heretofore” means before the date of execution of this Agreement

ARTICLE 2  
STATE'S REPRESENTATIONS AND OBLIGATIONS

Section 2.1 Authority of State. The State, through LDR, is granted the authority, pursuant to the Act, the Budget Committee Approval and approval of the Louisiana State Bond Commission, and other constitutional and statutory authority, to enter into this Agreement and makes the following representations and undertakes the following obligations.

Section 2.2 Scope of Authorized Agreement. As provided by the Act, the State may enter into cooperative endeavor agreements with local government subdivisions that may provide for the use of State Sales and Use Tax receipts of the State for economic development projects, such as the Project, upon Budget Committee Approval, which approval was granted on \_\_\_\_\_, 2021, and upon approval of the Louisiana State Bond Commission, which approval was granted on \_\_\_\_\_, 2021, and to dedicate the Annual Pledged State Increment to the payment of debt service on the Bonds.

Section 2.3 Collections. The State hereby represents that current law and the current internal collection processes and systems of LDR are adequate for the purpose of collecting, classifying, reconciling, calculating and remitting the Annual Pledged State Increment on a quarterly basis, provided that with the prior written consent of the District such systems may be changed by LDR as they pertain to their respective collection processes relative to this Agreement. Not later than the twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter, LDR shall direct the State Treasurer's Office to transfer to the Trust Fund, using wiring instructions provided by the District, the aggregate Monthly Pledged State Increment for the prior quarter.

Section 2.4 Ownership of Monthly Pledged State Increment; Rebate to State. The State hereby represents and agrees that: (i) the Monthly Pledged State Increment, by virtue of the Act, does not constitute State funds and requires no appropriation by the Louisiana Legislature for the Depository Bank to forward such funds to the Trust Fund; and (ii) pending classification as Monthly Pledged State Increment, such funds, although collected by the State, are not part of the State treasury but are held in trust pending classification as Monthly Pledged State Increment and disbursement to the District.

Section 2.5 Public Purpose. The District hereby represent that there is a reasonable expectation that the Project will serve a public purpose and result in economic development within the State that will exceed the value of the obligations of the State, as described herein.

Section 2.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the State, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the State or that might adversely affect the ability of the State to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

ARTICLE 3  
CITY'S AND DISTRICT'S REPRESENTATIONS AND OBLIGATIONS

Section 3.1 Scope of Project. The Project is within the scope of the Act and the City and the District will use the Annual Pledged State Increment solely to pay for the costs of the Project, including the debt service on the Bonds, in order to induce economic development and reduce blight within the boundaries of the District.

Section 3.2 Public Hearing. The formation of the District is valid and the approval and execution of this Agreement have been the subject of public meetings and hearings held in accordance with the Act.



Section 3.3 District Authority. The City and the District have all requisite power pursuant to the Act to enter into this Agreement and the authorization, execution and delivery hereof and compliance with the provisions hereof do not conflict with or constitute on the part of the City or the District a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the City or the District are a party or by which it is bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

Section 3.4 Public Purpose. The City and the District anticipate that the Project will result in the creation of jobs, stimulate economic development, and increase sales and use tax receipts within the geographic area comprising the District, serving an integral public purpose.

Section 3.5 Validity of District Obligation. The City and the District have taken or caused to be taken all necessary and proper action to authorize the execution, issuance, and delivery of and the performance of their respective obligations under this Agreement and any and all instruments and documents required to be executed or delivered pursuant hereto or in connection herewith. This Agreement constitutes a valid and legally binding obligation of the City and the District.

Section 3.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the City or the District, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the City and the District or that might adversely affect the ability of the City and the District to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

Section 3.7 Use of Local Resources. In connection with the Project, the City and the District hereby agree to use their reasonable best efforts to purchase materials and equipment from businesses and individuals located in the Parish, and to employ residents of the Parish, for construction jobs and permanent jobs.

#### ARTICLE 4 COLLECTION AND TRANSFER

Section 4.1 Department. The State hereby agrees to act as agent of the District commencing the Commencement Date, for the sole purpose of collecting the Monthly Pledged State Increment. The District shall provide the State with the name, address and transfer information relative to the Trust Fund. Such agency shall continue from the Commencement Date until the last day of the Term of this Agreement, or as otherwise provided by amendment or addendum to this Agreement. The State hereby further agrees that it shall additionally take all reasonable and customary enforcement procedures necessary in connection with the collection of the Monthly Pledged State Increment.

Section 4.2 Transfer of Funds. It is understood that the Monthly Pledged State Increment collected by LDR is the property of the District and thus the payment thereof to the District does not require legislative appropriation by the State Legislature. However, as a means of facilitating the collection of the Monthly Pledged State Increment, it shall be the continuing duty of LDR during the Term to send data to the Treasurer's Office and request deposit by the Treasurer's Office of the Monthly Pledged State Increment on a quarterly basis with the Depository Bank. LDR shall classify and reconcile State Sales and Use Tax receipts from within the geographic area comprising the District as promptly as practicable, and shall inform the Treasurer's Office and the District, as soon as practicable, as to the amount of receipts on deposit with the Depository Bank that constitute the Monthly Pledged State Increment. LDR shall work with the Treasurer's Office regarding which receipts must be transferred by the Depository Bank to the District for deposit to the Trust Fund, as defined herein, and the date for such transfer, which shall be no later than the

twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter for transfer of the prior quarter's aggregate Monthly Pledged State Increment. Each quarter LDR will inform the Treasurer's Office as to the requirement for the Depository Bank to transfer the prior quarter's aggregate Monthly Pledged State Increment to the District.

Section 4.3 Calculations. (A) LDR, the City and the District hereby agree that the Monthly Pledged State Increment shall be calculated at least quarterly for each Month during the term of this Agreement. Such calculations shall be made by LDR and the calculation shall be provided to the City and the District. A re-calculation of the Monthly Pledged State Increment for any Month or Months shall be made at any time upon reasonable notice upon the request of the City or the District. Collections of State Sales and Use Tax by LDR from within the geographic area comprising the District shall be attributed to the Month for which such collections are actually made and included in the corresponding Monthly Pledged State Increment, regardless of which such State Sales and Use Taxes are deemed due and owing; provided that collections of State Sales and Use Taxes paid under protest shall be set aside in accordance with LDR's normal procedures and shall not be included in the Monthly Pledged State Increment unless and until a final judicial determination is made by a court of competent jurisdiction that such State Sales and Use Taxes have been legally collected.

(B) If it is determined that for any period of time fewer monies have been transferred to the District than were due, or more funds have been transferred than were due, for whatever reason, LDR shall direct an adjustment in the Monthly Pledged State Increment paid to the District in order that the shortfall or overcollection for any prior period is eliminated as soon as practicable and in any event no more than ninety (90) days subsequent to the recalculation giving rise to the need for the adjustment.

Section 4.4 Effective Date of Monthly Pledged State Increment. The Monthly Pledged State Increment shall be pledged effective the Commencement Date. LDR shall direct the Treasurer's Office and the Depository Bank to pay all Monthly Pledged State Increment collected on and after the Commencement Date to the District for deposit to the Trust Fund as provided herein.

Section 4.5 Collection Process. To the extent it is not in conflict with the provisions of this Agreement, LDR is hereby authorized and directed and agrees to continue the collection processes currently utilized and is directed and agrees to audit, assess or take other action necessary to assure the enforcement and collection of State Sales and Use Tax in the geographic area comprising the District in the same manner as State Sales and Use Taxes are currently being collected or authorized to be collected as of the Commencement Date.

Section 4.6 LDR Collection Fees. LDR is hereby authorized and directed to withhold from the State Sales and Use Tax collected by LDR each Month within the geographical boundaries of the District, as compensation for the performance of LDR's obligations hereunder, an amount equal to one percent (1%) of such State Sales and Use Tax collected, not to exceed in the aggregate of ten thousand dollars (\$10,000) within any Fiscal Year (the "*LDR Collection Commission*"). At such point in the Fiscal Year that the LDR Collection Commission reaches an aggregate total of ten thousand dollars collected for previous Months, LDR shall not withhold any further LDR Collection Commission for that Fiscal Year.

Section 4.7 Rescission or Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior execution and delivery thereof by all parties hereto.

Section 4.8 Accounting. Not later than March 1 of each Year LDR shall provide a written accounting to the District of all Annual Pledged State Increment collected on behalf of the State and the District in the previous Year. In addition, LDR shall provide current collection information to the District upon request thereby. It is not the intention of this Agreement to violate La. R.S. 47:1508 or R.S. 47:1508.1, and the parties hereto shall comply with such provisions.

Section 4.9 Indemnification. The District agrees to indemnify and hold LDR and its members, officers, employees and agents harmless against any claim, loss, liability, damage or expense (including reasonable attorneys' fees) whatsoever incurred by the LDR arising from or in connection with any claim relating to the performance of its obligations hereunder except to the extent such claim, loss, liability or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR. LDR shall be entitled to appear in any action or proceeding to defend itself against such claims, and all costs reasonably incurred by LDR in connection with such defense, including reasonable attorneys' fees, shall be paid by the District to LDR except to the extent such claim, loss, liability, or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR.

ARTICLE 5  
TERM

Section 5.1 Term of this Agreement. This Agreement shall be effective upon execution by all parties hereto and shall terminate thirty (30) years following the Commencement Date.

ARTICLE 6  
DEFAULT

Section 6.1 Events of Default. The following occurrences or acts shall constitute "Events of Default" under this Agreement if not cured within the applicable cure period:(a) Any party hereunder shall fail to make payment when due of any sum payable by it hereunder; or

(b) Any party hereunder shall fail to observe or perform any other obligation required hereunder; and

if such event shall continue for ninety (90) days after the non-defaulting party shall have given the defaulting party notice specifying such failure and demanding that the same be cured. If, by reason of the nature thereof, such failure cannot with due diligence be wholly cured within such ninety (90) day period, such cure period may be extended for such period as may be necessary to complete the curing of the same with the agreement of the other party.

Section 6.2 Remedies. Upon a default under Section 6.1 above, each party may proceed to protect and enforce its rights by suits in equity or at law, whether for the specific performance of any obligation, covenant or agreement contained in this Agreement or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy, as it shall deem most effectual to protect and enforce the obligations of the other hereunder, except for consequential damages, including, but not limited to, loss of sales, income or profit, which shall not be recoverable by a party from the others.

ARTICLE 7 MISCELLANEOUS

Section 7.1 Accuracy of Base Collections. LDR hereby covenants and represents that Sales and Use Taxes in the amount of Four Hundred Forty-Five Thousand, Nine Hundred Ninety Dollars (\$445,990.00) were collected in the geographic area comprising the I-10 Corridor EDD in the Base Year.

Section 7.2 Audit. The Legislative Auditor of the State may audit any and all books and records of the District related to this Agreement and the District shall make such books and records available for such purpose upon reasonable notice during reasonable business hours.

Section 7.3 Entire Agreement. This Agreement and the appendices hereto shall constitute the entire understanding between the parties with respect to the subject matter hereof, superseding all

negotiations, prior discussions, and preliminary agreements. There is no representation or warranty of any kind made in connection with the transactions contemplated hereby that is not expressly contained in this Agreement.

Section 7.4 Notices. All reports, statements or notices required or advisable to be given hereunder shall be deemed to be given if sent to the following parties at the following addresses:

TO I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT:

I-10 Corridor Economic Development District  
c/o City of Lake Charles  
326 Pujoe Street  
Lake Charles, Louisiana 70601  
Attention: Clerk of Council

TO LDR:

Department of Revenue  
P.O. Box 44098  
Baton Rouge, Louisiana 70804  
Attention: Director, Policy Services Division

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth above, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other party.

Section 7.5 Further Assurances. From time to time hereafter, the parties hereto shall execute and deliver such additional instruments, certificates or documents, and take all such actions as each party hereto may reasonably request for the purpose of fulfilling its obligations hereunder.

Section 7.6 Amendments, Supplements, and Modifications. This Agreement may not be amended, supplemented, or modified, except in writing and executed by the parties hereto.

Section 7.7 Venue. Any suit brought by any party hereto arising out of or by reason of this Agreement shall be brought in the Fourteenth Judicial District Court, Calcasieu Parish, Louisiana or such federal court as may have jurisdiction over any matter. However, if any suit brought is against LDR, venue shall be appropriate and suit shall be brought in the Nineteenth Judicial District Court, East Baton Rouge Parish, State of Louisiana.

Section 7.8 Severance. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or a portion of any provision of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 7.9 No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member, official, trustee, officer, agent or employee of

the District or the State in his individual capacity, and neither the officers thereof nor any official executing this Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

Section 7.10 Rights and Remedies. All rights and remedies of the parties under this Agreement shall be exclusive and limited to those remedies set forth in Article 4 hereof. In the event of a dispute hereunder, the party hereto who shall prevail in such dispute resolution shall be entitled to restitution for all reasonable fees and expenses, including legal fees, incurred in such dispute resolution from the other adversarial party or parties.

Section 7.11 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

Section 7.12 Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

Section 7.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

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Thus done and signed this \_\_\_ day of \_\_\_\_\_, 2021, at \_\_\_\_\_, Louisiana.

CITY OF LAKE CHARLES

By: \_\_\_\_\_  
Nicholas E. Hunter, Mayor

LOUISIANA DEPARTMENT OF REVENUE

By: \_\_\_\_\_  
Kimberly Lewis Robinson  
Secretary, Louisiana Department of Revenue  
State of Louisiana

I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Mark Eckard, Chairman

EXHIBIT A

**BOUNDARIES AND MAP OF  
I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**

The District shall consist of the area in the City bounded by the following: the intersection of the centerline of Enterprise Boulevard with the centerline of Pryce Street, thence easterly along the centerline of Pryce Street to the center of 1st Avenue; thence proceed northerly along the centerline of 1st Avenue to the intersection of the centerline of 1st Avenue with the centerline of Winterhalter Street; thence proceed easterly along the centerline of Winterhalter Street to the intersection of the centerline of Winterhalter Street with the centerline of Prater Street; thence proceed northerly along the centerline of Prater Street to the intersection of the centerline of Prater Street with the centerline of Winterhalter Street; thence proceed easterly along the centerline of Winterhalter Street to the intersection of the centerline of Winterhalter Street with the centerline of Albert Street; thence proceed northerly along the centerline of Albert Street and continue along the northerly trajectory of Albert Street north of Fruge Street and continue along the centerline trajectory of Albert Street to the easterly trajectory of South Railroad Avenue; thence westerly along the eastern trajectory of South Railroad Avenue crossing Interstate 10 and following the centerline of South Railroad Avenue or its trajectory westerly to the intersection of the centerline of Ryan Street and continuing westerly 1350 feet, more or less; thence southerly to the centerline of Veteran's Memorial Parkway and continuing southerly to the intersection of the centerline of Veteran's Memorial Parkway with the centerline of West Pryce Street; thence easterly along the centerline of West Pryce Street to the point of commencement.



EXHIBIT B

**I-10 CORRIDOR EDD BASE YEAR TAX COLLECTIONS**

<b>EDD/TIF DISTRICT</b>	<b>I-10 CORRIDOR</b>
State Annual Base (Gross Tax Reported less V.C.)	\$445,990.00
State Monthly Base (Annual State Base divided by 12)	\$37,165.83



Draft 01/11/2021

COOPERATIVE ENDEAVOR AGREEMENT

by and among

ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT

and

CITY OF LAKE CHARLES

and

THE STATE OF LOUISIANA,  
through the Louisiana Department of Revenue

Dated as of \_\_\_\_\_, 2021

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EXHIBIT A – BOUNDARY DESCRIPTION OF THE ECONOMIC DEVELOPMENT DISTRICT

EXHIBIT B – ENTERPRISE BOULEVARD EDD BASE YEAR TAX COLLECTIONS

## COOPERATIVE ENDEAVOR AGREEMENT

This COOPERATIVE ENDEAVOR AGREEMENT (the “*Agreement*”), dated as of \_\_\_\_\_, 2021 but effective upon execution by all parties hereto, is made by and among the ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT, City of Lake Charles (the “*Enterprise Boulevard EDD*” or the “*District*”), the CITY OF LAKE CHARLES, State of Louisiana (the “*City*”), and the STATE OF LOUISIANA, acting by and through the Louisiana Department of Revenue (“*LDR*”).

### WITNESSETH:

WHEREAS, the District is an economic development district duly created under and pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31 to 9038.42, inclusive) (the “*Economic Development Act*”) and Ordinance No. 18189 adopted on June 20, 2018, by the City Council of the City of Lake Charles, and other constitutional and statutory authority;

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended (the “*Constitution*”), provides that for a public purpose, the State may engage in cooperative endeavors with political subdivisions, private associations, corporations, or individuals;

WHEREAS, pursuant to the Economic Development Act, a sales tax increment consists of that portion of sales tax revenues for any or all tax recipient entities collected each year on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services, all as defined in La. R.S. 47:301 *et seq.*, or any other appropriate provision of law, as amended, from taxpayers located within an economic development district, which exceeds the sales tax revenues that were collected for such taxing authority in the year immediately prior to the year in which such area was designated as an economic development district;

WHEREAS, the District encompasses the land located in the City within the boundaries set forth in Exhibit A hereto;

WHEREAS, pursuant to the Act, the District and the City have requested that LDR enter into this Agreement on behalf of the State to authorize the use by the District of forty-five percent (45.0%) of the sales tax increment collected by LDR for the State within the boundaries of the District (the “*State Sales Tax Revenues*”) to finance the cost of additions, acquisitions, repairs and/or expansions needed to reduce blight and maintain works of public improvement within the boundaries of the District (the “*Project*”);

WHEREAS, the construction of the Project is expected to result in significant economic benefits to the City, the District, and the State, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits, as well as further intangible benefits to the City, the District, the surrounding areas, and the State (collectively, the “*Economic Benefits*”);

WHEREAS, pursuant to this Agreement the State has pledged and dedicated and will irrevocably pledge and dedicate an amount of Annual Pledged State Increment (as hereinafter defined) to pay the costs of the Project, including the debt service on Bonds (as hereinafter defined) issued to finance the Project; and

WHEREAS, the District and the City anticipate entering into a separate cooperative endeavor agreement (the “*Local Cooperative Endeavor Agreement*”) pursuant to which the City will agree to use incremental increases in its undedicated taxes collected within the boundaries of the District (the “*City Tax Revenues*”) to support economic development projects within the District.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby covenant and agree as follows:

ARTICLE I  
DEFINITIONS

Section 1.1 Definitions. The following terms shall, for purposes of this Agreement, have the following meanings:

“*Act*” shall mean, collectively, Section 14(C) of Article VII of the Louisiana Constitution of 1974, as amended and the Economic Development Act, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

“*Agreement*” shall mean this Cooperative Endeavor Agreement, dated as of \_\_\_\_\_, 2021 by and among the City, the State through LDR, and the District, and any amendments or modifications hereto.

“*Annual Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Annual State Increment collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term.

“*Annual State Base*” shall mean Two Hundred Ninety-Four Thousand, Nine Hundred Thirty-Eight Dollars and Eighty-Eight Cents (\$294,938.88).

“*Annual State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term exceeds the Annual State Base.

“*Base Year*” shall mean the Fiscal Year for the State ending June 30, 2018.

“*Bonds*” shall mean the revenue bonds, if any, issued by the City or the District to finance all or a portion of the Project.

“*Business Day*” shall mean a day which is not (a) a Saturday or Sunday, (b) a legal holiday, or (c) a day on which banking institutions are authorized by law to close in the State of Louisiana.

“*City*” shall mean the City of Lake Charles, State of Louisiana.

“*City Tax Revenues*” means the incremental increases in the City’s undedicated taxes collected within the boundaries of the District.

“*Commencement Date*” shall mean [July 1, 2021].

“*Constitution*” means Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended.

“*Depository Bank*” shall mean the bank into which LDR deposits State Sales and Use Tax receipts of the State.

“*District*” shall mean the Enterprise Boulevard EDD.

“*Economic Benefits*” shall mean the impact on the economy of the City, the District, and the State as a result of the Project proposed pursuant to this Agreement and resulting from the ongoing fulfillment of the contract obligations hereunder, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits.

“*Economic Development Act*” shall mean Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended.

“*Enterprise Boulevard EDD*” shall mean that certain economic development district created pursuant to Ordinance No. 18189 on June 20, 2018, as the same may be amended from time to time, within the boundaries of the area set forth in Exhibit A hereto.

“*Enterprise Boulevard EDD Trust Fund*” shall mean that certain fund established under Ordinance No. 18189 on June 20, 2018 by the City, as the same may be amended from time to time, for the purposes of receipt of the Monthly Pledged State Increment and paying costs in connection with economic development projects as defined in La. R.S. 33:9038.34(M) and La. R.S. 33:9038.36.

“*Fiscal Year*” shall mean the twelve-month period beginning on July 1 and ending June 30 of each year.

“*LDR*” shall mean the Louisiana Department of Revenue, the State Sales and Use Tax collection agent of the State.

“*Local Cooperative Endeavor Agreement*” shall mean that cooperative endeavor agreement between the City and the District by which the City and the District will pledge the Local Tax Revenues to contribute to the funding of the Project to induce economic development within the boundaries of the District.

“*Local Tax Revenues*” shall mean the City Tax Revenues.

“*Month*” shall mean a calendar month.

“*Monthly Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Monthly State Increment collected from taxpayers within the geographic area comprising the Enterprise Boulevard EDD attributable to any Month during the Term.

“*Monthly State Base*” shall mean one-twelfth of the Annual State Base.

“*Monthly State Collection*” shall mean the total State Sales and Use Tax collected within the geographic area comprising the District attributable to any Month during the Term.

“*Monthly State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Month during the Term exceeds the Monthly State Base.

“*Parish*” shall mean the Parish of Calcasieu, State of Louisiana.

“*Project*” shall mean the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works of public improvement and other public infrastructure improvements related thereto, including the Public Improvements.

“*Public Improvements*” shall mean, collectively, (i) the construction, acquisition, extension, expansion, improvement, maintenance and operation of public roads, bridges and related road drainage within the District and the acquisition of equipment related thereto, (ii) financing the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works and to reduce blight within the District, and (iii) the general public infrastructure improvements in the District, including but not limited to, water distribution and transmission, sewerage lines and facilities, publicly owned gas service lines and facilities and other public infrastructure improvements related thereto.

“*State*” shall mean, for the purposes of this Agreement, the State of Louisiana, acting through LDR.

“*Sales and Use Tax*” shall mean that net sales and use tax pledged hereunder and levied and collected in the District by the State, exclusive of rebates issued under contract through the Enterprise Zone Program administered by the Department of Economic Development, the .03% sales tax levied under La. R.S. 51:1286 by the Louisiana Tourism and Promotion District, and any dedicated hotel motel sales tax, on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property, and on sales and services, all as defined in Section 301 *et seq.* of Title 47 of the Louisiana Revised Statutes of 1950, as amended, or any other appropriate provisions of law as amended.

“*Tax Collector*” shall mean LDR.

“*Term*” shall mean the term of this Agreement as set forth in Article VIII hereto.

“*Treasurer’s Office*” shall mean the Louisiana Department of the Treasury.

“*Trust Fund*” shall mean the Enterprise Boulevard EDD Trust Fund.

“*Year*” shall mean any consecutive twelve (12) month period.

Section 1.2 Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement furnished from time to time in connection with this Agreement unless the context otherwise requires.

Section 1.3 Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) All references herein to particular articles or sections are references to articles or sections of this Agreement.

(c) The captions and headings herein are solely for convenience of references and shall not constitute part of this Agreement, nor shall they affect its meaning, construction or effect.

(d) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereinbelow,” “hereunder,” or any similar terms as used in this Agreement refer to the Agreement in its entirety and not the particular article or section of this Agreement in which they appear, and the term “hereafter” means after and the term “heretofore” means before the date of execution of this Agreement

ARTICLE 2  
STATE'S REPRESENTATIONS AND OBLIGATIONS

Section 2.1 Authority of State. The State, through LDR, is granted the authority, pursuant to the Act, the Budget Committee Approval and approval of the Louisiana State Bond Commission, and other constitutional and statutory authority, to enter into this Agreement and makes the following representations and undertakes the following obligations.

Section 2.2 Scope of Authorized Agreement. As provided by the Act, the State may enter into cooperative endeavor agreements with local government subdivisions that may provide for the use of State Sales and Use Tax receipts of the State for economic development projects, such as the Project, upon Budget Committee Approval, which approval was granted on \_\_\_\_\_, 2021, and upon approval of the Louisiana State Bond Commission, which approval was granted on \_\_\_\_\_, 2021, and to dedicate the Annual Pledged State Increment to the payment of debt service on the Bonds.

Section 2.3 Collections. The State hereby represents that current law and the current internal collection processes and systems of LDR are adequate for the purpose of collecting, classifying, reconciling, calculating and remitting the Annual Pledged State Increment on a quarterly basis, provided that with the prior written consent of the District such systems may be changed by LDR as they pertain to their respective collection processes relative to this Agreement. Not later than the twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter, LDR shall direct the State Treasurer's Office to transfer to the Trust Fund, using wiring instructions provided by the District, the aggregate Monthly Pledged State Increment for the prior quarter.

Section 2.4 Ownership of Monthly Pledged State Increment; Rebate to State. The State hereby represents and agrees that: (i) the Monthly Pledged State Increment, by virtue of the Act, does not constitute State funds and requires no appropriation by the Louisiana Legislature for the Depository Bank to forward such funds to the Trust Fund; and (ii) pending classification as Monthly Pledged State Increment, such funds, although collected by the State, are not part of the State treasury but are held in trust pending classification as Monthly Pledged State Increment and disbursement to the District.

Section 2.5 Public Purpose. The District hereby represent that there is a reasonable expectation that the Project will serve a public purpose and result in economic development within the State that will exceed the value of the obligations of the State, as described herein.

Section 2.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the State, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the State or that might adversely affect the ability of the State to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

ARTICLE 3  
CITY'S AND DISTRICT'S REPRESENTATIONS AND OBLIGATIONS

Section 3.1 Scope of Project. The Project is within the scope of the Act and the City and the District will use the Annual Pledged State Increment solely to pay for the costs of the Project, including the debt service on the Bonds, in order to induce economic development and reduce blight within the boundaries of the District.

Section 3.2 Public Hearing. The formation of the District is valid and the approval and execution of this Agreement have been the subject of public meetings and hearings held in accordance with the Act.



Section 3.3 District Authority. The City and the District have all requisite power pursuant to the Act to enter into this Agreement and the authorization, execution and delivery hereof and compliance with the provisions hereof do not conflict with or constitute on the part of the City or the District a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the City or the District are a party or by which it is bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

Section 3.4 Public Purpose. The City and the District anticipate that the Project will result in the creation of jobs, stimulate economic development, and increase sales and use tax receipts within the geographic area comprising the District, serving an integral public purpose.

Section 3.5 Validity of District Obligation. The City and the District have taken or caused to be taken all necessary and proper action to authorize the execution, issuance, and delivery of and the performance of their respective obligations under this Agreement and any and all instruments and documents required to be executed or delivered pursuant hereto or in connection herewith. This Agreement constitutes a valid and legally binding obligation of the City and the District.

Section 3.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the City or the District, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the City and the District or that might adversely affect the ability of the City and the District to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

Section 3.7 Use of Local Resources. In connection with the Project, the City and the District hereby agree to use their reasonable best efforts to purchase materials and equipment from businesses and individuals located in the Parish, and to employ residents of the Parish, for construction jobs and permanent jobs.

#### ARTICLE 4 COLLECTION AND TRANSFER

Section 4.1 Department. The State hereby agrees to act as agent of the District commencing the Commencement Date, for the sole purpose of collecting the Monthly Pledged State Increment. The District shall provide the State with the name, address and transfer information relative to the Trust Fund. Such agency shall continue from the Commencement Date until the last day of the Term of this Agreement, or as otherwise provided by amendment or addendum to this Agreement. The State hereby further agrees that it shall additionally take all reasonable and customary enforcement procedures necessary in connection with the collection of the Monthly Pledged State Increment.

Section 4.2 Transfer of Funds. It is understood that the Monthly Pledged State Increment collected by LDR is the property of the District and thus the payment thereof to the District does not require legislative appropriation by the State Legislature. However, as a means of facilitating the collection of the Monthly Pledged State Increment, it shall be the continuing duty of LDR during the Term to send data to the Treasurer's Office and request deposit by the Treasurer's Office of the Monthly Pledged State Increment on a quarterly basis with the Depository Bank. LDR shall classify and reconcile State Sales and Use Tax receipts from within the geographic area comprising the District as promptly as practicable, and shall inform the Treasurer's Office and the District, as soon as practicable, as to the amount of receipts on deposit with the Depository Bank that constitute the Monthly Pledged State Increment. LDR shall work with the Treasurer's Office regarding which receipts must be transferred by the Depository Bank to the District for deposit to the Trust Fund, as defined herein, and the date for such transfer, which shall be no later than the

twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter for transfer of the prior quarter's aggregate Monthly Pledged State Increment. Each quarter LDR will inform the Treasurer's Office as to the requirement for the Depository Bank to transfer the prior quarter's aggregate Monthly Pledged State Increment to the District.

Section 4.3 Calculations. (A) LDR, the City and the District hereby agree that the Monthly Pledged State Increment shall be calculated at least quarterly for each Month during the term of this Agreement. Such calculations shall be made by LDR and the calculation shall be provided to the City and the District. A re-calculation of the Monthly Pledged State Increment for any Month or Months shall be made at any time upon reasonable notice upon the request of the City or the District. Collections of State Sales and Use Tax by LDR from within the geographic area comprising the District shall be attributed to the Month for which such collections are actually made and included in the corresponding Monthly Pledged State Increment, regardless of which such State Sales and Use Taxes are deemed due and owing; provided that collections of State Sales and Use Taxes paid under protest shall be set aside in accordance with LDR's normal procedures and shall not be included in the Monthly Pledged State Increment unless and until a final judicial determination is made by a court of competent jurisdiction that such State Sales and Use Taxes have been legally collected.

(B) If it is determined that for any period of time fewer monies have been transferred to the District than were due, or more funds have been transferred than were due, for whatever reason, LDR shall direct an adjustment in the Monthly Pledged State Increment paid to the District in order that the shortfall or overcollection for any prior period is eliminated as soon as practicable and in any event no more than ninety (90) days subsequent to the recalculation giving rise to the need for the adjustment.

Section 4.4 Effective Date of Monthly Pledged State Increment. The Monthly Pledged State Increment shall be pledged effective the Commencement Date. LDR shall direct the Treasurer's Office and the Depository Bank to pay all Monthly Pledged State Increment collected on and after the Commencement Date to the District for deposit to the Trust Fund as provided herein.

Section 4.5 Collection Process. To the extent it is not in conflict with the provisions of this Agreement, LDR is hereby authorized and directed and agrees to continue the collection processes currently utilized and is directed and agrees to audit, assess or take other action necessary to assure the enforcement and collection of State Sales and Use Tax in the geographic area comprising the District in the same manner as State Sales and Use Taxes are currently being collected or authorized to be collected as of the Commencement Date.

Section 4.6 LDR Collection Fees. LDR is hereby authorized and directed to withhold from the State Sales and Use Tax collected by LDR each Month within the geographical boundaries of the District, as compensation for the performance of LDR's obligations hereunder, an amount equal to one percent (1%) of such State Sales and Use Tax collected, not to exceed in the aggregate of ten thousand dollars (\$10,000) within any Fiscal Year (the "*LDR Collection Commission*"). At such point in the Fiscal Year that the LDR Collection Commission reaches an aggregate total of ten thousand dollars collected for previous Months, LDR shall not withhold any further LDR Collection Commission for that Fiscal Year.

Section 4.7 Rescission or Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior execution and delivery thereof by all parties hereto.

Section 4.8 Accounting. Not later than March 1 of each Year LDR shall provide a written accounting to the District of all Annual Pledged State Increment collected on behalf of the State and the District in the previous Year. In addition, LDR shall provide current collection information to the District upon request thereby. It is not the intention of this Agreement to violate La. R.S. 47:1508 or R.S. 47:1508.1, and the parties hereto shall comply with such provisions.

Section 4.9 Indemnification. The District agrees to indemnify and hold LDR and its members, officers, employees and agents harmless against any claim, loss, liability, damage or expense (including reasonable attorneys' fees) whatsoever incurred by the LDR arising from or in connection with any claim relating to the performance of its obligations hereunder except to the extent such claim, loss, liability or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR. LDR shall be entitled to appear in any action or proceeding to defend itself against such claims, and all costs reasonably incurred by LDR in connection with such defense, including reasonable attorneys' fees, shall be paid by the District to LDR except to the extent such claim, loss, liability, or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR.

## ARTICLE 5 TERM

Section 5.1 Term of this Agreement. This Agreement shall be effective upon execution by all parties hereto and shall terminate thirty (30) years following the Commencement Date.

## ARTICLE 6 DEFAULT

Section 6.1 Events of Default. The following occurrences or acts shall constitute "Events of Default" under this Agreement if not cured within the applicable cure period:

(a) Any party hereunder shall fail to make payment when due of any sum payable by it hereunder; or

(b) Any party hereunder shall fail to observe or perform any other obligation required hereunder; and

if such event shall continue for ninety (90) days after the non-defaulting party shall have given the defaulting party notice specifying such failure and demanding that the same be cured. If, by reason of the nature thereof, such failure cannot with due diligence be wholly cured within such ninety (90) day period, such cure period may be extended for such period as may be necessary to complete the curing of the same with the agreement of the other party.

Section 6.2 Remedies. Upon a default under Section 6.1 above, each party may proceed to protect and enforce its rights by suits in equity or at law, whether for the specific performance of any obligation, covenant or agreement contained in this Agreement or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy, as it shall deem most effectual to protect and enforce the obligations of the other hereunder, except for consequential damages, including, but not limited to, loss of sales, income or profit, which shall not be recoverable by a party from the others.

## ARTICLE 7 MISCELLANEOUS

Section 7.1 Accuracy of Base Collections. LDR hereby covenants and represents that State Sales and Use Taxes in the amount of Two Hundred Ninety-Four Thousand, Nine Hundred Thirty-Eight Dollars and Eighty-Eight Cents (\$294,938.88) were collected in the geographic area comprising the Enterprise Boulevard EDD in the Base Year.

Section 7.2 Audit. The Legislative Auditor of the State may audit any and all books and records of the District related to this Agreement and the District shall make such books and records available for

such purpose upon reasonable notice during reasonable business hours.

Section 7.3 Entire Agreement. This Agreement and the appendices hereto shall constitute the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. There is no representation or warranty of any kind made in connection with the transactions contemplated hereby that is not expressly contained in this Agreement.

Section 7.4 Notices. All reports, statements or notices required or advisable to be given hereunder shall be deemed to be given if sent to the following parties at the following addresses:

TO ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT:

Enterprise Boulevard Economic Development District  
c/o City of Lake Charles  
326 Pujoe Street  
Lake Charles, Louisiana 70601  
Attention: Clerk of Council

TO LDR:

Department of Revenue  
P.O. Box 44098  
Baton Rouge, Louisiana 70804  
Attention: Director, Policy Services Division

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth above, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other party.

Section 7.5 Further Assurances. From time to time hereafter, the parties hereto shall execute and deliver such additional instruments, certificates or documents, and take all such actions as each party hereto may reasonably request for the purpose of fulfilling its obligations hereunder.

Section 7.6 Amendments, Supplements, and Modifications. This Agreement may not be amended, supplemented, or modified, except in writing and executed by the parties hereto.

Section 7.7 Venue. Any suit brought by any party hereto arising out of or by reason of this Agreement shall be brought in the Fourteenth Judicial District Court, Calcasieu Parish, Louisiana or such federal court as may have jurisdiction over any matter. However, if any suit brought is against LDR, venue shall be appropriate and suit shall be brought in the Nineteenth Judicial District Court, East Baton Rouge Parish, State of Louisiana.

Section 7.8 Severance. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or a portion of any provision of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such

provision or the remaining provisions of this Agreement.

Section 7.9 No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member, official, trustee, officer, agent or employee of the District or the State in his individual capacity, and neither the officers thereof nor any official executing this Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

Section 7.10 Rights and Remedies. All rights and remedies of the parties under this Agreement shall be exclusive and limited to those remedies set forth in Article 4 hereof. In the event of a dispute hereunder, the party hereto who shall prevail in such dispute resolution shall be entitled to restitution for all reasonable fees and expenses, including legal fees, incurred in such dispute resolution from the other adversarial party or parties.

Section 7.11 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

Section 7.12 Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

Section 7.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

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Thus done and signed this \_\_\_ day of \_\_\_\_\_, 2021, at \_\_\_\_\_, Louisiana.

CITY OF LAKE CHARLES

By: \_\_\_\_\_  
Nicholas E. Hunter, Mayor

LOUISIANA DEPARTMENT OF REVENUE

By: \_\_\_\_\_  
Kimberly Lewis Robinson  
Secretary, Louisiana Department of Revenue  
State of Louisiana

ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Mark Eckard, Chairman

**EXHIBIT A**

**BOUNDARIES AND MAP OF  
ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT  
OF THE CITY OF LAKE CHARLES, STATE OF LOUISIANA**

The District shall consist of the area in the City bounded by the centerlines of: Pryce St. on the north, 1<sup>st</sup> Ave. on the east, 2<sup>nd</sup> St. on the south, and Banks St. on the west, as shown on the following map:



EXHIBIT B

**ENTERPRISE BOULEVARD EDD BASE YEAR TAX COLLECTIONS**

<b>EDD/TIF DISTRICT</b>	<b>ENTERPRISE BLVD</b>
State Annual Base (Gross Tax Reported less V.C.)	\$294,938.88
State Monthly Base (Annual State Base divided by 12)	\$24,578.24



COOPERATIVE ENDEAVOR AGREEMENT

by and among

LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT

and

CITY OF LAKE CHARLES

and

THE STATE OF LOUISIANA,  
through the Louisiana Department of Revenue

Dated as of \_\_\_\_\_, 2021

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EXHIBIT A – BOUNDARY DESCRIPTION OF THE ECONOMIC DEVELOPMENT DISTRICT

EXHIBIT B – LAKEFRONT EDD BASE YEAR TAX COLLECTIONS

## COOPERATIVE ENDEAVOR AGREEMENT

This COOPERATIVE ENDEAVOR AGREEMENT (the “*Agreement*”), dated as of \_\_\_\_\_, 2021 but effective upon execution by all parties hereto, is made by and among the LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT, City of Lake Charles (the “*Lakefront EDD*” or the “*District*”), the CITY OF LAKE CHARLES, State of Louisiana (the “*City*”), and the STATE OF LOUISIANA, acting by and through the Louisiana Department of Revenue (“*LDR*”).

### WITNESSETH:

WHEREAS, the District is an economic development district duly created under and pursuant to the provisions of Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended (La. R.S. 33:9038.31 to 9038.42, inclusive) (the “*Economic Development Act*”) and Ordinance No. 18188 adopted on June 20, 2018, by the City Council of the City of Lake Charles, and other constitutional and statutory authority;

WHEREAS, Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended (the “*Constitution*”), provides that for a public purpose, the State may engage in cooperative endeavors with political subdivisions, private associations, corporations, or individuals;

WHEREAS, pursuant to the Economic Development Act, a sales tax increment consists of that portion of sales tax revenues for any or all tax recipient entities collected each year on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property and on sales of services, all as defined in La. R.S. 47:301 *et seq.*, or any other appropriate provision of law, as amended, from taxpayers located within an economic development district, which exceeds the sales tax revenues that were collected for such taxing authority in the year immediately prior to the year in which such area was designated as an economic development district;

WHEREAS, the District encompasses the land located in the City within the boundaries set forth in Exhibit A hereto;

WHEREAS, pursuant to the Act, the District and the City have requested that LDR enter into this Agreement on behalf of the State to authorize the use by the District of forty-five percent (45.0%) of the sales tax increment collected by LDR for the State within the boundaries of the District (the “*State Sales Tax Revenues*”) to finance the cost of additions, acquisitions, repairs and/or expansions needed to reduce blight and maintain works of public improvement within the boundaries of the District (the “*Project*”);

WHEREAS, the construction of the Project is expected to result in significant economic benefits to the City, the District, and the State, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits, as well as further intangible benefits to the City, the District, the surrounding areas, and the State (collectively, the “*Economic Benefits*”);

WHEREAS, pursuant to this Agreement the State has pledged and dedicated and will irrevocably pledge and dedicate an amount of Annual Pledged State Increment (as hereinafter defined) to pay the costs of the Project, including the debt service on Bonds (as hereinafter defined) issued to finance the Project;

WHEREAS, the District and the City anticipate entering into a separate cooperative endeavor agreement (the “*Local Cooperative Endeavor Agreement*”) pursuant to which the City will agree to use

incremental increases in its undedicated taxes collected within the boundaries of the District (the “*City Tax Revenues*”) to support economic development projects within the District; and

WHEREAS, pursuant to the Local Cooperative Endeavor Agreement, the Lakefront EDD will agree to use the revenues generated by a one percent (1.0%) sales tax levied by the Lakefront EDD to induce economic development within the boundaries of the Lakefront EDD (the “*Lakefront EDD Tax Revenues*” and, together with the City Tax Revenues, the “*Local Tax Revenues*”).

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto hereby covenant and agree as follows:

## ARTICLE I DEFINITIONS

Section 1.1 **Definitions.** The following terms shall, for purposes of this Agreement, have the following meanings:

“*Act*” shall mean, collectively, Section 14(C) of Article VII of the Louisiana Constitution of 1974, as amended and the Economic Development Act, Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

“*Agreement*” shall mean this Cooperative Endeavor Agreement, dated as of \_\_\_\_\_, 2021 by and among the City, the State through LDR, and the District, and any amendments or modifications hereto.

“*Annual Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Annual State Increment collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term.

“*Annual State Base*” shall mean Thirty-Eight Thousand, Sixty-Six Dollars (\$38,066.00).

“*Annual State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Year during the Term exceeds the Annual State Base.

“*Base Year*” shall mean the Fiscal Year for the State ending June 30, 2018.

“*Bonds*” shall mean the revenue bonds, if any, issued by the City or the District to finance all or a portion of the Project.

“*Business Day*” shall mean a day which is not (a) a Saturday or Sunday, (b) a legal holiday, or (c) a day on which banking institutions are authorized by law to close in the State of Louisiana.

“*City*” shall mean the City of Lake Charles, State of Louisiana.

“*City Tax Revenues*” means the incremental increases in the City’s undedicated taxes collected within the boundaries of the District.

“*Commencement Date*” shall mean [July 1, 2021].

“*Constitution*” means Article VII, Section 14(C) of the Louisiana Constitution of 1974, as amended.

“*Depository Bank*” shall mean the bank into which LDR deposits State Sales and Use Tax receipts of the State.

“*District*” shall mean the Lakefront EDD.

“*Economic Benefits*” shall mean the impact on the economy of the City, the District, and the State as a result of the Project proposed pursuant to this Agreement and resulting from the ongoing fulfillment of the contract obligations hereunder, including the improvement of certain public works and other infrastructure improvements, the creation of construction jobs and other new non-construction jobs, the reduction of blight, increases to the tax base for *ad valorem* taxation, significant increases in sales and use tax collections, mitigation of the condition of unemployment or underemployment in the surrounding geographical area, and the attraction of additional businesses, as well as other ancillary financial and economic development benefits.

“*Economic Development Act*” shall mean Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended.

“*Fiscal Year*” shall mean the twelve-month period beginning on July 1 and ending June 30 of each year.

“*Lakefront EDD*” shall mean that certain economic development district created pursuant to Ordinance No. 18188 on June 20, 2018, as the same may be amended from time to time, and within the boundaries of the area set forth in Exhibit A hereto.

“*Lakefront EDD Tax Revenues*” means the revenues generated by a one percent (1.0%) sales tax levied by the Lakefront EDD.

“*Lakefront EDD Trust Fund*” shall mean that certain fund established under Ordinance No. 18188 on June 20, 2018 by the City, as the same may be amended from time to time, for the purposes of receipt of the Monthly Pledged State Increment and paying costs in connection with economic development projects as defined in La. R.S. 33:9038.34(M) and La. R.S. 33:9038.36.

“*LDR*” shall mean the Louisiana Department of Revenue, the Sales and Use Tax collection agent of the State.

“*Local Cooperative Endeavor Agreement*” shall mean that cooperative endeavor agreement between the City and the District by which the City and the District will pledge the Local Tax Revenues to contribute to the funding of the Project to induce economic development within the boundaries of the District.

“*Local Tax Revenues*” shall mean, collectively, the City Tax Revenues and the Lakefront EDD Tax Revenues.

“*Month*” shall mean a calendar month.

“*Monthly Pledged State Increment*” shall mean a sum equal to forty-five percent (45.0%) of the Monthly State Increment collected from taxpayers within the geographic area comprising the Lakefront EDD attributable to any Month during the Term.

“*Monthly State Base*” shall mean one-twelfth of the Annual State Base.

“*Monthly State Collection*” shall mean the total State Sales and Use Tax collected within the geographic area comprising the District attributable to any Month during the Term.

“*Monthly State Increment*” shall mean the amount by which the State Sales and Use Tax levied by the State and collected from taxpayers within the geographic area comprising the District attributable to any Month during the Term exceeds the Monthly State Base.

“*Parish*” shall mean the Parish of Calcasieu, State of Louisiana.

“*Project*” shall mean the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works of public improvement and other public infrastructure improvements related thereto, including the Public Improvements.

“*Public Improvements*” shall mean, collectively, (i) the construction, acquisition, extension, expansion, improvement, maintenance and operation of public roads, bridges and related road drainage within the District and the acquisition of equipment related thereto, (ii) financing the cost of additions, acquisitions, repairs and/or expansions needed to maintain publicly owned works and to reduce blight within the District, and (iii) the general public infrastructure improvements in the District, including but not limited to, water distribution and transmission, sewerage lines and facilities, publicly owned gas service lines and facilities and other public infrastructure improvements related thereto.

“*Sales and Use Tax*” shall mean that net sales and use tax pledged hereunder and levied and collected in the District by the State, exclusive of rebates issued under contract through the Enterprise Zone Program administered by the Department of Economic Development, the .03% sales tax levied under La. R.S. 51:1286 by the Louisiana Tourism and Promotion District, and any dedicated hotel motel sales tax, on the sale at retail, the use, the lease or rental, the consumption and storage for use or consumption of tangible personal property, and on sales and services, all as defined in Section 301 *et seq.* of Title 47 of the Louisiana Revised Statutes of 1950, as amended, or any other appropriate provisions of law as amended.

“*State*” shall mean, for the purposes of this Agreement, the State of Louisiana, acting through LDR.

“*Tax Collector*” shall mean LDR.

“*Term*” shall mean the term of this Agreement as set forth in Article VIII hereto.

“*Treasurer’s Office*” shall mean the Louisiana Department of the Treasury.

“*Trust Fund*” shall mean the Lakefront EDD Trust Fund.

“*Year*” shall mean any consecutive twelve (12) month period.

Section 1.2 Use of Defined Terms. Terms defined in this Agreement shall have their defined meanings when used herein and in any document, certificate, report or agreement furnished from time to time in connection with this Agreement unless the context otherwise requires.

Section 1.3 Rules of Interpretation. Unless the context clearly indicates to the contrary, the following rules shall apply to the interpretation and construction of this Agreement:

(a) Words importing the singular number shall include the plural number and vice versa.

(b) All references herein to particular articles or sections are references to articles or sections of this Agreement.

(c) The captions and headings herein are solely for convenience of references and shall not constitute part of this Agreement, nor shall they affect its meaning, construction or effect.

(d) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereinbelow,” “hereunder,” or any similar terms as used in this Agreement refer to the Agreement in its entirety and not the particular article or section of this Agreement in which they appear, and the term “hereafter” means after and the term “heretofore” means before the date of execution of this Agreement

## ARTICLE 2 STATE’S REPRESENTATIONS AND OBLIGATIONS

Section 2.1 Authority of State. The State, through LDR, is granted the authority, pursuant to the Act, the Budget Committee Approval and approval of the Louisiana State Bond Commission, and other constitutional and statutory authority, to enter into this Agreement and makes the following representations and undertakes the following obligations.

Section 2.2 Scope of Authorized Agreement. As provided by the Act, the State may enter into cooperative endeavor agreements with local government subdivisions that may provide for the use of Sales and Use Tax receipts of the State for economic development projects, such as the Project, upon Budget Committee Approval, which approval was granted on \_\_\_\_\_, 2021, and upon approval of the Louisiana State Bond Commission, which approval was granted on \_\_\_\_\_, 2021, and to dedicate the Annual Pledged State Increment to the payment of debt service on the Bonds.

Section 2.3 Collections. The State hereby represents that current law and the current internal collection processes and systems of LDR are adequate for the purpose of collecting, classifying, reconciling, calculating and remitting the Annual Pledged State Increment on a quarterly basis, provided that with the prior written consent of the District such systems may be changed by LDR as they pertain to their respective collection processes relative to this Agreement. Not later than the twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter, LDR shall direct the State Treasurer’s Office to transfer to the Trust Fund, using wiring instructions provided by the District, the aggregate Monthly Pledged State Increment for the prior quarter.

Section 2.4 Ownership of Monthly Pledged State Increment; Rebate to State. The State hereby represents and agrees that: (i) the Monthly Pledged State Increment, by virtue of the Act, does not constitute State funds and requires no appropriation by the Louisiana Legislature for the Depository Bank to forward such funds to the Trust Fund; and (ii) pending classification as Monthly Pledged State Increment, such funds, although collected by the State, are not part of the State treasury but are held in trust pending classification as Monthly Pledged State Increment and disbursement to the District.

Section 2.5 Public Purpose. The District hereby represent that there is a reasonable expectation that the Project will serve a public purpose and result in economic development within the State that will exceed the value of the obligations of the State, as described herein.

Section 2.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the State, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the State or that might adversely affect the ability of the State to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.



ARTICLE 3  
CITY'S AND DISTRICT' REPRESENTATIONS AND OBLIGATIONS

Section 3.1 Scope of Project. The Project is within the scope of the Act and the City and the District will use the Annual Pledged State Increment solely to pay for the costs of the Project, including the debt service on the Bonds, in order to induce economic development and reduce blight within the boundaries of the District.

Section 3.2 Public Hearing. The formation of the District is valid and the approval and execution of this Agreement have been the subject of public meetings and hearings held in accordance with the Act.

Section 3.3 District Authority. The City and the District have all requisite power pursuant to the Act to enter into this Agreement and the authorization, execution and delivery hereof and compliance with the provisions hereof do not conflict with or constitute on the part of the City or the District a violation of, breach of, or default under: (i) any provision of any indenture, mortgage, deed of trust, loan agreement or other contract or instrument to which the City or the District are a party or by which it is bound; (ii) any order, injunction or decree of any court or governmental authority; or (iii) the provisions of its charter, as amended, or by-laws, as amended.

Section 3.4 Public Purpose. The City and the District anticipate that the Project will result in the creation of jobs, stimulate economic development, and increase sales and use tax receipts within the geographic area comprising the District, serving an integral public purpose.

Section 3.5 Validity of District Obligation. The City and the District have taken or caused to be taken all necessary and proper action to authorize the execution, issuance, and delivery of and the performance of their respective obligations under this Agreement and any and all instruments and documents required to be executed or delivered pursuant hereto or in connection herewith. This Agreement constitutes a valid and legally binding obligation of the City and the District.

Section 3.6 No Litigation. Except as may be otherwise disclosed in writing to the parties to this Agreement, there is no action, suit, investigation or proceeding pending, or to its best knowledge, threatened, against the City or the District, before any court, arbitrator, or administrative or governmental body, or insurance underwriting agency that might result in a material adverse change in the financial condition or operations of the City and the District or that might adversely affect the ability of the City and the District to comply with their obligations hereunder or in connection with the transactions contemplated hereby, relative to this Agreement.

Section 3.7 Use of Local Resources. In connection with the Project, the City and the District hereby agree to use their reasonable best efforts to purchase materials and equipment from businesses and individuals located in the Parish, and to employ residents of the Parish, for construction jobs and permanent jobs.

ARTICLE 4  
COLLECTION AND TRANSFER

Section 4.1 Department. The State hereby agrees to act as agent of the District commencing the Commencement Date, for the sole purpose of collecting the Monthly Pledged State Increment. The District shall provide the State with the name, address and transfer information relative to the Trust Fund. Such agency shall continue from the Commencement Date until the last day of the Term of this Agreement, or as otherwise provided by amendment or addendum to this Agreement. The State hereby further agrees that it shall additionally take all reasonable and customary enforcement procedures necessary in connection with the collection of the Monthly Pledged State Increment.

Section 4.2 Transfer of Funds. It is understood that the Monthly Pledged State Increment collected by LDR is the property of the District and thus the payment thereof to the District does not require legislative appropriation by the State Legislature. However, as a means of facilitating the collection of the Monthly Pledged State Increment, it shall be the continuing duty of LDR during the Term to send data to the Treasurer's Office and request deposit by the Treasurer's Office of the Monthly Pledged State Increment on a quarterly basis with the Depository Bank. LDR shall classify and reconcile State Sales and Use Tax receipts from within the geographic area comprising the District as promptly as practicable, and shall inform the Treasurer's Office and the District, as soon as practicable, as to the amount of receipts on deposit with the Depository Bank that constitute the Monthly Pledged State Increment. LDR shall work with the Treasurer's Office regarding which receipts must be transferred by the Depository Bank to the District for deposit to the Trust Fund, as defined herein, and the date for such transfer, which shall be no later than the twentieth (20<sup>th</sup>) day of the second Month of each calendar quarter for transfer of the prior quarter's aggregate Monthly Pledged State Increment. Each quarter LDR will inform the Treasurer's Office as to the requirement for the Depository Bank to transfer the prior quarter's aggregate Monthly Pledged State Increment to the District.

Section 4.3 Calculations. (A) LDR, the City and the District hereby agree that the Monthly Pledged State Increment shall be calculated at least quarterly for each Month during the term of this Agreement. Such calculations shall be made by LDR and the calculation shall be provided to the City and the District. A re-calculation of the Monthly Pledged State Increment for any Month or Months shall be made at any time upon reasonable notice upon the request of the City or the District. Collections of State Sales and Use Tax by LDR from within the geographic area comprising the District shall be attributed to the Month for which such collections are actually made and included in the corresponding Monthly Pledged State Increment, regardless of which such State Sales and Use Taxes are deemed due and owing; provided that collections of State Sales and Use Taxes paid under protest shall be set aside in accordance with LDR's normal procedures and shall not be included in the Monthly Pledged State Increment unless and until a final judicial determination is made by a court of competent jurisdiction that such State Sales and Use Taxes have been legally collected.

(B) If it is determined that for any period of time fewer monies have been transferred to the District than were due, or more funds have been transferred than were due, for whatever reason, LDR shall direct an adjustment in the Monthly Pledged State Increment paid to the District in order that the shortfall or overcollection for any prior period is eliminated as soon as practicable and in any event no more than ninety (90) days subsequent to the recalculation giving rise to the need for the adjustment.

Section 4.4 Effective Date of Monthly Pledged State Increment. The Monthly Pledged State Increment shall be pledged effective the Commencement Date. LDR shall direct the Treasurer's Office and the Depository Bank to pay all Monthly Pledged State Increment collected on and after the Commencement Date to the District for deposit to the Trust Fund as provided herein.

Section 4.5 Collection Process. To the extent it is not in conflict with the provisions of this Agreement, LDR is hereby authorized and directed and agrees to continue the collection processes currently utilized and is directed and agrees to audit, assess or take other action necessary to assure the enforcement and collection of State Sales and Use Tax in the geographic area comprising the District in the same manner as State Sales and Use Taxes are currently being collected or authorized to be collected as of the Commencement Date.

Section 4.6 LDR Collection Fees. LDR is hereby authorized and directed to withhold from the State Sales and Use Tax collected by LDR each Month within the geographical boundaries of the District, as compensation for the performance of LDR's obligations hereunder, an amount equal to one percent (1%) of such State Sales and Use Tax collected, not to exceed in the aggregate of ten thousand dollars (\$10,000) within any Fiscal Year (the "*LDR Collection Commission*"). At such point in the Fiscal Year that the LDR

Collection Commission reaches an aggregate total of ten thousand dollars collected for previous Months, LDR shall not withhold any further LDR Collection Commission for that Fiscal Year.

Section 4.7 Rescission or Amendment. In no event shall any rescission or amendment to this Agreement be effective without the prior execution and delivery thereof by all parties hereto.

Section 4.8 Accounting. Not later than March 1 of each Year LDR shall provide a written accounting to the District of all Annual Pledged State Increment collected on behalf of the State and the District in the previous Year. In addition, LDR shall provide current collection information to the District upon request thereby. It is not the intention of this Agreement to violate La. R.S. 47:1508 or R.S. 47:1508.1, and the parties hereto shall comply with such provisions.

Section 4.9 Indemnification. The District agrees to indemnify and hold LDR and its members, officers, employees and agents harmless against any claim, loss, liability, damage or expense (including reasonable attorneys' fees) whatsoever incurred by the LDR arising from or in connection with any claim relating to the performance of its obligations hereunder except to the extent such claim, loss, liability or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR. LDR shall be entitled to appear in any action or proceeding to defend itself against such claims, and all costs reasonably incurred by LDR in connection with such defense, including reasonable attorneys' fees, shall be paid by the District to LDR except to the extent such claim, loss, liability, or expense is finally determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of LDR.

## ARTICLE 5 TERM

Section 5.1 Term of this Agreement. This Agreement shall be effective upon execution by all parties hereto and shall terminate thirty (30) years following the Commencement Date.

## ARTICLE 6 DEFAULT

Section 6.1 Events of Default. The following occurrences or acts shall constitute "Events of Default" under this Agreement if not cured within the applicable cure period:

(a) Any party hereunder shall fail to make payment when due of any sum payable by it hereunder; or

(b) Any party hereunder shall fail to observe or perform any other obligation required hereunder; and

if such event shall continue for ninety (90) days after the non-defaulting party shall have given the defaulting party notice specifying such failure and demanding that the same be cured. If, by reason of the nature thereof, such failure cannot with due diligence be wholly cured within such ninety (90) day period, such cure period may be extended for such period as may be necessary to complete the curing of the same with the agreement of the other party.

Section 6.2 Remedies. Upon a default under Section 6.1 above, each party may proceed to protect and enforce its rights by suits in equity or at law, whether for the specific performance of any obligation, covenant or agreement contained in this Agreement or in aid of the execution of any power herein granted, or for the enforcement of any other appropriate legal or equitable remedy, as it shall deem most effectual to protect and enforce the obligations of the other hereunder, except for consequential

damages, including, but not limited to, loss of sales, income or profit, which shall not be recoverable by a party from the others.

## ARTICLE 7 MISCELLANEOUS

Section 7.1 Accuracy of Base Collections. LDR hereby covenants and represents that Sales and Use Taxes in the amount of Thirty-Eight Thousand, Sixty-Six Dollars (\$38,066.00) were collected in the geographic area comprising the Lakefront EDD in the Base Year.

Section 7.2 Audit. The Legislative Auditor of the State may audit any and all books and records of the District related to this Agreement and the District shall make such books and records available for such purpose upon reasonable notice during reasonable business hours.

Section 7.3 Entire Agreement. This Agreement and the appendices hereto shall constitute the entire understanding between the parties with respect to the subject matter hereof, superseding all negotiations, prior discussions, and preliminary agreements. There is no representation or warranty of any kind made in connection with the transactions contemplated hereby that is not expressly contained in this Agreement.

Section 7.4 Notices. All reports, statements or notices required or advisable to be given hereunder shall be deemed to be given if sent to the following parties at the following addresses:

### TO LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT:

Lakefront Economic Development District  
c/o City of Lake Charles  
326 Pujo Street  
Lake Charles, Louisiana 70601  
Attention: Clerk of Council

### TO LDR:

Department of Revenue  
P.O. Box 44098  
Baton Rouge, Louisiana 70804  
Attention: Director, Policy Services Division

Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be either hand-delivered or mailed, postage prepaid by first-class mail, registered or certified, return receipt requested, or by private, commercial carrier, express mail, such as Federal Express, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by written confirmation mailed (postage prepaid by first-class mail, registered or certified, return receipt requested or private, commercial carrier, express mail, such as Federal Express) at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth above, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other party.

Section 7.5 Further Assurances. From time to time hereafter, the parties hereto shall execute and deliver such additional instruments, certificates or documents, and take all such actions as each party hereto may reasonably request for the purpose of fulfilling its obligations hereunder.

Section 7.6 Amendments, Supplements, and Modifications. This Agreement may not be amended, supplemented, or modified, except in writing and executed by the parties hereto.

Section 7.7 Venue. Any suit brought by any party hereto arising out of or by reason of this Agreement shall be brought in the Fourteenth Judicial District Court, Calcasieu Parish, Louisiana or such federal court as may have jurisdiction over any matter. However, if any suit brought is against LDR, venue shall be appropriate and suit shall be brought in the Nineteenth Judicial District Court, East Baton Rouge Parish, State of Louisiana.

Section 7.8 Severance. To the fullest extent possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision or a portion of any provision of this Agreement shall be prohibited or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Agreement.

Section 7.9 No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member, official, trustee, officer, agent or employee of the District or the State in his individual capacity, and neither the officers thereof nor any official executing this Agreement shall be liable personally with respect hereto or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

Section 7.10 Rights and Remedies. All rights and remedies of the parties under this Agreement shall be exclusive and limited to those remedies set forth in Article 4 hereof. In the event of a dispute hereunder, the party hereto who shall prevail in such dispute resolution shall be entitled to restitution for all reasonable fees and expenses, including legal fees, incurred in such dispute resolution from the other adversarial party or parties.

Section 7.11 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or extent of any of the provisions of this Agreement.

Section 7.12 Counterparts. This Agreement may be executed in several counterparts, each which shall be an original and all of which when taken together shall be deemed one and the same Agreement.

Section 7.13 Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Louisiana.

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Thus done and signed this \_\_\_\_ day of \_\_\_\_\_, 2021, at \_\_\_\_\_, Louisiana.

CITY OF LAKE CHARLES

By: \_\_\_\_\_  
Nicholas E. Hunter, Mayor

LOUISIANA DEPARTMENT OF REVENUE

By: \_\_\_\_\_  
Kimberly Lewis Robinson  
Secretary, Louisiana Department of Revenue  
State of Louisiana

LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Mark Eckard, Chairman

EXHIBIT A

**BOUNDARY DESCRIPTION AND MAP OF THE LAKE CHARLES  
LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT**

Commencing at the point where eastbound I-10 crosses the shoreline immediately north and east of the Lake Charles Yacht Club, proceed due east to the centerline of the I-10 Service Rd. and continuing (south of I-10) east along said centerline to the intersection of Veterans Memorial Blvd/N. Lakeshore Dr., then following the centerline of the southbound side of Veterans Memorial Blvd/N. Lakeshore Dr. to the intersection of Lakeshore Dr., then following the centerline of the southbound side of Lakeshore Dr. to the shoreline of the drainage canal/coulee immediately south of Clarence St., then following the shoreline of Lake Charles west and north around Millennium Park and the Lake Charles Civic Center, and continuing along said shoreline north and west to the Lake Charles Yacht Club, then following said shoreline around the west and north sides of the Lake Charles Yacht Club to the point of beginning.



EXHIBIT B

**LAKEFRONT EDD BASE YEAR TAX COLLECTIONS**

<b>EDD/TIF DISTRICT</b>	<b>LAKEFRONT</b>
State Annual Base (Gross Tax Reported less V.C.)	\$38,066.00
State Monthly Base (Annual State Base divided by 12)	\$3,172.17



**CITY OF LAKE CHARLES**  
**Economic Development Corridor Projects**

<b>Project Name</b>	<b>Estimated Cost</b>	<b>EDD District</b>	<b>Purpose</b>
New Park in Nellie Lutcher Cultural District	\$ 500,000	Enterprise Blvd	Parks
Enterprise Blvd Corridor improvements - streetscape	5,000,000	Enterprise Blvd	Quality of Life
Fire Station Rehab and Expansion - Enterprise Blvd	1,200,000	Enterprise Blvd	Public Safety
SEED Center Satellite Office	225,000	Enterprise Blvd	Economics
Enterprise Blvd rebuild: Broad Street - 3rd Street	3,000,000	Enterprise Blvd	Roadwork
Broad Street & Enterprise Blvd intersection improvements	1,500,000	Enterprise Blvd	Roadwork
Parcel assembly for economic development	5,000,000	Enterprise Blvd	Economics
Interstate Corridor improvements	6,000,000	Interstate Corridor	Quality of Life
Ryan Street north of Interstate I-10 sewer line	1,500,000	Interstate Corridor	Utilities
Plant A Wastewater Treatment Plant rebuild	45,000,000	Interstate Corridor	Utilities
GW Water Treatment Plant improvements	3,000,000	Interstate Corridor	Utilities
Technology Upgrades - Wi-Fi downtown areas	1,000,000	Interstate Corridor & Lakefront	Economics
Port Wonder	3,500,000	Lakefront	Quality of Life
Parking Garage renovations	2,500,000	Lakefront	Economics
Baseline flood elevation	1,500,000	Lakefront	Site Infrastructure
Shoreline stabilization	3,000,000	Lakefront	Site Infrastructure
Lakefront water & sewer line currently ongoing	455,000	Lakefront	Utilities
Lakefront boardwalk & pedestrian access	6,000,000	Lakefront	Quality of Life
North Beach improvements	2,000,000	Lakefront	Parks
Veteran's Memorial Park	500,000	Lakefront	Parks
Tract One A: South Civic Center Dr & Kirby Street connector	1,500,000	Lakefront	Roadwork
Board du Lac Drive reconfigure	1,500,000	Lakefront	Roadwork
Harbor / Marina	2,000,000	Lakefront	Quality of Life

**SENATORS**  
DAN "BLADE" MORRISH  
JOHN R. SMITH  
RONNIE JOHNS



**SOUTHWEST LOUISIANA  
LEGISLATIVE DELEGATION**

**REPRESENTATIVES**  
A.B. FRANKLIN  
JOHN E. "JOHNNY" GUINN  
DOROTHY SUE HILL  
MARK ABRAHAM  
STEPHEN DWIGHT  
STUART MOSS  
RYAN BOURRIQUE

December 5, 2019

Mr. Don Pierson, Secretary  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, LA 70802

Representative Cameron Henry, Chairman  
Joint Legislative Committee on the Budget  
P.O. Box 44294  
Baton Rouge, LA 70804

Gentlemen:

Southwest Louisiana and the City of Lake Charles (City) have experienced significant growth in recent years; however, certain areas of the City remain underdeveloped and blighted. To combat this problem and promote some of these areas for investment and revitalization, the City recently created three economic development districts. The districts are named the Lakefront, Enterprise Boulevard and I-10 Corridor Economic Development Districts.

It is important to note that the EDDs are all located along State roadways and Interstate 10. Anyone driving through Lake Charles heading east or west can easily see the underdeveloped and blighted nature of these areas. Anyone can also see the enormous potential these areas have which would benefit the City, Southwest Louisiana and the State as a whole, not only in sales tax dollars but also in the inviting nature of the area, if improved. Because of economic incentives being offered, the City has already begun this important revitalization effort as it negotiates cooperative endeavor agreements for the construction of a science and education center/museum (in conjunction with the Louisiana Department of Wildlife & Fisheries), a restaurant and three other business ventures in the EDDs. With development comes the need to improve and expand existing infrastructure. This is where the State of Louisiana can help.

The City has requested that the State of Louisiana participate in this task by committing the incremental increases of two percent (2.0%) of the State's four and forty-five hundredths of one percent (4.45%) sales tax collected within the EDDs to fund certain public infrastructure needs to support projects within the EDDs.

We, the Southwest Louisiana Delegation, write today to offer our full support for this cooperative initiative between the City of Lake Charles and the State of Louisiana.

Sincerely,



Dan W. Morrish  
State Senator



Ronnie Johns  
State Senator



Mark Abraham  
State Representative



Stephen Dwight  
State Representative



Stuart Moss  
State Representative



July 24, 2019

Mr. Don Pierson  
Secretary, Louisiana Economic Development  
617 North Third Street  
Baton Rouge, LA 70802-5239

Mr. Pierson,

I write today to support the creation of a Tax Increment District (TID) along the lakefront in Lake Charles, LA. This would allow the city of Lake Charles to capture 2 pennies of the state sales tax for the purpose of public infrastructure needs for a period of 20 years.

This area of our town might be the most desirable yet under-developed real estate in the state of Louisiana. It has visibility and direct access to Interstate 10, it is located adjacent to a revitalized downtown Lake Charles and has beautiful waterfront for the entirety of the area. Mayor Hunter has been a catalyst in getting development started on the lakefront. In partnership with LDWF, the city of Lake Charles has plans in place for an iconic museum, Port Wonder, adjacent to the parking garage that will receive a badly needed facelift. The Lake Charles/SWLA CVB contributed \$1 million to the project along with many other local governmental entities and private businesses. However, this is just the first step of many needed to achieve the potential economic impact of the lakefront.

Over the course of the past several years, our destination has lost many meetings and conventions to other locations, some within Louisiana but some in Texas and Mississippi. The business and economic impact to our community was lost due to not having a convention hotel attached to the meeting space at the Lake Charles Civic Center. We are very fortunate to have meeting space at our three resort casinos but there are many corporate meetings that refuse to meet at a casino property due to the optics for their shareholders. We believe that a new hotel with a refurbished convention center will bring additional business and more importantly, additional tax dollars to Louisiana and Lake Charles. The TID would be very beneficial in the solicitation of the right development partner for this project.

Tourism is big business in Calcasieu Parish and especially in the city of Lake Charles. Continued development of businesses and attractions on the lakefront will only enhance the product that

we sell, increase the number of visitors from Texas as well as other states and countries, and increase the amount of sales tax revenue generated by tourism to the general fund for the state of Louisiana and for the general fund for the city of Lake Charles.

The Lake Charles/SWLA Convention and Visitors Bureau Board of Directors voted unanimously at the July 11, 2019 meeting to support the TID for the lakefront of Lake Charles. Please let me know how the board or I can be of assistance during the economic analysis.

Sincerely,

A handwritten signature in blue ink that reads "Kyle Edmiston". The signature is fluid and cursive, with the first name "Kyle" and last name "Edmiston" clearly distinguishable.

Kyle Edmiston, CDME  
President/CEO

**CITY OF LAKE CHARLES, STATE OF LOUISIANA  
LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT**

**ORDINANCE NO. 18188**

**An ordinance creating Lakefront Economic Development District of the City of Lake Charles, State of Louisiana; defining the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and providing for other matters in connection with the foregoing.**

WHEREAS, Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (*La.R.S. 33:9038.31, et seq.*) (the "EDD Act") authorizes municipalities, parishes and certain other local governmental subdivisions to create economic development districts to carry out the purposes of the EDD Act, which economic development districts are political subdivisions of the State of Louisiana and possess such power and authority and have such duties as provided by the Act and other law; and

WHEREAS, *La.R.S. 33:9038.34(O)* provides that this governing authority may create a special trust fund for the furtherance of economic development projects, as defined in the EDD Act, into which the incremental increases in sales taxes and hotel occupancy taxes shall be deposited and loaned, granted, donated, or pledged in furtherance of economic development projects as defined in the EDD Act; and

WHEREAS, the City of Lake Charles, State of Louisiana (the "City"), acting through this City Council as its governing authority, desires to avail itself of the EDD Act to create an economic development district to be called the "Lakefront Economic Development District of the City of Lake Charles, State of Louisiana" (the "District"), in accordance with *La.R.S. 33:9038.32*, from which District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund I-10 Corridor Economic Development District Trust Fund; and

WHEREAS, in accordance with the Act, particularly *La.R.S. 33:9038.32(B)*, the following ordinance (i) was introduced on June 6, 2018; (ii) Notice of Introduction was published in the City's official journal on June 13, 2018, as required by Section 2-15 of the Lake Charles City Charter; (iii) Notice of Intention to Create the District, including a map showing the boundaries of the District, was published twice in the City's official journal, on June 11 and June 18, 2018, as required by *La.R.S. 33:9038.32(C)*, and (iv) a public hearing was held on June 20, 2018, at which no objections were received with respect to the ordinance or the creation of the proposed district.

WHEREAS, on this date, prior to the adoption of this ordinance, this governing authority did hold a public hearing pursuant to the aforesaid notice of intention, at which public hearing no objections were received with respect to the creation of the District;

NOW THEREFORE, BE IT ORDAINED by the Lake Charles City Council, acting as the governing authority of the City of Lake Charles, State of Louisiana, in regular session convened, that:

SECTION 1. All of the above "Whereas" clauses are adopted as part of this ordinance.

SECTION 2. Creation of District. Under the authority of *La.R.S. 33:9038.32* there is hereby created an economic development district within the City, to be named "Lakefront Economic Development District of the City of Lake Charles, State of Louisiana" having the geographical boundaries set forth in Exhibit A attached hereto, which Exhibit A is hereby incorporated into and made a part of this Ordinance, all pursuant to the Act. As provided by the Act, the governing body of the District shall be this City Council. As provided by the Act, the District shall be a political subdivision of the State of Louisiana and shall possess such powers and authority and have such duties as provided in the Act and other law.

The District, in cooperation with the executive branch of the City, shall develop and formulate economic development plans to be presented to the District for approval. Such economic development plans may include financial incentives to public or private entities for projects in the District that utilize (i) revenues of sales taxes and/or hotel occupancy taxes levied by the District, (ii) lawfully available sales tax revenues provided by the City of Lake Charles, and (iii) any other funds, whether public or private, that may be available for such purposes.

SECTION 3. Creation of Trust Fund. Under the authority of *La.R.S. 33:9038.34(O)*, there is hereby created a special trust fund, to be named the "Lakefront Economic Development District Trust Fund" (the "Trust Fund") for the purpose of paying costs in connection with economic development projects as defined in *La.R.S. 33:9038.34(M)* and *La.R.S. 33:9038.36*. The Trust Fund shall be established by the Chief Financial Officer of the City and maintained as a separate fund, apart from other funds and accounts of the City or other entities, and shall be used strictly for the purposes set forth herein and in the Act.

SECTION 4. Authorization of Officers. The Mayor, Council President, and Clerk of the Council are hereby authorized, empowered and directed to do any and all things necessary and incidental to carry out the provisions of this ordinance.

SECTION 5. Employment of Special Counsel. This governing authority has previously found and determined that a real necessity exists for the employment of special counsel in connection with the creation of the District, and accordingly the employment of Adams and Reese, LLP, of New Orleans, Louisiana, as special counsel to the City in connection with the foregoing is hereby ratified and confirmed, as required by Sections 4-09 and 2-12 of the Lake Charles City Charter (the "Charter"). Said special counsel shall prepare and submit to this governing authority for adoption all of the proceedings incidental to the foregoing, and shall counsel and advise the City, the District and this governing authority in connection with the foregoing. The fee of special counsel in connection with the foregoing shall be negotiated between the Mayor and special counsel. The Mayor shall be authorized to enter into a written contract with special council, with regard to the foregoing employment and fees therefor, as required by Section 4-09 of the Charter, in such form as the Mayor and City Attorney shall determine.

SECTION 6. Severability. If any provision of this ordinance shall be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this ordinance, but this ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein. Any constitutional or statutory provision enacted after the date of this ordinance which validates or makes legal any provision of this ordinance which would not otherwise be valid or legal, shall be deemed to apply to this ordinance.

SECTION 7. Repealer. All ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed.

SECTION 8. Publication; Effective Date. This ordinance shall be published one time in the official journal of the City, and as provided by Section 2-18 of the Charter shall become effective immediately upon approval by the Mayor.

This Ordinance, having been submitted to a vote of the City Council, the vote thereon was as follows:

YEAS: John Ieyoub, Johnnie Thibodeaux, Luvertha August, Rodney Geyen and Stuart Weatherford

NAYS: None


ABSENT: Mark Eckard and Mary Morris

NOT VOTING: None

THUS DONE, APPROVED AND ADOPTED by the City Council, at a meeting of said public body duly held and conducted on June 20, 2018 in the City Council Chambers at 326 Pujot Street in the City of Lake Charles.

  
Lynn F. Thibodeaux, Clerk of the Council

  
John Ieyoub, Council President

  
Nicholas E. Hunter, Mayor  
City of Lake Charles, Louisiana



**BOUNDARIES AND MAP OF  
LAKEFRONT ECONOMIC DEVELOPMENT DISTRICT  
OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**

Commencing at the point where eastbound I-10 crosses the shoreline immediately north and east of the Lake Charles Yacht Club, proceed due east to the centerline of the I-10 Service Rd. and continuing (south of I-10) east along said centerline to the intersection of Veterans Memorial Blvd/N. Lakeshore Dr., then following the centerline of the southbound side of Veterans Memorial Blvd/N. Lakeshore Dr. to the intersection of Lakeshore Dr., then following the centerline of the southbound side of Lakeshore Dr. to the shoreline of the drainage canal/coulee immediately south of Clarence St., then following the shoreline of Lake Charles west and north around Millennium Park and the Lake Charles Civic Center, and continuing along said shoreline north and west to the Lake Charles Yacht Club, then following said shoreline around the west and north sides of the Lake Charles Yacht Club to the point of beginning.

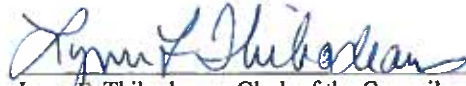


STATE OF LOUISIANA  
PARISH OF CALCASIEU

I, the undersigned Clerk of the Council do hereby certify that the foregoing ordinance number 18188 (4) pages constitute a true and correct copy of an ordinance adopted by the Lake Charles City Council on June 20, 2018, creating "Lakefront Economic Development District of the City of Lake Charles, State of Louisiana;" defining the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended; and providing for other matters in connection with the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this the 20<sup>th</sup> day of June, 2018.

(SEAL)

  
Lynn F. Thibodeaux, Clerk of the Council

**CITY OF LAKE CHARLES, STATE OF LOUISIANA  
I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT**

**ORDINANCE NO. 18350**

**An ordinance authorizing the expansion of the geographical boundaries of the I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana, all in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and providing for other matters in connection with the foregoing.**

WHEREAS, Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (*La.R.S. 33:9038.31, et seq.*) (the "EDD Act") authorizes municipalities, parishes and certain other local governmental subdivisions to create economic development districts to carry out the purposes of the EDD Act, which economic development districts are political subdivisions of the State of Louisiana and possess such power and authority and have such duties as provided by the EDD Act and other law; and

WHEREAS, the City of Lake Charles, State of Louisiana (the "City"), acting through this City Council as its governing authority, availed itself of the EDD Act and adopted Ordinance No. 18187 on June 20, 2018, creating the "I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana" (the "District"), in accordance with *La.R.S. 33:9038.32*; and

WHEREAS, the City, acting through its City Council as its governing authority, has found and determined that it would be advisable and beneficial to expand the geographical boundaries of the District to include an additional parcel of land, as set forth in Exhibit A attached hereto; and

WHEREAS, in accordance with the Act, particularly *La.R.S. 33:9038.32(B)*, the following ordinance (i) was introduced on January 16, 2019; (ii) Notice of Introduction was published in the City's official journal on January 23, 2019, as required by Section 2-15 of the Lake Charles City Charter; (iii) Notice of Intention to Expand the Boundaries of the District, including a map showing the expanded boundaries of the District, was published twice in the City's official journal, on January 22, 2019 and January 28, 2019, as required by *La.R.S. 33:9038.32(C)*, and (iv) a public hearing was held on February 6, 2019, at which no objections were received with respect to the ordinance or the expansion of the boundaries of the District; and

WHEREAS, on this date, prior to the adoption of this ordinance, this governing authority did hold a public hearing pursuant to the aforesaid notice of intention, at which public hearing no objections were received with respect to the expansion of the boundaries of the District;

NOW THEREFORE, BE IT ORDAINED by the Lake Charles City Council, acting as the governing authority of the City of Lake Charles, State of Louisiana, in regular session convened, that:

SECTION 1. All of the above "Whereas" clauses are adopted as part of this ordinance.

SECTION 2. Expansion of the Geographical Boundaries of the District. Under the authority of *La.R.S. 33:9038.32*, the geographical boundaries of the I-10 Corridor Economic Development District are hereby expanded as set forth in Exhibit A attached hereto, which Exhibit A is hereby incorporated into and made a part of this Ordinance, all pursuant to the Act.

SECTION 3. Severability. If any provision of this ordinance shall be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this ordinance, but this ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein. Any constitutional or statutory provision enacted after the date of this ordinance which validates or makes legal any provision of this ordinance which would not otherwise be valid or legal, shall be deemed to apply to this ordinance.

SECTION 4. Repealer. All ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed.

SECTION 5. Publication; Effective Date. This ordinance shall be published one time in the official journal of the City, and as provided by Section 2-18 of the Charter shall become effective immediately upon approval by the Mayor.

This Ordinance, having been submitted to a vote of the City Council, the vote thereon was as follows:

YEAS: Rodney Geyen, John Ieyoub, Luertha August, Mark Eckard, Mary Morris,  
Johnnie Thibodeaux, Stuart Weatherford

NAYS: None


ABSENT: None

NOT VOTING: None

THUS DONE, APPROVED AND ADOPTED by the City Council, at a meeting of said public body duly held and conducted on February 6, 2019 in the City Council Chambers at 326 Pujol Street in the City of Lake Charles.

  
Lynn J. Thibodeaux, Clerk of the Council

  
Mark Eckard, Council President

  
Nicholas E. Hunter, Mayor  
City of Lake Charles, Louisiana

**EXHIBIT A  
to Expansion Ordinance**

**BOUNDARIES AND MAP OF  
I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT  
OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**

The District shall consist of the area in the City bounded by the following: the intersection of the centerline of Enterprise Boulevard with the centerline of Pryce Street; thence easterly along the centerline of Pryce Street to the center of 1st Avenue; thence proceed northerly along the centerline of 1st Avenue to the intersection of the centerline of 1st Avenue with the centerline of Winterhalter Street; thence proceed easterly along the centerline of Winterhalter Street to the intersection of the centerline of Winterhalter Street with the centerline of Prater Street; thence proceed northerly along the centerline of Prater Street to the intersection of the centerline of Prater Street with the centerline of Winterhalter Street; thence proceed easterly along the centerline of Winterhalter Street to the intersection of the centerline of Winterhalter Street with the centerline of Albert Street; thence proceed northerly along the centerline of Albert Street and continue along the northerly trajectory of Albert Street north of Fruge Street and continue along the centerline trajectory of Albert Street to the easterly trajectory of South Railroad Avenue; thence westerly along the eastern trajectory of South Railroad Avenue crossing Interstate 10 and following the centerline of South Railroad Avenue or its trajectory westerly to the intersection of the centerline of Ryan Street and continuing westerly 1350 feet, more or less; thence southerly to the centerline of Veteran's Memorial Parkway and continuing southerly to the intersection of the centerline of Veteran's Memorial Parkway with the centerline of West Pryce Street; thence easterly along the centerline of West Pryce Street to the point of commencement.

**MAP OF  
I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT  
OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**

**(showing addition to District on western end)**



STATE OF LOUISIANA  
PARISH OF CALCASIEU

I, the undersigned Clerk of the Council do hereby certify that the foregoing ordinance number 18350 (3) pages constitute a true and correct copy of an ordinance adopted by the Lake Charles City Council on February 6, 2019, expanding the geographical boundaries of the I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana, all in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended; and providing for other matters in connection with the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this the 6<sup>th</sup> day of February, 2019.

(SEAL)

  
Lynn F. Thibodeaux, Clerk of the Council

**CITY OF LAKE CHARLES, STATE OF LOUISIANA  
I-10 CORRIDOR ECONOMIC DEVELOPMENT DISTRICT**

**ORDINANCE NO. 18187**

**An ordinance creating I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana; defining the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and providing for other matters in connection with the foregoing.**

WHEREAS, Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (*La.R.S. 33:9038.31, et seq.*) (the "EDD Act") authorizes municipalities, parishes and certain other local governmental subdivisions to create economic development districts to carry out the purposes of the EDD Act, which economic development districts are political subdivisions of the State of Louisiana and possess such power and authority and have such duties as provided by the Act and other law; and

WHEREAS, *La.R.S. 33:9038.34(O)* provides that this governing authority may create a special trust fund for the furtherance of economic development projects, as defined in the EDD Act, into which the incremental increases in sales taxes and hotel occupancy taxes shall be deposited and loaned, granted, donated, or pledged in furtherance of economic development projects as defined in the EDD Act; and

WHEREAS, the City of Lake Charles, State of Louisiana (the "City"), acting through this City Council as its governing authority, desires to avail itself of the EDD Act to create an economic development district to be called the "I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana" (the "District"), in accordance with *La.R.S. 33:9038.32*, from which District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund I-10 Corridor Economic Development District Trust Fund; and

WHEREAS, in accordance with the Act, particularly *La.R.S. 33:9038.32(B)*, the following ordinance (i) was introduced on June 6, 2018; (ii) Notice of Introduction was published in the City's official journal on June 13, 2018, as required by Section 2-15 of the Lake Charles City Charter; (iii) Notice of Intention to Create the District, including a map showing the boundaries of the District, was published twice in the City's official journal, on June 11 and June 18, 2018, as required by *La.R.S. 33:9038.32(C)*, and (iv) a public hearing was held on June 20, 2018, at which no objections were received with respect to the ordinance or the creation of the proposed district.

WHEREAS, on this date, prior to the adoption of this ordinance, this governing authority did hold a public hearing pursuant to the aforesaid notice of intention, at which public hearing no objections were received with respect to the creation of the District;

NOW THEREFORE, BE IT ORDAINED by the Lake Charles City Council, acting as the governing authority of the City of Lake Charles, State of Louisiana, in regular session convened, that:

SECTION 1. All of the above "Whereas" clauses are adopted as part of this ordinance.

SECTION 2. Creation of District. Under the authority of *La. R.S. 33:9038.32* there is hereby created an economic development district within the City, to be named "I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana" having the geographical boundaries set forth in Exhibit A attached hereto, which Exhibit A is hereby incorporated into and made a part of this Ordinance, all pursuant to the Act. As provided by the Act, the governing body of the District shall be this City Council. As provided by the Act, the District shall be a political subdivision of the State of Louisiana and shall possess such powers and authority and have such duties as provided in the Act and other law.

The District, in cooperation with the executive branch of the City, shall develop and formulate economic development plans to be presented to the District for approval. Such economic development plans may include financial incentives to public or private entities for projects in the District that utilize (i) revenues of sales taxes and/or hotel occupancy taxes levied by the District, (ii) lawfully available sales tax revenues provided by the City of Lake Charles, and (iii) any other funds, whether public or private, that may be available for such purposes.

SECTION 3. Creation of Trust Fund. Under the authority of *La. R.S. 33:9038.34(O)*, there is hereby created a special trust fund, to be named the "I-10 Corridor Economic Development District Trust Fund" (the "Trust Fund") for the purpose of paying costs in connection with economic development projects as defined in *La. R.S. 33:9038.34(M)* and *La. R.S. 33:9038.36*. The Trust Fund shall be established by the Chief Financial Officer of the City and maintained as a separate fund, apart from other funds and accounts of the City or other entities, and shall be used strictly for the purposes set forth herein and in the Act.

SECTION 4. Authorization of Officers. The Mayor, Council President, and Clerk of the Council are hereby authorized, empowered and directed to do any and all things necessary and incidental to carry out the provisions of this ordinance.

SECTION 5. Employment of Special Counsel. This governing authority has previously found and determined that a real necessity exists for the employment of special counsel in connection with the creation of the District, and accordingly the employment of Adams and Reese LLP, of New Orleans, Louisiana, as special counsel to the City in connection with the foregoing is hereby ratified and confirmed, as required by Sections 4-09 and 2-12 of the Lake Charles City Charter (the "Charter"). Said special counsel shall prepare and submit to this governing authority for adoption all of the proceedings incidental to the foregoing, and shall counsel and advise the City, the District and this governing authority in connection with the foregoing. The fee of special counsel in connection with the foregoing shall be negotiated between the Mayor and special counsel. The Mayor shall be authorized to enter into a written contract with special council, with regard to the foregoing employment and fees therefor, as required by Section 4-09 of the Charter, in such form as the Mayor and City Attorney shall determine.

SECTION 6. Severability. If any provision of this ordinance shall be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this ordinance, but this ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein. Any constitutional or statutory provision enacted after the date of this ordinance which validates or makes legal any provision of this ordinance which would not otherwise be valid or legal, shall be deemed to apply to this ordinance.

SECTION 7. Repealer. All ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed.

SECTION 8. Publication: Effective Date. This ordinance shall be published one time in the official journal of the City, and as provided by Section 2-18 of the Charter shall become effective immediately upon approval by the Mayor.

This Ordinance, having been submitted to a vote of the City Council, the vote thereon was as follows:

YEAS: John Ieyoub, Johnnie Thibodeaux, Luvertha August, Rodney Geyen and Stuart Weatherford

NAYS: None


ABSENT: Mark Eckard and Mary Morris

NOT VOTING: None

THUS DONE, APPROVED AND ADOPTED by the City Council, at a meeting of said public body duly held and conducted on June 20, 2018 in the City Council Chambers at 326 Pujol Street in the City of Lake Charles.

  
Lynn J. Thibodeaux, Clerk of the Council

  
John Ieyoub, Council President

  
Nicholas E. Hunter, Mayor  
City of Lake Charles, Louisiana



**EXHIBIT A  
to Creation Ordinance**

**BOUNDARIES AND MAP OF  
I-10CORRIDOR ECONOMIC DEVELOPMENT DISTRICT  
OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**

The District shall consist of the area in the City, all as shown on the following map, bounded by the following: the intersection of the centerline of Enterprise Boulevard with the centerline of Pryce Street, thence easterly along the centerline of Pryce Street to the center of 1<sup>st</sup> Avenue; thence proceed northerly along the centerline of 1<sup>st</sup> Avenue to the intersection of the centerline of 1<sup>st</sup> Avenue with the centerline of Winterhalter Street; thence proceed easterly along the centerline of Winterhalter Street to the intersection of the centerline of Winterhalter Street with the centerline of Prater Street; thence proceed northerly along the centerline of Prater Street to the intersection of the centerline of Prater Street with the centerline of Winterhalter Street; thence proceed easterly along the centerline of Winterhalter Street to the intersection of the centerline of Winterhalter Street with the centerline of Albert Street; thence proceed northerly along the centerline of Albert Street and continue along the northerly trajectory of Albert Street north of Fruge Street and continue along the centerline trajectory of Albert Street to the easterly trajectory of South Railroad Avenue; thence westerly along the eastern trajectory of South Railroad Avenue crossing Interstate 10 and following the centerline of South Railroad Avenue or its trajectory westerly to the intersection of the centerline of Ryan Street; thence southerly along the centerline of Ryan Street to the intersection of the centerline of Pryce Street; thence easterly along the centerline of Pryce Street to the point of commencement.

**MAP OF  
I-10CORRIDOR ECONOMIC DEVELOPMENT DISTRICT  
OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**



STATE OF LOUISIANA  
PARISH OF CALCASIEU

I, the undersigned Clerk of the Council do hereby certify that the foregoing ordinance number 18187 (4) pages constitute a true and correct copy of an ordinance adopted by the Lake Charles City Council on June 20, 2018, creating "I-10 Corridor Economic Development District of the City of Lake Charles, State of Louisiana;" defining the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended; and providing for other matters in connection with the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this the 20th day of June, 2018.

(SEAL)

  
Lynn F. Thibodeaux, Clerk of the Council

Ordinance No. 18187

**CITY OF LAKE CHARLES, STATE OF LOUISIANA  
ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT**

**ORDINANCE NO. 18189**

**An ordinance creating Enterprise Boulevard Economic Development District of the City of Lake Charles, State of Louisiana; defining the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and providing for other matters in connection with the foregoing.**

WHEREAS, Part II, Chapter 27, Title 33 of the Louisiana Revised Statutes of 1950, as amended (*La.R.S. 33:9038.31, et seq.*) (the "EDD Act") authorizes municipalities, parishes and certain other local governmental subdivisions to create economic development districts to carry out the purposes of the EDD Act, which economic development districts are political subdivisions of the State of Louisiana and possess such power and authority and have such duties as provided by the Act and other law; and

WHEREAS, *La R.S. 33:9038.34(O)* provides that this governing authority may create a special trust fund for the furtherance of economic development projects, as defined in the EDD Act, into which the incremental increases in sales taxes and hotel occupancy taxes shall be deposited and loaned, granted, donated, or pledged in furtherance of economic development projects as defined in the EDD Act; and

WHEREAS, the City of Lake Charles, State of Louisiana (the "City"), acting through this City Council as its governing authority, desires to avail itself of the EDD Act to create an economic development district to be called the "Enterprise Boulevard Economic Development District of the City of Lake Charles, State of Louisiana" (the "District"), in accordance with *La R.S. 33:9038.32*, from which District local and State sales tax increments and local hotel occupancy tax increments are expected to be determined and used to fund Enterprise Boulevard Economic Development District Trust Fund; and

WHEREAS, in accordance with the Act, particularly *La.R.S. 33:9038.32(B)*, the following ordinance (i) was introduced on June 6, 2018; (ii) Notice of Introduction was published in the City's official journal on June 13, 2018, as required by Section 2-15 of the Lake Charles City Charter; (iii) Notice of Intention to Create the District, including a map showing the boundaries of the District, was published twice in the City's official journal, on June 11 and June 18, 2018, as required by *La.R.S. 33:9038.32(C)*, and (iv) a public hearing was held on June 20, 2018, at which no objections were received with respect to the ordinance or the creation of the proposed district.

WHEREAS, on this date, prior to the adoption of this ordinance, this governing authority did hold a public hearing pursuant to the aforesaid notice of intention, at which public hearing no objections were received with respect to the creation of the District;

NOW THEREFORE, BE IT ORDAINED by the Lake Charles City Council, acting as the governing authority of the City of Lake Charles, State of Louisiana, in regular session convened, that:

SECTION 1. All of the above "Whereas" clauses are adopted as part of this ordinance.

SECTION 2. Creation of District. Under the authority of *La. R.S. 33:9038.32* there is hereby created an economic development district within the City, to be named "Enterprise Boulevard Economic Development District of the City of Lake Charles, State of Louisiana" having the geographical boundaries set forth in Exhibit A attached hereto, which Exhibit A is hereby incorporated into and made a part of this Ordinance, all pursuant to the Act. As provided by the Act, the governing body of the District shall be this City Council. As provided by the Act, the District shall be a political subdivision of the State of Louisiana and shall possess such powers and authority and have such duties as provided in the Act and other law.

The District, in cooperation with the executive branch of the City, shall develop and formulate economic development plans to be presented to the District for approval. Such economic development plans may include financial incentives to public or private entities for projects in the District that utilize (i) revenues of sales taxes and/or hotel occupancy taxes levied by the District, (ii) lawfully available sales tax revenues provided by the City of Lake Charles, and (iii) any other funds, whether public or private, that may be available for such purposes.

SECTION 3. Creation of Trust Fund. Under the authority of *La. R.S. 33:9038.34(O)*, there is hereby created a special trust fund, to be named the "Enterprise Boulevard Economic Development District Trust Fund" (the "Trust Fund") for the purpose of paying costs in connection with economic development projects as defined in *La. R.S. 33:9038.34(M)* and *La. R.S. 33:9038.36*. The Trust Fund shall be established by the Chief Financial Officer of the City and maintained as a separate fund, apart from other funds and accounts of the City or other entities, and shall be used strictly for the purposes set forth herein and in the Act.

SECTION 4. Authorization of Officers. The Mayor, Council President, and Clerk of the Council are hereby authorized, empowered and directed to do any and all things necessary and incidental to carry out the provisions of this ordinance.

SECTION 5. Employment of Special Counsel. This governing authority has previously found and determined that a real necessity exists for the employment of special counsel in connection with the creation of the District, and accordingly the employment of Adams and Reese LLP, of New Orleans, Louisiana, as special counsel to the City in connection with the foregoing is hereby ratified and confirmed, as required by Sections 4-09 and 2-12 of the Lake Charles City Charter (the "Charter"). Said special counsel shall prepare and submit to this governing authority for adoption all of the proceedings incidental to the foregoing, and shall counsel and advise the City, the District and this governing authority in connection with the foregoing. The fee of special counsel in connection with the foregoing shall be negotiated between the Mayor and special counsel. The Mayor shall be authorized to enter into a written contract with special council, with regard to the foregoing employment and fees therefor, as required by Section 4-09 of the Charter, in such form as the Mayor and City Attorney shall determine.

SECTION 6. Severability. If any provision of this ordinance shall be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this ordinance, but this ordinance shall be construed and enforced as if such illegal or invalid provisions had not been contained herein. Any constitutional or statutory provision enacted after the date of this ordinance which validates or makes legal any provision of this ordinance which would not otherwise be valid or legal, shall be deemed to apply to this ordinance.

SECTION 7. Repealer. All ordinances or resolutions, or parts thereof, in conflict herewith are hereby repealed.

SECTION 8. Publication; Effective Date. This ordinance shall be published one time in the official journal of the City, and as provided by Section 2-18 of the Charter shall become effective immediately upon approval by the Mayor.

This Ordinance, having been submitted to a vote of the City Council, the vote thereon was as follows:


YEAS: John Ieyoub, Johnnie Thibodeaux, Luvertha August, Rodney Geyen and Stuart Weatherford


NAYS: None

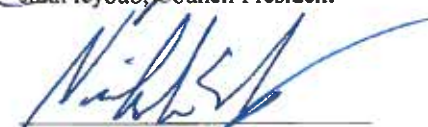
ABSENT: Mark Eckard and Mary Morris

NOT VOTING: None

THUS DONE, APPROVED, AND ADOPTED by the City Council, at a meeting of said public body duly held and conducted on June 20, 2018 in the City Council Chambers at 326 Pujot Street in the City of Lake Charles.

  
Lynn F. Thibodeaux, Clerk of the Council

  
John Leyou, Council President

  
Nicholas E. Hunter, Mayor  
City of Lake Charles, Louisiana

**EXHIBIT A  
to Creation Ordinance**

**BOUNDARIES AND MAP OF  
ENTERPRISE BOULEVARD ECONOMIC DEVELOPMENT DISTRICT  
OF THE  
CITY OF LAKE CHARLES, STATE OF LOUISIANA**

The District shall consist of the area in the City bounded by the centerlines of: Pryce St. on the north, 1<sup>st</sup> Ave. on the east, 2<sup>nd</sup> St. on the south, and Banks St. on the west, as shown on the following map:




Ordinance No. 18189

STATE OF LOUISIANA  
PARISH OF CALCASIEU

I, the undersigned Clerk of the Council do hereby certify that the foregoing Ordinance No. 18189 (4) pages constitute a true and correct copy of an ordinance adopted by the Lake Charles City Council on June 20, 2018, creating "Enterprise Boulevard Economic Development District of the City of Lake Charles, State of Louisiana;" defining the boundaries thereof from which the incremental increase in existing sales taxes of the City will be used to finance economic development projects in accordance with and as authorized by Part II of Chapter 27 of Title 33 of the Louisiana Revised Statutes of 1950, as amended; and providing for other matters in connection with the foregoing.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of said City on this the 20th day of June, 2018.

(SEAL)

  
Lynn F. Thibodeaux, Clerk of the Council





# Economic Incentives

ENHANCING OUR TOOLBOX

Mayor Nic Hunter | City of Lake Charles



## City Objectives:

- Entice more business and consumers to the area
- Take advantage of our greatest pipeline of visitors:  
**I-10 Traffic (80,000+ cars per day)**
- Encourage additional investment, economic diversity, and redevelopment in the city
- Job creation and retention
- Create more revenue for infrastructure
- Focus on growing the tax base, not raising taxes



Economic Incentives...

# The Big Picture



*Highlighted Areas Represent Economic Development Districts*

## Lake Charles Lakefront

# The Big Picture



- **Lakefront inviting entrance into Lake Charles & “Welcome Sign” to the rest of the world**
- **Only Lake on I-10 in between Houston and Baton Rouge**
  - 80,000+ Vehicle per day on I-10
- **Proximity to Downtown Lake Charles Business District**
  - 3,000+ in CBD during business hours
- **Walking distance from the Lake Charles Civic Center: 350,000+ visitors a year**
- **The City of Lake Charles owns 120+ acres of lakefront property**

The Lakefront...

## What are We Adding to the Toolbox?

- **Economic Development District (EDD)**
  - 2% Sales Tax Available for Economic Development Purposes
  - 6 mills Property Tax Available for Economic Development Purposes
- **One-Time Construction Fee Waivers**
- **City is investing \$10+ Million in Lakefront Infrastructure over near future**
- **\$20+ Million Port Wonder Slated for Lakefront**

# Port Wonder

State of the Art Children's Museum & Science/Nature Center



**Opening  
in Mid  
2021**

***Feasibility Study  
Estimates 125k+  
visitors a Year***

# Crying Eagle

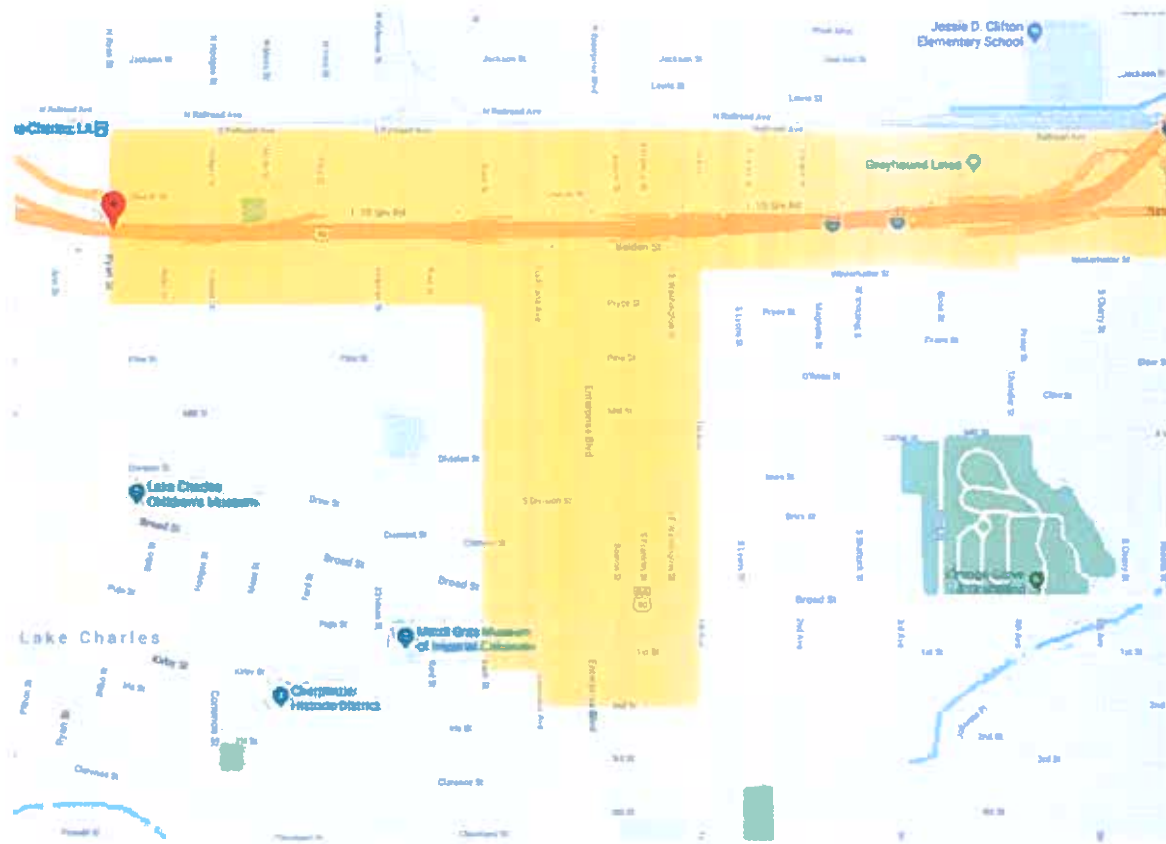
Full Service Restaurant and Microbrewery



**Opening  
in Mid  
2021**

# I-10 & Enterprise Boulevard

- Enterprise Boulevard has a rich cultural history that can be showcased with business growth and new opportunities that will draw visitors off I-10
- Other cities have developed more along their major interstate corridors
- Powered by a mix of community engagement and enhanced investment, Enterprise Boulevard can once again be a thriving economic & cultural corridor
- Honoring the legacy of Nellie Lutcher through the Cultural District, Enterprise Boulevard should be an anchor of unique history, attracting residents and visitors

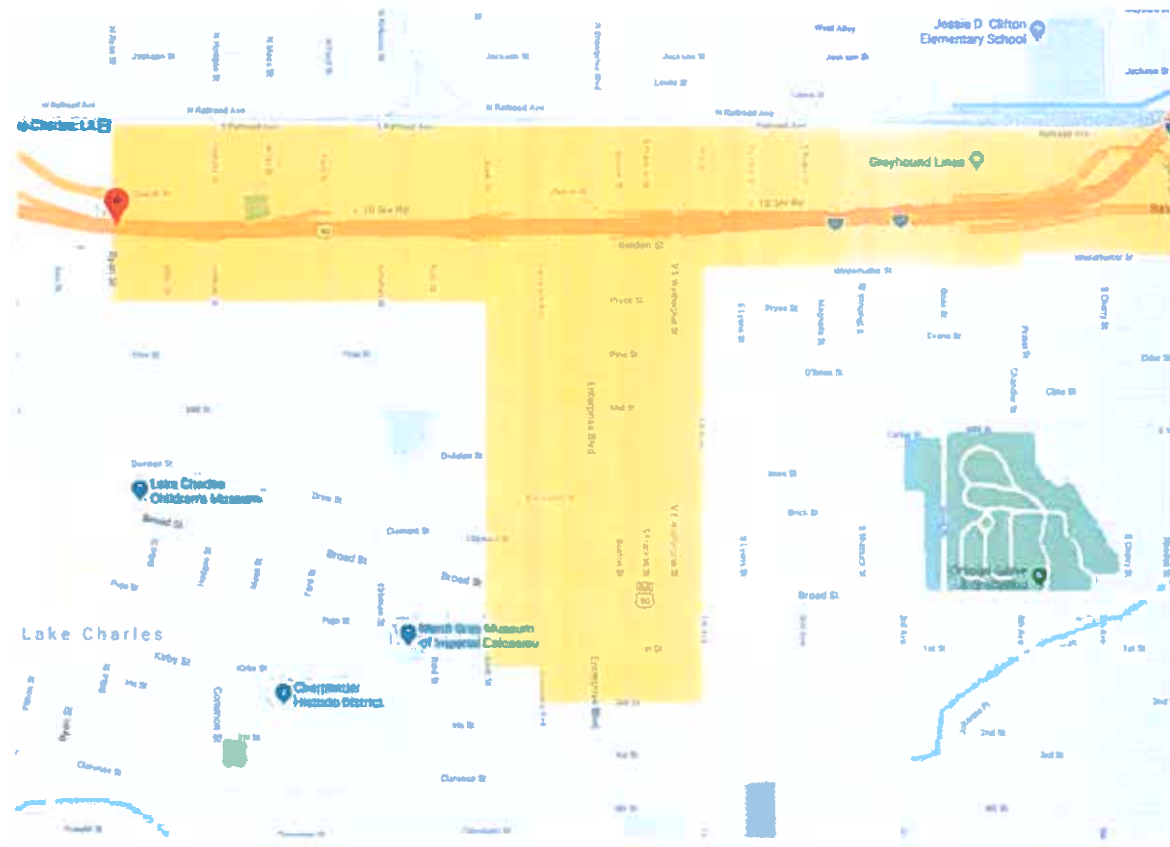




I-10 & Enterprise...

# What are We Adding to the Toolbox?

- **Economic Development District (EDD)**
  - 1% Sales Tax Available for Economic Development Purposes
  - 6 mills Property Tax Available for Economic Development Purposes
- **One-Time Construction Fee Waivers**
- **Area Lies within Opportunity Zones created by HB 1**
- **Historic Tax Credits Available through Nellie Lutcher Cultural District**
- **PROP Loan**
  - Low Interest Loan for Areas Affected by Hurricane Rita/Katrina
- **CDBG Funds Available**



I-10 & Enterprise EDD's Within Opportunity Zones

## Layers of Incentives

**Blue Shaded Area  
Represents Federally  
Certified Opportunity  
Zones In Lake Charles**



State of Louisiana  
Department of Revenue

JOHN BEL EDWARDS  
Governor



KIMBERLY LEWIS ROBINSON  
Secretary

March 18, 2021

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: Enterprise Boulevard Economic Development District of the City of Lake Charles

Dear Secretary Pierson:

I have reviewed your Department's letter regarding the proposed dedication of the incremental increases in two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales tax collected within the boundaries of the Enterprise Boulevard Economic Development District in the City of Lake Charles (the "District").

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the District. Please accept this letter as certification as to the correctness of your Department's evaluation of the anticipated increase in State sales tax revenues to be collected, as required by La. Rev. Stat. 33:9038(A)(6). The Louisiana Department Revenue's sales tax analysis of the Enterprise Boulevard Economic Development District is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kimberly L. Robinson".

Kimberly L. Robinson  
Secretary

Enclosures

*Contributing to a better quality of life.*

617 North Third Street, Post Office Box 66258, Baton Rouge, Louisiana 70896

Telephone (225) 219-4059 • Fax (225) 219-2114

[www.revenue.louisiana.gov](http://www.revenue.louisiana.gov)

**State of Louisiana**  
**Department of Revenue**

**JOHN BEL EDWARDS**  
Governor



**KIMBERLY LEWIS ROBINSON**  
Secretary

March 18, 2021

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: Lakefront Economic Development District of the City of Lake Charles

Dear Secretary Pierson:

I have reviewed your Department's letter regarding the proposed dedication of the incremental increases in two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales tax collected within the boundaries of the Lakefront Economic Development District in the City of Lake Charles (the "District").

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the District. Please accept this letter as certification as to the correctness of your Department's evaluation of the anticipated increase in State sales tax revenues to be collected as required by La. Rev. Stat. 33:9038(A)(6). The Louisiana Department Revenue's sales tax analysis of the Lakefront Economic Development District is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "KLR", with a light blue circular stamp or mark behind it.

Kimberly L. Robinson  
Secretary

Enclosure

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State of Louisiana  
Department of Revenue

JOHN BEL EDWARDS  
Governor



KIMBERLY LEWIS ROBINSON  
Secretary

March 18, 2021

Secretary Don Pierson  
Louisiana Economic Development  
617 North Third Street  
Baton Rouge, Louisiana 70802

Re: 1-10 Corridor Economic Development District of the  
City of Lake Charles

Dear Secretary Pierson:

I have reviewed your Department's letter regarding the proposed dedication of the incremental increases in two percent (2.0%) of the four and forty-five hundredths of one percent (4.45%) of State sales tax collected within the boundaries of the 1-10 Corridor Economic Development District in the City of Lake Charles (the "District").

I concur with your evaluation of the economic benefit to the State as a result of any economic activity within the District. Please accept this letter as certification as to the correctness of your Department's evaluation of the anticipated increase in State sales tax revenues to be collected, as required by La. Rev. Stat. 33:9038(A)(6). The Louisiana Department Revenue's sales tax analysis of the 1-10 Corridor Economic Development District is enclosed for your reference.

Sincerely,

A handwritten signature in blue ink, appearing to read "KLR", with a horizontal line extending to the right.

Kimberly L. Robinson  
Secretary

Enclosure

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**STATE OF LOUISIANA**  
DIVISION OF ADMINISTRATION  
**OFFICE OF GROUP BENEFITS**



## **Office of Group Benefits**

### **December 12, 2024 Meeting of the Joint Legislative Committee on the Budget**

#### **Access Health, Inc. (*dba* Access2day Health)**

*Primary Care Network Contract Overview*

# Access Health, Inc.

## Primary Care Network Contract Overview

<b>Contract Purpose</b>	To provide a statewide Primary Care Network (“PCN”) to increase access to high quality, cost-effective primary health care to Plan Participants in return for a per-visit fee. The PCN will supplement OGB’s self-insured benefit plans.
<b>Eligible Participants</b>	Active and retired enrollees (and their covered dependents) of the following OGB self-funded health plans: Magnolia Local Plus, Magnolia Local, Magnolia Open Access, and Pelican HRA1000.
<b>Eligible Participant Count as of 12/01/2024<sup>1</sup></b>	201,287
<b>Procurement Method</b>	RFP
<b>Contract Term</b>	3 Years (36 Months)
<b>Beginning Contract Date</b>	01/01/2025
<b>Ending Contract Date</b>	12/31/2027
<b>Renewable Options</b>	Up to 24 Additional Months
<b>Contract Maximum Payable Amount</b>	\$39,600,000.00
<b>Administrative Fees<sup>2</sup></b>	01/01/2025 – 12/31/2025: \$132.00 per Visit 01/01/2026 – 12/31/2026: \$130.00 per Visit 01/01/2027 – 12/31/2027: \$128.00 per Visit
<b>States in which Access Health Operates</b>	Louisiana, Alabama, Mississippi, Texas
<b>Number of Access Health Clinics</b>	116 (96 within the state of Louisiana)

<sup>1</sup> Based on 12/01/2024 member participation counts for the BCBSLA Magnolia Open Access, Magnolia Local, Magnolia Local Plus, and Pelican HRA1000 plans.

<sup>2</sup> If extended beyond the initial 36 month term, the per-visit administrative fee will be \$128.00 through the available 24 month optional renewal period.

## 1.0 Contract

Be it known, that effective upon approval by the Office of State Procurement, as evidenced by the Director's, or designee's, signature on this document, the Office of Group Benefits (hereinafter sometimes referred to as "State") and Access Health, Inc. dba Access2day Health, 1325 Barksdale Blvd., Suite 300, Bossier City, Louisiana 71111 (hereinafter sometimes referred to as "Contractor") do hereby enter into this Contract for a statewide Primary Care Network under the following terms and conditions.

### 1.1 Standard Definitions

- A. **Day** means a calendar day, unless explicitly identified otherwise.
- B. **Deliverable** means a good, product, service, solution, result, or labor performed for a Contract.
- C. **DOA** means the Louisiana Division of Administration.
- D. **OSP** means the Louisiana Office of State Procurement.

### 1.2 Project-Specific Definitions

- A. **ASCII** means American Standard Code for Information Interchange.
- B. **CEO** denotes the Chief Executive Officer of the Office of Group Benefits.
- C. **Contract Monitor** is the OGB Medical and Pharmacy Administrator or designee, who will monitor the services and performance provided by the Contractor and the expenditure of funds.
- D. **CPR** means Cardiopulmonary Resuscitation.
- E. **DEA** means Drug Enforcement Administration.
- F. **DO** means Doctor of Osteopathy.
- G. **ER** means Emergency Room.
- H. **FTP(s)** means File Transfer Protocol.
- I. **HIPAA** means Health Insurance Portability and Accountability Act and its implementing regulations issued by the U.S. Department of Health and Human Services (45 C.F.R. Parts 160-164).
- J. **InfoSec** means the OTS Information Security Team.
- K. **IRO** means Independent Review Organizations.
- L. **MD** means Doctor of Medicine.
- M. **MOVEit DMZ Secure Server** denotes the server used by OGB to provide a secure and encrypted transfer and storage of confidential information over the internet.
- N. **Network Provider** denotes a Primary Care provider that participates in the Contractor's Primary Care Network to provide Primary Care services to Plan Participants.
- O. **OGB** means Office of Group Benefits.
- P. **OGB-Specific Ad-Hoc Report** denotes a unique report requested by OGB that contains data elements that are not included in the standard reports listed herein.
- Q. **OTS** means Office of Technology Services.
- R. **PCN** means Primary Care Network.
- S. **PGP** means Pretty Good Privacy.
- T. **PKI** means Public Key Infrastructure.
- U. **Plan Participant(s)** denotes individuals who are entitled to covered benefits through OGB under the self-funded plans for which the Primary Care Network will be available, as identified



in OGB's eligibility data file as determined by OGB, and delivered to the Contractor.

- V. **PPACA** means Patient Protection and Affordable Care Act.
- W. **Primary Care** means basic and preventive healthcare services provided by either a General Practitioner or Family Physician; or Physician Extender such as a Licensed Nurse Practitioner or Physician Assistant. Primary Care services do not include Pediatrics.
- X. **Primary Care Clinic (Clinic)** is an organized facility where Network Providers deliver Primary Care to Plan Participants.
- Y. **Primary Care Network** denotes Contractor's established network consisting of Network Providers that provide Primary Care services to Plan Participants on a per visit basis.
- Z. **Primary Plan Participant(s)** denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.
- AA. **Procurement** means buying, purchasing, renting, leasing, or otherwise obtaining any supplies, services, or major repairs. Services shall include professional, personal, consulting, and social services. It also includes all functions that pertain to the obtaining of any public procurement, including a description of requirements, selection and solicitation of sources, preparation and award of Contract, and all phases of Contract administration.

## 2.0 Term of Contract

This Contract shall begin on January 1, 2025, and shall end on December 31, 2027, unless otherwise terminated in accordance with the Termination provisions of this Contract. At the option of the State of Louisiana/Office of Group Benefits and acceptance of the Contractor, this Contract may be extended for two additional 12 month renewal options at the same prices, terms, and conditions. Total Contract time may not exceed 60 months.

Prior to extending the Contract beyond a 36 month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract Amendment to the Office of State Procurement (OSP) to extend the Contract term beyond the 36 month term.

## 3.0 Statement of Work

The Contractor hereby agrees to furnish the following services as detailed in the **Statement of Work**, Attachment A, of this Contract.

## 4.0 Acceptance of Deliverables

Deliverables shall be submitted, reviewed, and accepted according to the following procedure:

1. *General.* OGB shall accept the work performed in accordance with the Statement of Work and/or as subsequently modified in OGB-approved documents.
2. *Submittal and Review.* The Contractor shall provide written notification to the OGB Contract Monitor that a Deliverable is completed and available for review and acceptance.

Upon the Contractor's written notification of Deliverable submission, the Contract Monitor shall review the Deliverable within 10 business days. Within this period, the Contract Monitor shall direct the appropriate review and approval process and coordinate any review by OGB

Staff. The review process shall be comprehensive – identifying all items that must be modified or added.

3. *Acceptance or Rejection.* A Deliverable shall be considered accepted unless, within the 10 business days, the Contract Monitor notifies the Contractor in writing that the Deliverable is rejected and specifies the items that, if modified or added, will cause the Deliverable to be accepted. A failure to submit all or any essential part of a Deliverable shall be cause for rejection of the Deliverable.
4. *Resubmitting Deliverables.* The Contractor shall provide written notification to the OGB Contract Monitor when the Contractor resubmits a Deliverable for acceptance. The OGB Contract Monitor shall review the resubmitted deliverable within five business days. A resubmitted Deliverable shall be considered accepted unless, within this period, the OGB Contract Monitor notifies the Contractor in writing that the resubmitted Deliverable is rejected and specifies the items that, if modified or added, will cause the resubmitted Deliverable to be accepted. The parties shall repeat this process until the resubmitted Deliverable is accepted, or the State determines that the Contractor has breached the Contract and places the Contractor in default.

## 5.0 Payment Terms

In consideration of the services required by this Contract, OGB hereby agrees to pay the Contractor as follows:

OGB will pay the Contractor according to the **Pricing Schedule**, Attachment B, but in no circumstance shall OGB pay the Contractor more than Thirteen Million Two Hundred Thousand Dollars (\$13,200,000.00) for each plan year (“Maximum Annual Amount”). Work or services provided by the Contractor which exceed the Maximum Annual Amount shall not be reimbursed by OGB. The Maximum Annual Amount shall not absolve, limit, or otherwise reduce the Contractor’s obligations to provide the work and services described herein. For the three-year term of the Contract, the maximum payable amount is Thirty-Nine Million Six Hundred Thousand Dollars (\$39,600,000.00).

Payments are predicated upon successful completion by the Contractor and written approval by OGB of the described **Statement of Work**, Attachment A, and deliverables as provided in this Contract. The Contractor will not be paid more than the maximum amount of this Contract. OGB will not make payments on banking or State holidays.

The Contractor may invoice OGB monthly at the billing address designated by OGB. OGB will make Payments within approximately 30 days after receipt of a properly executed invoice and approval of OGB. Invoices shall include the contract and order number, using the department and product purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

Payment will be made only upon approval of the Contract Monitor or designee.

### 5.1 Late Payments

Interest due by the Using Agency for late payments shall be in accordance with La. R.S. 39:1695 at the

rates established in La. R.S. 13:4202.

## **5.2 Prohibition Against Advance Payments**

No compensation or payment of any nature shall be made in advance of services actually performed, unless allowed by law or otherwise stated herein.

## **6.0 Taxes**

The Contractor agrees that all applicable taxes are included in the **Price Schedule**, Attachment B, of this Contract. State agencies are exempt from all State and local sales and use taxes.

The Contractor acknowledges that: (1) a Louisiana Department of Revenue (LDR) tax clearance certificate is required for approval of this Contract and (2) Contractor is currently compliant in filing all applicable tax returns and reports, and in the payment of all taxes, interest, penalties, and fees owed to the State. OGB reserves the right to withdraw its consent to this Contract without penalty and to proceed with alternate arrangements should the Contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven business days of such notification.

## **7.0 Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements**

During the term of this Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

If the Contractor proposed a good faith subcontracting plan, the Using Agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit the Contractor to determine whether the Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (e.g., phone logs, fax transmittals, letters, emails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the Using Agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the contract award or the existing Contract may be terminated.

## **8.0 Termination**

OGB has the right to terminate this Contract immediately for any of the following reasons: (a) misrepresentation by the Contractor; (b) Contractor's fraud, collusion, conspiracy or other unlawful means of obtaining any contract with the State of Louisiana; (c) conflict of contract provisions with constitutional or statutory provisions of State or Federal Law; (d) abusive or belligerent conduct by the Contractor towards an employee or agent of the State; (e) Contractor's intentional violation of the Louisiana Procurement Code (La. R.S. 39:1551 et seq.) and its corresponding regulations; or, (f) any listed reason for debarment under La. R.S. 39:1672.

### **8.1 Termination for Cause**

The State may terminate this Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of this Contract, or failure to fulfill its performance obligations pursuant

to this Contract, provided that the State shall give the Contractor written notice specifying the Contractor's failure. If within 30 days after receipt of such notice, the Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in 30 days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and this Contract shall terminate on the date specified in such notice.

The Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of this Contract, provided that the Contractor shall file a claim with the Chief Procurement Officer under La. R.S. 39:1671 - 1673.

### **8.2 Termination for Convenience**

The State of Louisiana may terminate this Contract for convenience at any time (1) by giving 30 days written notice to the Contractor of such termination; or (2) by negotiating with the Contractor an effective date. The State shall pay the Contractor for, if applicable: (a) deliverables in progress; (b) the percentage that has been completed satisfactorily; and, (c) for transaction-based services up to the date of termination, to the extent work has been performed satisfactorily.

### **8.3 Termination for Non-Appropriation of Funds**

The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of this Contract. If the legislature fails to appropriate sufficient monies to provide for the continuation of this Contract or if such appropriation is reduced by the veto of the Governor or by any means provided in the appropriations act or Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of this Contract, this Contract shall terminate on the date of the beginning of the first fiscal year for which funds are not appropriated.

When funds are not appropriated or otherwise made available to support continuation of performance in the following fiscal year of a multiyear contract for professional or consulting services, the Contract for the remaining term shall be cancelled and the Contractor shall be reimbursed in accordance with the terms of the Contract for the reasonable value of any nonrecurring costs incurred but not amortized in the price of services delivered pursuant to the Contract. The cost of cancellation may be paid from appropriations made specifically for the payment of such cancellation costs or from unobligated funds of the using agency.

With respect to all multiyear contracts for professional services and consulting services pursuant to this Subsection, there shall be no provisions for a penalty to the state for cancellation or early payment of the Contract.

## **9.0 Contract Modifications**

No amendment or modification of the terms of this Contract shall be valid unless made in writing, signed by the parties and approved as required by law. No oral understanding or agreement not incorporated in this Contract is binding on any of the parties.

Changes to this Contract include any change in a) compensation; b) beginning/ending date of this Contract; c) scope of work; and/or d) Contractor change through the assignment of contract process. Any such changes, once approved, will result in the issuance of an amendment to this Contract.

## **10.0 Ownership of Work Product**

All data, files, documentation, records, worksheets, or any other related materials obtained, prepared, or developed by the Contractor under this Contract are the property of the State. If applicable, all software and customizations developed under this Contract are the property of the State. The Contractor, at its expense, shall deliver this property to the State at the termination or expiration of this Contract, unless otherwise required by this Contract. Delivery of this property shall be in a form specified by the State.

## **11.0 Record Ownership**

Except for those records, reports, documents, or other material received from a third party and covered by a Non-Disclosure Agreement with that third party and that are not transmitted to OGB, all records, reports, documents, or other material related to this Contract and/or obtained or prepared by the Contractor in connection with the performance of the services contracted for herein shall become the property of the State. The Contractor shall return the Records to the State, at the Contractor's expense, within seven days of request or in the specific instance of termination or expiration of the Contract, within 60 days after the termination or expiration of the Contract, and shall retain no copies of the Records unless required by applicable law, provided, the confidentiality and security requirements of the State as set forth in the Contract shall apply to such Records as long as retained by the Contractor. The Contractor and its subcontractors/vendors must follow the Office of Technology Services (OTS) Information Security Policy for Data Sanitization requirements for any equipment replaced during the Contract, and at the end of the Contract, for all equipment which previously housed confidential or restricted data, from all State agencies.

## **12.0 Use of State Property**

Any property of the State furnished to the Contractor shall, unless otherwise provided herein, or approved by the State and/or Using Agency, be used only for the performance of this Contract.

The Contractor shall be responsible for any loss or damage to property of the State and/or Using Agency which results from willful misconduct or lack of good faith on the part of the Contractor or which results from the failure on the part of the Contractor to maintain and administer that property in accordance with sound management practices, to ensure that the property will be returned to the State and/or Using Agency in like condition, except for normal wear and tear, to that in which it was furnished to the Contractor. Upon the happening of loss, or destruction of, or damage to property of the State, the Contractor shall notify the State thereof and shall take all reasonable steps to protect that property from further damage.

The Contractor shall surrender to the State and/or Using Agency all property of the State and/or Using Agency prior to completion, termination, or cancellation of this Contract, unless otherwise specified herein. All reference to the Contractor under this section shall include any of its employees, agents, or subcontractors.

## **13.0 State Contract Monitor**

OGB shall appoint a Contract Monitor for this Contract who will provide oversight of the activities conducted hereunder. Notwithstanding the Contractor's responsibility for management during the performance of this Contract, the assigned Contract Monitor shall be the principal point of contact on behalf of OGB and will be the principal point of contact for the Contractor concerning the Contractor's

performance under this Contract. The OGB Contract Monitor may receive assistance from a third party in evaluating the Contractor's performance.

#### **14.0 Waiver**

Waiver of any breach of any term or condition of this Contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this Contract shall be held to be waived, modified or deleted except by the written consent of both parties.

#### **15.0 Warranties**

The Contractor warrants that all services shall be performed in good faith, with diligence and care, by experienced and qualified personnel in a professional, workmanlike manner, and according to its current description (including any completion criteria) contained in the scope of work.

No Surreptitious Code Warranty. The Contractor warrants that the Contractor will make all commercially reasonable efforts not to include any Unauthorized Code in the software provided hereunder. "Unauthorized Code" means any virus, Trojan horse, worm or other software routine or component designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data, or to perform any other such actions. Excluded from this prohibition are identified and State-authorized features designed for purposes of maintenance or technical support.

The Contractor further warrants that it has the right to provide and or license its product to the State and that it will operate in accordance with this Contract. In the event of a material failure of the Contractor's product to function and operate, and/or failure by the Contractor to perform its obligations, in accordance with the terms and conditions of this Contract that results in the termination of this Contract for cause by the State, the State will not be obligated to compensate the Contractor of any costs incurred by the Contractor.

Extent of Warranty: THESE WARRANTIES REPLACE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

#### **16.0 Duty to Defend**

Upon notice of any claim, demand, suit, or cause of action against the State, alleged to arise out of or be related to this Contract, the Contractor shall investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The State may, but is not required to, consult with or assist the Contractor, but this assistance shall not affect the Contractor's obligations, duties, and responsibilities under this section. The Contractor shall obtain the State's written consent before entering into any settlement or dismissal.

## **17.0 Liability and Indemnification**

### **17.1 Contractor Liability**

The Contractor shall be liable without limitation to the State for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors.

### **17.2 Force Majeure**

It is understood and agreed that neither party can foresee the exigencies beyond the control of each party which arise by reason of an Act of God or force majeure; therefore, neither party shall be liable for any delay or failure in performance beyond its control resulting from an Act of God or force majeure. The State shall determine whether a delay or failure results from an Act of God or force majeure based on its review of all facts and circumstances. The parties shall use reasonable efforts, including but not limited to, use of continuation of operations plans (COOP), business continuity plans, and disaster recovery plans, to eliminate or minimize the effect of such events upon the performance of their respective duties under this Contract.

### **17.3 Indemnification**

The Contractor shall fully indemnify and hold harmless the State, without limitation, for any and all injury, death, damage, loss, destruction, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities of every name and description, which may occur or in any way arise out of any act or omission of the Contractor, its owners, agents, employees, partners or subcontractors. The Contractor shall not indemnify for the portion of any loss or damage arising from the State's act or failure to act.

In addition to other remedies available at law or equity, the State may retain monies from amounts due the Contractor as may be necessary to satisfy claims or costs asserted against the State, for which the Contractor owes indemnification and/or defense.

### **17.4 Intellectual Property Indemnification**

The Contractor shall fully indemnify and hold harmless the State, without limitation, from and against damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses (including attorney fees), obligations, and other liabilities in any action for infringement of any intellectual property right, including but not limited to, trademark, trade-secret, copyright, and patent rights.

When a dispute or claim arises relative to a real or anticipated infringement, the Contractor, at its sole expense, shall submit information and documentation, including formal patent attorney opinions, as required by the State.

If the use of the product, material, service, or any component thereof is enjoined for any reason or if the Contractor believes that it may be enjoined, the Contractor, while ensuring appropriate migration and implementation, data integrity, and minimal delays of performance, shall at its sole expense and in the following order of precedence: (i) obtain for the State the right to continue using such product, material, service, or component thereof; (ii) modify the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and

performance; (iii) replace the product, material, service, or component thereof so that it becomes a non-infringing product, material, or service of at least equal quality and performance; or, (iv) provide the State monetary compensation for all payments made under the Contract related to the infringing product, material, service, or component, plus for all costs incurred to procure and implement a non-infringing product, material, or service of at least equal quality and performance. Until this obligation has been satisfied, the Contractor remains in default.

The Contractor shall not be obligated to indemnify that portion of a claim or dispute based upon the State's unauthorized: i) modification or alteration of the product, material or service; ii) use of the product, material or service in combination with other products not furnished by the Contractor; or, iii) use of the product, material or service in other than the specified operating conditions and environment.

### **17.5 Limitations of Liability**

For all claims against the Contractor not governed by any other provision of this Section, regardless of the basis on which the claim is made, the Contractor's liability for direct damages shall be limited to two times the maximum dollar amount of the Contract. The Contractor's liability for any damages, direct or indirect, for an actual breach of personal data (including any breach of the applicable Business Associate Agreement) is not subject to this limitation.

The Contractor shall not be liable for incidental, indirect, special, or consequential damages, unless otherwise specifically enumerated herein, or in a resulting task order or purchase order mutually agreed upon between the parties. In no circumstance shall the State be liable for incidental, indirect, special, or consequential damages; lost profits; lost revenue; or lost institutional operating savings.

### **17.6 Other Remedies**

If the Contractor fails to perform in accordance with the terms and conditions of this Contract, or if any lien or claim for damages, penalties, costs and the like is asserted by or against the State, then, upon notice to the Contractor, the State may pursue all remedies available to it at law or equity, including retaining monies from amounts due the Contractor and proceeding against any surety of the Contractor.

## **18.0 Insurance**

The Contractor shall purchase and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

The Contractor shall furnish the State with certificates of insurance effecting coverage(s) required by this Contract in accordance with the Attachment H, **Insurance Requirements for Contractors**. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates are to be received and approved by the State before work commences. The State reserves the right to require complete certified copies of all required policies, at any time. The Contractor shall maintain the insurance as specified shown in Attachment H, **Insurance Requirements for Contractors** for the full term of the Contract. Failure to comply shall be grounds for termination of the Contract.



## **19.0 Licenses and Permits**

The Contractor shall secure and maintain all licenses and permits, and pay inspection fees required to do the work required to complete this Contract, if applicable.

## **20.0 Severability**

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this Contract are declared severable.

## **21.0 Subcontractors**

The Contractor may, with prior written permission from the State and/or Using Agency, enter into subcontracts with third parties to perform any part of the Contractor's duties and obligations. In no event shall the existence of a subcontract operate to release or reduce the Contractor's liability to the State and/or Using Agency for any breach in the performance of the Contractor's duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall perform all requirements for subcontractors identified in the Attachment H, **Insurance Requirements for Contractors**.

## **22.0 Substitution of Personnel**

When possible, the Contractor will give OGB a minimum of 60 days' advance notice of any changes in the Contractor's Account Management Team assigned to OGB, and a description of the training requirement for new team members. Reasonable exceptions would apply in situations beyond the Contractor's control (e.g., resignation/termination with less than 60 days' notice). OGB reserves the right to request changes to any assigned personnel based on unsatisfactory performance levels as determined by OGB.

## **23.0 Assignability**

The Contractor may assign its interest in the proceeds of this Contract to a bank, trust company, or other financial institution. Within 10 calendar days of the assignment, the Contractor shall provide notice of the assignment to the State and the Office of State Procurement. The State will continue to pay the Contractor and will not be obligated to direct payments to the assignee until the State has processed the assignment.

Except as stated in the preceding paragraph, the Contractor shall only transfer an interest in the Contract by assignment, novation, or otherwise, with prior written consent of the State. The State's written consent of the transfer shall not diminish the State's rights or the Contractor's responsibilities and obligations.

## **24.0 Code of Ethics**

The Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101 et. seq., Code of Governmental Ethics) applies to the Contracting Party in the performance of services called for in this Contract. The Contractor agrees to immediately notify the State if potential violations of the Code of Governmental Ethics arise at any time during the term of this Contract.

## **25.0 Confidentiality**

All financial, statistical, personal, technical and other data and information relating to the State's operation which are designated confidential by the State and made available to the Contractor in order to carry out this Contract or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to OGB and the State. The identification of all such confidential data and information, as well as the State's procedural requirements for protection of such data and information from unauthorized use and disclosure, shall be provided by the State in writing to the Contractor. If the methods and procedures employed by the Contractor for the protection of the Contractor's data and information are deemed by the State to be adequate for the protection of the State's confidential information, such methods and procedures may be used, with the written consent of the State, to carry out the intent of this paragraph. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of this Contract, or is rightfully obtained from third parties without breach of the Contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this project without prior express written approval of the Office of Group Benefits.

The Contractor shall not use OGB's logo without obtaining OGB's prior written consent to do so. If the Contractor plans to use OGB's logo, the Contractor must submit a written request addressed to OGB's CEO, OGB's COO, and the Contract Monitor at least five business days before the Contractor's intended use of the logo. The written request must provide a draft of the material that the Contractor proposes to use with the logo. OGB shall have five business days to respond to any such written request.

With the exception of routine business matters related to the Contractor's services provided under this Contract, the Contractor shall not directly communicate with OGB's Plan Participants without prior written consent from OGB. If the Contractor desires to communicate with OGB's Plan Participants, the Contractor must submit a draft of the communication in writing addressed to OGB's CEO, OGB's COO, and the Contract Monitor at least five business days before the Contractor intends to distribute the communication. OGB shall have five business days to respond to any such written request.

## **26.0 Contract Controversies**

Any claim or controversy arising out of this Contract shall be resolved by the provisions of Louisiana Revised Statute 39:1671-1673, as applicable.

## **27.0 Continuing Obligations**

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI, reporting, indemnity, insurance, records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

## 28.0 Transition of Services and Data

The Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to Plan Participants. During any such transition, the Contractor will provide all of the same Records and data in the same format as provided during the term of the Contract, to OGB/State or its designee. The Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve the Contractor of these obligations.

## 29.0 Right to Audit

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its designated agents, the State, OGB, or others so designated by the State/OGB shall be entitled to audit all accounts, procedures, matters, and records of any Contractor or subcontractor under any negotiated Contract or subcontract directly pertaining to the Contract for a period of five years after final payment under the Contract and for the subcontractor/vendor for a period of five years from the date of final payment under the subcontract or such longer period as required by applicable state and federal law. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and the Contractor and/or subcontractor/vendor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of the Contract, the Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within 30 days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of the Contract. In combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of the Contract against the Contractor's outstanding or subsequent invoices, if any, or may exercise its rights under the performance bond.

## 30.0 Data/Record Retention

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by the Contractor or its subcontractors/vendors in connection with the performance of the services under the Contract, shall become records of the State and are referred to herein as "Records."

The Contractor agrees to retain all Records in accordance with all Louisiana and federal laws and regulations. Further, the Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), **Attachment D**, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable law or as agreed upon by the parties in writing if allowed by applicable law. The Schedules in place as of the effective date of this Contract are contained in **Attachment D, Records Retention Schedule**, and may be amended from time to time as deemed necessary by the State. To further ensure compliance with the Schedules and Louisiana retention laws, the Contractor agrees to

abide by the processes outlined in **Attachment E, Imaging System Survey Compliance and Records Destruction**. The Contractor shall return the Records to the State, at the Contractor's expense, within seven days of request or in the specific instance of termination or expiration of the Contract, within 60 days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable law, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor.

### **31.0 Sanitization of State Data/Records in Contractor's Custody**

The Contractor shall sanitize all State data and records in compliance with NIST SP 800-88 Rev 1, and any future revisions thereto, unless a specific alternative is approved in writing by the Louisiana DOA OTS Information Security Team. The Contractor shall provide quarterly a Certificate of Sanitization to the OGB's Contract Monitor quarterly.

### **32.0 Contractor's Certification of No Federal Suspension or Debarment**

The Contractor has a continuing obligation to disclose any suspensions or debarment by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future Contracts.

### **33.0 Contractor's Cooperation**

The Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, etc. to the State when requested. This applies even if this Contract is terminated and/or a lawsuit is filed. Specifically, the Contractor shall not limit or impede the State's right to audit or shall not withhold State owned documents.

### **34.0 Security**

The Contractor's personnel shall comply with all security regulations in effect at the State's premises and externally for materials and property belonging to the State or to the project. Where special security precautions are warranted (e.g., correctional facilities), the State shall provide such procedures to the Contractor, accordingly.

The Contractor shall comply with the Office of Technology Services' Information Security Policy at <https://www.doa.la.gov/doa/ots/about-us/infosec/>.

The Contractor is responsible for promptly reporting to the State any known breach of physical or information security.

#### **34.1 Cybersecurity Training**

In accordance with La. R.S. 42:1267(B)(3) and the State of Louisiana's Information Security Policy, if the Contractor, any of its employees, agents, or subcontractors will have access to State government information technology assets, the Contractor's employees, agents, or subcontractors with such access must complete cybersecurity training annually, and the Contractor must present evidence of such compliance annually and upon request. The Contractor may use the cybersecurity training course offered by the Louisiana Department of State Civil Service without additional cost.

For purposes of this Section, "access to State government information technology assets" means the possession of credentials, equipment, or authorization to access the internal workings of State information technology systems or networks. Examples would include but not be limited to State-issued laptops, VPN credentials to access the State network, badging to access the State's telecommunications closets or systems, or permissions to maintain or modify IT systems used by the State. Final determination of scope inclusions or exclusions relative to access to State government information technology assets will be made by the Office of Technology Services.

### **35.0 Commencement of Work**

No work shall be performed by the Contractor and OGB shall not be bound until such time as this Contract is fully executed between the State and the Contractor and all required approvals are obtained.

### **36.0 Compliance with Civil Rights Laws**

The Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246 as amended, the Federal Rehabilitation Act of 1973 as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Contractor agrees to abide by the requirements of the Americans with Disabilities Act of 1990.

The Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, disability or age in any matter relating to employment. Any act of discrimination committed by the Contractor, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Contract.

### **37.0 Anti-Kickback Clause**

The Contractor hereby agrees to adhere to the mandate dictated by the Copeland "Anti-Kickback" Act which provides that each Contractor or subgrantee shall be prohibited from inducing, by any means, any person employed in the completion of work, to give up any part of the compensation to which he is otherwise entitled.

### **38.0 Clean Air Act**

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) list of Violating Facilities.

### **39.0 Energy Policy and Conservation Act**

The Contractor hereby recognizes the mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

#### **40.0 Clean Water Act**

The Contractor hereby agrees to adhere to the provisions which require compliance with all applicable standards, orders, or requirements issued under Section 508 of the Clean Water Act which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the Environmental Protection Agency (EPA) List of Violating Facilities.

#### **41.0 Business Associate Agreement**

A Business Associate Agreement, (“BAA”) shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information (“PHI”) and personally-identifiable information (“PII”) in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act of 2009 (collectively, “HIPAA”), and regulations promulgated thereunder, as amended from time to time.

OGB is a “Covered Entity” under HIPAA. For the purposes of this Contract, the Contractor is deemed to be a “Business Associate” of OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000. The parties have executed **Attachment C, Business Associate Addendum** attached to and made part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and applicable laws, the parties will execute such agreements in a timely manner. The Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA, throughout the term of the Contract. Any fines or penalties imposed on any party related to the Contractor’s or its subcontractors’ non-compliance will be the sole responsibility of the Contractor. The Contractor shall require its subcontractors’ and any other vendors’ processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA. Further, the Contractor agrees that its organization, as well as its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of the Contract with respect to any issue related to the OGB Contract, plans, or participants involving PHI/PII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. The Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. In addition to the BAAs, OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI and PII, including but not limited to claims processing, customer service, and any other services as provided by applicable Law, shall not be sourced outside of the territorial and jurisdictional limits of the 50 United States of America.

#### **42.0 Anti-Lobbying and Debarment Act**

The Contractor will be expected to comply with Federal statutes required in the Anti-Lobbying Act and the Debarment Act.

#### **43.0 Prohibition of Discriminatory Boycotts of Israel**

In accordance with La. R.S. 39:1602.1, for any contracts with a value of \$100,000 or more and for any Contractor with 5 or more employees, the Contractor certifies that it is not engaging in a boycott of Israel and it will, for the duration of its contractual obligations, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of this Contract.

#### **44.0 Prohibition of Companies That Discriminate Against Firearm and Ammunition Industries**

In accordance with La. R.S. 39:1602.2, the following applies to any competitive sealed bids, competitive sealed proposals, or contract(s) with a value of \$100,000 or more involving a for-profit company with at least fifty full-time employees:

Unless otherwise exempted by law, by submitting a response to this solicitation or entering into this contract, the Bidder, Proposer or Contractor certifies the following:

1. The company does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association based solely on the entity's or association's status as a firearm entity or firearm trade association;
2. The company will not discriminate against a firearm entity or firearm trade association during the term of the contract based solely on the entity's or association's status as a firearm entity or firearm trade association.

The State reserves the right to reject the response of the Bidder, Proposer or Contractor if this certification is subsequently determined to be false, and to terminate any contract awarded based on such a false response or if the certification is no longer true.

#### **45.0 Prohibited Use of Funds**

The Contractor agrees not to use Contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

#### **46.0 E-Verify**

The Contractor shall comply with the provisions of La. R.S. 23:995 and federal law pertaining to E-Verify in the performance of services under this Contract.

#### **47.0 Headings**

Descriptive headings in this Contract are for convenience only and shall not affect the construction of this Contract or meaning of contractual language.

#### 48.0 Governing Law

This Contract shall be interpreted under Louisiana Law, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code) and La. R.S. 39:196-200 (Information Technology Procurement Code), if applicable; purchasing rules and regulations; executive orders; terms and conditions; and specifications listed in the RFP and this Contract. Venue of any action brought, after exhaustion of administrative remedies, with regard to all activities associated with this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

#### 49.0 Notice

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier; (ii) hand delivery if to the State/OGB; (iii) email to addresses listed below; or, (iv) registered or certified mail return receipt requested, and addressed as follows:

To Access Health, Inc.:

Nicola Sumpter, CFO  
Access Health, Inc.  
1325 Barksdale Boulevard, Suite 300  
Bossier City, LA 71111

Or Via Email

Nicola Sumpter  
[nsumpter@access2dayhealth.com](mailto:nsumpter@access2dayhealth.com)

To OGB:

Mr. Heath Williams, CEO  
Office of Group Benefits  
Post Office Box 44036  
Baton Rouge, LA 70804

OR

Mr. Heath Williams, CEO  
Office of Group Benefits  
1201 N. 3<sup>rd</sup> Street, Suite G-159  
Baton Rouge, LA 70802  
(If delivery by hand)

Email: [Heath.Williams2@la.gov](mailto:Heath.Williams2@la.gov)

If by email, cc to: [Melissa.Mayers@la.gov](mailto:Melissa.Mayers@la.gov)

The U.S. Postal Service does not make deliveries to OGB's physical location.



At any time, either party may change its address and/or addresses for notification purposes by mailing a notice stating the change and setting forth the new address.

**50.0 Complete Contract**

This Contract and its Attachments (i.e., the Statement of Work; Price Schedule Attachment ; Business Associate Addendum; Records Destruction Attachment; Imaging System Survey Compliance Attachment; Louisiana Regional Map Attachment; and Insurance Requirements for Contractors Attachment) represent the complete Contract between the parties with respect to the subject matter and all prior discussions and negotiations are merged into this Contract. This Contract is entered into with neither party relying on any statement or representation made by the other party not embodied in this Contract, and there are no other agreements or understanding changing or modifying the terms. This Contract shall become effective upon final statutory approval.

**51.0 Order of Precedence**

The Request for Proposals (RFP) Doc1090525033, dated April 30, 2024, addenda thereto, and the Contractor's Proposal dated June 10, 2024, and Best and Final Offer (BAFO) dated August 16, 2024, are attached hereto and, incorporated into this Contract as though fully set forth herein. In the event of an inconsistency between this Contract, the RFP and addenda thereto, and/or the Contractor's Proposal, unless otherwise provided herein, the inconsistency shall be resolved by giving precedence first to this Contract, then to the RFP and addenda thereto, and finally, the Contractor's Proposal.

IN WITNESS WHEREOF, the parties have executed this Contract.

**ACCESS HEALTH, INC DBA  
ACCESS2DAY HEALTH SIGNATURE:**

**OFFICE OF GROUP BENEFITS SIGNATURE:**

By:

By:

Name: Nicola Sumpter

Name: Heath Williams

Title: Chief Financial Officer

Title: Chief Executive Officer

Date:

Date:

**Office of State Procurement Approval:**

By:

Title:

Date:

## **Attachment A, Statement of Work**

### **I. Overview**

The Contractor shall provide a statewide Primary Care Network (“PCN”) to increase access to high quality, cost-effective primary health care to Plan Participants in return for a per-visit fee. The PCN will supplement OGB’s self-insured benefit plans. The PCN will supply all facilities, equipment, personnel, and services necessary for the required Primary Care services. The Office of Group Benefits (“OGB”) will pay the Contractor a per-visit fee, and there will be no claim billing to Plan Participants, health insurers, or other providers for services rendered by Network Providers. Plan Participants seeking Primary Care services from Network Providers shall not be subject to copays, deductibles, or any out-of-pocket payments for services. Plan Participants shall receive priority access to Primary Care services when visiting a Network Provider’s Clinics.

### **II. Goals and Objectives**

**A.** To provide statewide access to a Primary Care Network providing high quality, cost-effective services to Plan Participants enrolled in any one of the four OGB self-funded health plans administered by Blue Cross and Blue Shield of Louisiana. The plans eligible for the Primary Care Network program are:

- Pelican HRA 1000
- Magnolia Local
- Magnolia Local Plus
- Magnolia Open Access

**B.** To provide a Primary Care Network of providers for the benefit of OGB Plan Participants in exchange for a per-visit fee.

### **III. Deliverables**

The Contractor shall provide the following Deliverables:

#### **A. Plan Participants Identification Cards**

- i. Prepare and mail identification cards to all Plan Participants within 15 days from receipt of the eligibility file prior to the Contract start date. OGB will provide the list of eligible Plan Participants to the Contractor. The identification cards must contain all elements required by all applicable laws, including but not limited to Louisiana Revised Statutes Title 22 and La. R.S. 40:2201, *et seq.*
- ii. Prepare and mail identification cards to all newly eligible Plan Participant(s) within 15 days of receipt of the eligibility file from OGB.
- iii. Additionally, new cards shall be issued on an individual basis for any of the following reasons:
  - a. When a Primary Plan Participant(s) makes changes to their coverage due to a Qualifying Life Event or at OGB's annual enrollment, or any other special enrollment that requires the issuance of a new card; OR

- b. When a duplicate card(s) is requested by a covered Plan Participant(s). Additional cards shall be provided upon request and at no additional charge to OGB or the Plan Participant.

**B. Network Provider Directory**

- i. An electronic listing of Clinics, addresses, phone numbers, website addresses and hours of operation to include on the OGB website within 30 days of the Contract start date with monthly updates to follow thereafter in a format acceptable to OGB.
- ii. An electronic listing of Network Providers within 30 days of the Contract start date with monthly updates thereafter in a format acceptable to OGB.

**C. Services Offered**

- i. Supply a detailed list of eligible services to be provided to the Plan Participants under the Primary Care Network program; list will be provided to OGB by August 1<sup>st</sup> prior to each calendar year.
- ii. Provide a list of Network Providers and a map of Clinic locations, by region (regions are defined in **Attachment F, Louisiana Region Map**), on an annual basis for each contract year. The Contractor shall submit this information by August 1<sup>st</sup> prior to each calendar year.

**D. Reporting**

Provide the following reports to the Contract Monitor electronically or as otherwise determined by OGB. OGB reserves the right to audit any reporting required herein. OGB will determine the format and methodology and may add, delete or otherwise modify the reports listed below:

- i. **Referral Report** – includes individual and aggregate Network Provider Clinic referrals and referral types for Plan Participants directed to other sources of care. Additionally, for the referring entity, this report should include the Network Provider name, Clinic name, Clinic location, Plan Participant ID, date of service and the provider receiving the referral. Referral Reports shall be provided to OGB:
  - a. Monthly, within 15 calendar days after the first day of each month;
  - b. Quarterly, within 45 calendar days after the close of each quarter; and
  - c. Annually, within 90 calendar days after the end of each Contract year.
- ii. **Encounter Report** – documents the Plan Participant’s diagnoses, Network Provider and Clinic location, treatment, service date, wait time, and services provided by the facility. Encounter Reports shall be provided to OGB:
  - a. Monthly, within 15 calendar days after the first day of each month;
  - b. Quarterly, within 45 calendar days after the close of each quarter; and
  - c. Annually, within 90 calendar days after the end of each Contract year.
- iii. **Provider Visit Wait Time Report** – documents the time it takes the Network Provider to begin a Plan Participant’s examination from the time of the Plan Participant’s successful registration at the respective Clinic. Provider Visit Wait Time Reports shall be provided to OGB:

- a. Monthly, within 15 calendar days after the first day of each month;
  - b. Quarterly, within 45 calendar days after the close of each quarter; and
  - c. Annually, within 90 calendar days after the end of each Contract year.
- iv. **Customer Service Report** – contains data on call/email volume, number of and average time of calls, and number of emails to Contractor’s Customer Service department and categorizes the reason for the calls. Customer Service Reports shall be provided to OGB:
- a. Monthly, within 15 calendar days after the first day of each month;
  - b. Quarterly, within 45 calendar days after the close of each quarter; and
  - c. Annually, within 90 calendar days after the end of each Contract year.
- v. **Plan Participant Satisfaction Survey Report** – results from a voluntary survey that is emailed to all Plan Participants receiving services from Network Providers to measure Plan Participant satisfaction with the services provided and overall experience with the Primary Care Network benefit. Plan Participant Satisfaction Survey Report shall be provided to OGB:
- a. Annually, within 90 calendar days after the end of each Contract year.
- vi. **OGB-Specific Ad Hoc Reports** – include data related to the Contractor’s operating performance in providing services to Plan Participants. If applicable, OGB-Specific Ad Hoc Reports shall be provided to OGB:
- a. Within 30 calendar days from the request from OGB.
- vii. **Utilization Report** - documents the individual and aggregate Plan Participants’ utilization of Network Providers on an individual Clinic, parish, regional and statewide basis. The Utilization Report shall be provided to OGB:
- a. Monthly, within 15 calendar days of the last day of each month.

#### IV. Detailed Requirements

The Contractor must possess the knowledge, capability, and resources to provide a Primary Care Network effectively. The Contractor shall provide competent and qualified staff to successfully perform all tasks outlined in this Contract.

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under this Contract. OGB reserves the right to modify or delete the tasks and services listed and, if appropriate, add additional tasks and services prior to and during the term of this Contract, subject to the approval of the OGB Chief Executive Officer (“CEO”), Office of State Procurement, and any other approval required by law.

At a summary level, these tasks include:

1. Implementation Services
2. General Support Services
3. Primary Care Network Services

The Contractor shall perform the following tasks and services:

**Task (1): Implementation Services**

The Contractor shall:

- A. Assign an implementation team to manage the implementation process and the transition of services from the incumbent contractor. The implementation manager will be dedicated to this OGB Contract.
- B. Provide a project implementation plan to OGB no later than 30 days after the award notice. The plan shall be electronically maintained daily in a format accessible to OGB. The plan shall detail all implementation aspects, including all tasks with deliverable dates necessary to implement contracted services satisfactorily no later than the anticipated "Go-Live" date of January 1, 2025. The plan shall include a detailed timeline description of all work to be performed by the Contractor and by OGB. The implementation plan shall be approved via email or in writing by OGB. At a minimum, the implementation plan shall provide specific details on the following:
  - i. Identification and timing of significant responsibilities and tasks;
  - ii. Names and titles of key implementation staff and descriptions of their roles concerning each item/task/function;
  - iii. Data requirements;
  - iv. Filing of any documents required by State or Federal laws;
  - v. Plan Participant communications;
  - vi. Schedule of in-person meetings and conference calls; and
  - vii. Staff assigned to attend and present (if required) at educational sessions.
- C. Work with OGB and the incumbent provider of capitated primary care services to transfer data and information essential to administering the Primary Care Network with minimal interruption to Plan Participants.
- D. Conduct project status meetings at least once a week during implementation and daily for the two weeks before and following the "Go-Live" date, unless otherwise approved by OGB. Such meetings shall be either by phone, online, or onsite as determined by OGB and shall include the Account Manager and appropriate Contractor staff. All costs incurred by the Contractor as a result of meeting with OGB for the duration of this Contract shall be the responsibility of the Contractor.
- E. Conduct comprehensive systems testing and quality assurance audits, report the results, and provide a plan to deal with identified issues to OGB before the "Go-Live" date at no additional cost to OGB.
- F. Be responsible for all costs associated with implementation.
- G. Facilitate system programming including, but not limited to: data collection from OGB; file transfer set-up between OGB and the Contractor; and data transfer and mapping. If the Contractor requires file mapping and subsequent updates, this service will be provided by the Contractor at no additional cost to OGB. Files must be sent electronically to the Office of Technology Services (OTS) MOVEit DMZ Secure FTP server utilizing a

security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (“PKI”) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of “PGP”. The encryption key must have an expiration of no longer than five years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.

- H. Provide file data in a layout format approved by OGB. File layouts will be provided to OGB at no cost. The file transfer protocol and the file encryption must meet OTS Information Security Requirements as posted in the OTS Information Security Policy. The encryption key must have an expiration of no longer than five years from the creation date, key strength is highly suggested 4096 with a minimum allowed 2048, and the key must include a valid email address and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption. Ensure successful and timely completion of all tasks necessary to begin the performance of this Contract on January 1, 2025, at 12:00 am CT.
- I. Ensure successful and timely completion of all tasks necessary to begin the performance of this Contract on January 1, 2025, at 12:00 am CT; specifically, all Plan Participants shall be seamlessly transferred to the Contractor, and Network Providers must be available to provide services described herein by January 1, 2025.
- J. Upon OGB’s request, work with the appointed OGB actuary, other selected OGB contractors, Division of Administration (DOA) employees, and OGB staff to manage the performance of this Contract.
- K. Perform an initial on-site visit to new clinics to ensure that quality measures and any other legal and regulatory standards are met. OGB retains the right to perform on-site visits at all Clinics.

**Task (2): General Support Services**

The Contractor shall:

- A. Provide an Account or Operations Manager who will provide day-to-day management of project tasks and activities, coordination of Contractor’s employees, and possess the technical and functional knowledge to direct all aspects of this Contract. The Account or Operations Manager must have at least one back-up staff member designated to handle the overall responsibility of OGB. When the Account or Operations Manager will be out of the office for more than eight hours during regular working hours, the designated back-up staff member will be in the office and available to address all questions and report requests during the Account or Operations Manager’s absence. The designated back-up staff member will be identified by name and phone number in advance of the absence.
- B. Meet with OGB staff on-site or via teleconference on at least a monthly basis to review and evaluate contract administration. OGB may modify this schedule.
- C. Assist OGB in meeting its responsibilities for administering individual rights and obligations, such as access, amendment and disclosure accounting rights, as required by all applicable laws, including but not limited to Patient Protection and Affordable Care

Act, the Health Insurance Portability and Accountability Act and its implementing regulations issued by the U.S. Department of Health and Human Services (45 C.F.R. Parts 160-164) (collectively, "HIPAA"), as described in **Attachment C, Business Associate Addendum**.

- D. Adhere to the administrative requirements as outlined in **Attachment C, Business Associate Addendum** when disclosing any protected health information regarding a Plan Participant covered under the Plan. From time to time, OGB or Business Associates of OGB may require access to certain protected health information, as defined in HIPAA and its implementing regulations, in order to perform certain Plan administration functions on behalf of the Plan. .
- E. Assist OGB in preparation of any return or report pertaining to the Primary Care Network as required by any federal government agency, and furnish OGB an annual report of information available to the Contractor which may be needed by OGB to satisfy any applicable State or Federal requirement. The Contractor shall not have discretion to determine that filings are not required, and shall not have discretion to complete or file any report or return.
- F. If applicable, provide OGB certain information required to be reported relative to compensation earned with regard to administration of the network. This information shall include all direct and indirect compensation paid by OGB to either the Contractor or a third-party subcontractor for providing network services under this Contract.
- G. Notify OGB within five business days of receipt that it has received any class action notice and/or notice of other lawsuits in which the Contractor determines OGB could have an interest. From time to time, health plans are certified as class plaintiffs in class actions that involve payments made by the plans for healthcare services, medications or medical devices. The Contractor will file any OGB claims on behalf of OGB upon request of OGB. The Contractor shall provide data and reporting to use in filing for refunds and judgments at no additional cost.
- H. Include OGB in anti-fraud efforts undertaken by the Contractor. If the Contractor initiates legal proceedings pursuant to anti-fraud efforts that would include the network's interests and OGB's interests, the Contractor shall notify OGB as soon as possible prior to initiating litigation and any costs that would be incurred by OGB should OGB decide to allow the Contractor to pursue OGB's interest in such litigation. OGB shall notify the Contractor if the Contractor should pursue OGB's interests in such litigation within a reasonable time.
- I. Market its services to Plan Participants. OGB will also market the Contractor's network to Plan Participants and encourage them to utilize the Contractor's network. All Contractor marketing communications must be reviewed and approved by OGB prior to distribution. The Contractor must make any edits or customizations requested by OGB prior to distribution.
- J. Monitor and report utilization ("Utilization Report") to OGB on a monthly basis and meet with OGB at least quarterly to discuss utilization.
- K. Provide knowledgeable staff to attend statewide annual/special enrollments and any other informational meetings as scheduled by OGB as well as prepare, print and

distribute communication materials. Staff in attendance at statewide annual/special enrollments and informational meetings must be Contractor's employees not subcontractors. If virtual meetings are scheduled in lieu of in-person meetings, the Contractor will provide staff to attend virtual meetings.

**Task (3): Primary Care Network Services**

The Contractor shall:

- A. Establish, arrange, and maintain a network of contracted or employed Network Providers who must meet or exceed the following criteria:
  - i. Physicians:
    - a. Board certified or board eligible in primary care, internal medicine, emergency medicine, and/or family medicine.
    - b. Graduate of an accredited medical school with a Doctor of Medicine or Doctor of Osteopathy degree.
    - c. Licensed to practice medicine in the State in which services are provided.
    - d. Maintains medical professional liability insurance and/or medical malpractice insurance.
    - e. In possession of an active Drug Enforcement Administration number.
  - ii. Licensed Nurse Practitioners and/or Physician Assistants working under the supervision of a licensed physician Network Provider (meeting the requirements listed above) shall have an active license, Drug Enforcement Administration number and any other licensure or regulatory requirements to practice medicine.
  - iii. Laboratory and Radiology must be accredited and certified and in compliance with all applicable regulations at all Clinics.
- B. Ensure Network Providers who provide Primary Care services including but not limited to the following:
  - i. Maintain walk-in services, i.e. same day services with no appointment needed. Plan Participants may schedule appointments in advance but shall not be required to do so.
  - ii. Provide Primary Care services including, but not limited to, taking medical histories, providing treatment and any relevant education to Plan Participants, and ordering and interpreting laboratory and radiological tests.
  - iii. Prepare and distribute an explanation of benefits to the Plan Participant following each provision of service as required by applicable law.
  - iv. Provide medical evaluation and treatment for general health conditions including, but not limited to, the listing contained in **Attachment G, CPT Codes for Primary Care Services**.



- v. Make referrals to other medical providers when treatment by a Network Provider is not practicable or appropriate. Referrals shall only be made to medical providers participating in OGB's self-funded plans' network, currently administered by Blue Cross and Blue Shield of Louisiana. Specialist Physician referrals should be made only when medically necessary. OGB reserves the right to monitor the specialty referral rate.
- vi. Provide trained personnel in Cardiopulmonary Resuscitation (CPR)/Automated External Defibrillator.
- vii. Provide laboratory services and radiology services.
- viii. Access to preventive screening laboratory services and age-appropriate wellness screenings and/or services. A comprehensive and tailored personal health report should be provided to each Plan Participant to whom the Network Provider rendered such services.
- ix. Network Providers must see Plan Participants within 30 minutes of check-in/completion of required paperwork, regardless of whether the encounter was on a walk-in or appointment basis. Plan Participants shall enjoy priority access to services over other, non-Plan Participants seeking the Network Provider's services.
- x. When appropriate, advise Plan Participants on diet, exercise, hygiene, and general health to aid in the treatment and/or prevention of illnesses, diseases, and disorders.
- xi. Except as described below, communicate diagnoses, lab/x-ray results and/or treatment(s) to Plan Participants' Primary Care Provider.
  - a. Network Providers shall be affirmatively required to offer to Plan Participants, in writing, the option to withhold consent to communication of their diagnoses, lab/x-ray results and/or treatment(s) to the Plan Participants' Primary Care Provider(s) in advance of any such communications. Where such consent is so withheld, the Network Providers shall abide by the Plan Participants' instructions and withhold any such communications to any Primary Care Provider.
- xii. Provide the necessary personnel, equipment, supplies, and services to perform this Contract.
- xiii. Maintain all licensures, accreditations, insurance and permits to provide medical services in the State of Louisiana.
- xiv. Maintain and handle medical records and respond to subpoenas for medical records in compliance with all applicable laws.
- xv. Give Plan Participants printed and electronic information to help them better monitor their health, understand their risk factors and make educated choices as to their health.
- xvi. Conduct Plan Participant(s) surveys on a Measurement Period basis (see Section VI, D). The survey tools and materials are subject to OGB's approval.

- C. Provide at least 45 days advance written notification to OGB of any change in the Primary Care Network that results in a 1% or greater change in the number of Network Providers. Additionally, the Contractor shall update the list of Network Providers and map of Clinic locations required in Section III. Deliverables, C. Services Offered, ii.
- D. Submit standardized reports and/or data to OGB for the purpose of evaluating utilization, cost savings, financial experience, and other aspects of the Contractor's performance, as provided in Section III. Deliverables. The format and layout must be approved by OGB.
- E. On or before August 1<sup>st</sup> prior to each calendar year, the Contractor shall prepare a document containing a description of the covered benefits provided by Network Providers to be used by OGB. OGB shall review and approve the description of covered benefits prior to dissemination to the Primary Plan Participant(s) covered under the Primary Care Network. If any changes to the draft prepared by the Contractor are needed, OGB will request such changes in writing. The Contractor shall update the draft to include OGB's requested changes and submit the revised draft to OGB within five business days.

**A. Project Requirements**

The Contractor shall ensure that each Network Provider issues the provider's HIPAA privacy notice to Plan Participants receiving services at the Network Provider's clinic/place of business.

The Contractor will coordinate and cooperate with OGB's administrative services provider(s) for OGB's self-insured medical plans, pharmacy benefit manager, and other vendors as needed on the integration of information to or from other service providers relative to the services addressed in this Contract.

OGB will designate an OGB Contract Monitor to this Contract who will serve as the primary point of contact for the Contractor. The Contractor shall be the single point of contact for all subcontractor work.

**B. Personnel Qualifications**

Account Management Team – The Contractor shall provide an account management team for the duration of this Contract, including an Account or Operations manager, implementation/project manager and any other personnel considered key to the success of this Contract. The account management team will provide support around account strategy, issue resolution, reports and other requested projects and deliverables.

**V. Location/Hours of Operation**

**OGB Hours of Operation:** 8:00 a.m. to 4:30 p.m. CT Monday through Friday.

1201 N 3rd St Suite G- 159, Baton Rouge, LA 70802

**Contractor:**

At a minimum, the Contractor's Call Center shall accept calls Monday through Friday, 8:00 a.m. to 5:00 p.m. CT, except on official Louisiana State holidays.

The Contractor's Account Management Team shall be available from 8:00 a.m. to 5:00 p.m. CT Monday through Friday.

Extended hours may be required during project implementation, open enrollment periods, audits, and upon request for assistance with inquiries from the legislative or executive branches. The Contractor and Contractor Call Center locations must be located inside the continental United States. All services for this Contract must be performed inside the continental United States.

**VI. Performance Requirements**

**A. Monitoring Plan**

OGB's Contract Monitor will be the OGB Medical and Pharmacy Group Benefits Administrator or designee.

The Contract Monitor's duties will include, but not be limited to:

1. Monitoring the Contractor's services and performance and the expenditure of funds under this Contract.
2. Ensuring that all monthly, quarterly and annual reports are submitted electronically, timely and perform and oversee any subsequent reviews and acceptance.
3. Providing oversight of the implementation of this Contract to ensure quality, efficiency, and effectiveness in fulfilling this Contract terms and OGB's goals and objectives.

**B. Performance Measurements**

The Contractor will submit various monthly, quarterly, and annual reports to the Contract Monitor as specified in Section III. Deliverables, D. Reporting.

**Performance Guarantees:**

The Contractor agrees to provide its operational Performance Guarantees on an OGB-specific basis. OGB shall have the ability to modify the Performance Guarantees each Contract year. All Performance Guarantees must be reconciled on a Measurement Period basis, and any penalties owed to OGB shall be paid within 30 days from OGB's acceptance of the Provider Visit Wait Time Report and the Overall Plan Participant Satisfaction Survey Report.

The table below shows the Performance Guarantee against which the Contractor's performance will be measured.

<b>Performance Guarantee</b>	<b>Payments at Risk</b>	<b>Measurement</b>
Provider Visit Wait Time	5% of annual payments	At least 97% of Plan Participants must be seen by the Network Providers in 30 minutes or less from the time Plan Participant completes the

		registration process until the Network Provider begins Plan Participant’s examination in a Clinic exam room regardless of whether the Plan Participant had an appointment or not.
Plan Participant Satisfaction Survey	2% of annual payments	Satisfaction rate must be 85% or greater.

**C. Audit**

OGB reserves the right to audit Performance Guarantee reports on a Measurement Period basis. A third party may be utilized to perform this audit.

**D. Measurement Periods**

The Measurement Periods are as follows:

- First Period: January 1, 2025 to December 31, 2025
- Second Period: January 1, 2026 to December 31, 2026
- Third Period: January 1, 2027 to December 31, 2027

In the event that this Contract is extended, the Measurement Period(s) will be:

- Fourth Period: January 1, 2028 to December 31, 2028
- Fifth Period: January 1, 2029 to December 31, 2029

**Attachment B, Price Schedule**

The Fixed Per-Visit Fee below is inclusive of travel, related expenses, and all services provided to Plan Participants and OGB.

<b>Statewide Coverage</b>	<b>Fixed Per-Visit Fee</b>
1/1/2025 – 12/31/2025	<b>\$ 132.00</b>
1/1/2026 – 12/31/2026	<b>\$130.00</b>
1/1/2027 – 12/31/2027	<b>\$128.00</b>
*1/1/2028 – 12/31/2028	<b>\$128.00</b>
*1/1/2029 – 12/31/2029	<b>\$128.00</b>

\*Subject to OGB's option to extend the contract for up to 24 months.

## Attachment C, Business Associate Addendum

State of Louisiana, Office of Group Benefits  
HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the "Addendum") is entered into effective the 1st day of January 2025 (the "Effective Date"), by and between Access Health, Inc. dba Access2day Health ("Business Associate") and the State of Louisiana, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the "Covered Entity"), and adds to the Agreement entered into between Covered Entity and Business Associate (the "Agreement").

WHEREAS, pursuant to the Contract, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information ("PHI") that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity; and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services ("HHS"), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act ("HITECH") (collectively "HIPAA").

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. Definitions. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.
2. Compliance with Applicable Law. The parties acknowledge and agree that beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.
3. Uses and Disclosures of PHI. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:
  - (a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
  - (b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, the Business Associate shall report such known or suspected breaches to the Covered Entity as soon as possible and in accordance with the timeframes set forth in this Addendum.

(c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity without express prior written permission of Covered Entity.

(d) Business Associate may completely de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.

(e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA, provided Covered Entity agrees to such creation and use of a Limited Data Set.

4. Required Safeguards to Protect PHI. Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (“ePHI”) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. Reporting to Covered Entity. As soon as reasonably practicable (but not more than 48 hours), Business Associate shall report to Covered Entity any use or disclosure of PHI not provided for by this Agreement, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any Security Event of which it becomes aware that may constitute a breach of unsecured PHI. Business Associate shall cooperate with Covered Entity’s investigation, analysis, notification, and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities. Business Associate shall conduct a breach risk assessment to ascertain the probability that PHI has been compromised within 20 calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Business Associate shall provide the breach risk assessment to Covered Entity within twenty (20) calendar days of when Business Associate (or its subcontractor) knew or should have known of the use or disclosure of PHI not provided for by this Agreement. Security Event is defined in the OTS Information Security Policy as an observable event, or collection of events, that may indicate a potential incident and shall be reviewed or investigated and may or may not be required for promotion to an Incident. [Information Security - Louisiana Division of Administration \(la.gov\)](https://www.louisiana.gov/infosec).

6. Notifications and Reporting to HHS. Following a breach of unsecured PHI, Business Associate shall send the required notifications to Plan Participants, news media outlets, and the Secretary as required by HIPAA. Business Associate shall consult with Covered Entity prior to publishing a notification in a prominent media outlet and provide Covered Entity with a copy of the final publication within one business day of publication. Business Associate shall provide Covered Entity with copies of notifications

sent to Plan Participants within five (5) business days of sending the notification(s). Business Associate shall provide Covered Entity with copies of notifications submitted to the Secretary within three business days of submission.

7. Mitigation of Harmful Effects. Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

8. Agreements with Third Parties. Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

9. Access to Information. Within 10 days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five days forward such request to Covered Entity.

10. Availability of PHI for Amendment. Within 10 days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

11. Documentation of Disclosures. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

12. Accounting of Disclosures. Within 10 days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.



13. Other Obligations. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation. Such obligations include but are not limited to Covered Entity's obligations to provide breach notifications.

14. Availability of Books and Records. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for six years following the final payment under the Agreement.

15. Effect of Termination of Agreement. Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within 60 days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

16. Breach of Contract by Business Associate. In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

17. Indemnification. Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 17 of the Addendum shall survive the termination of the Agreement or this Addendum.

18. Exclusion from Limitation of Liability. To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section 18 of the Addendum shall survive the termination of the Agreement and this Addendum.

19. Injunctive Relief. Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the

Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

20. Third Party Rights. The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.
21. Owner of PHI. Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.
22. Changes in the Law. Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.
23. Judicial and Administrative Proceedings. In the event Business Associate receives a subpoena, court, or administrative order, or other discovery request or mandate for release of PHI, other than a standard medical records request/medical records subpoena, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments. Covered Entity shall have the right to control Business Associate's response to such request.
24. Conflicts. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum effective the day and year first above written.

**ACCESS HEALTH, INC DBA  
ACCESS2DAY HEALTH SIGNATURE:**

**BY:**

**NAME:** Nicola Sumpter

**TITLE:** Chief Financial Officer

**DATE:**

**STATE OF LOUISIANA  
OFFICE OF GROUP BENEFITS SIGNATURE:**

**BY:**

**NAME:** Heath Williams

**TITLE:** Chief Executive Officer

**DATE:**

## Attachment D, Records Retention Schedule

### Records Retention Schedule

Louisiana Secretary of State  
 Division of Archives, Records Management and History  
 Post Office Box 94125, Baton Rouge, LA 70804

[Http://www.sos.la.gov](http://www.sos.la.gov)

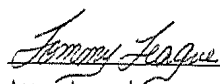
SS ARC 932 (10/19)

Page 1 of 13 R2019-~~900~~ CFM

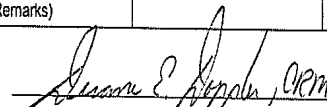
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 ADDENDUM PAGE

Agency No	Agency / Division / Section	Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
				In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Executive										
1	Internal Audit Records/Reports			ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. ^^
2	LLA Audit Records/Reports			ACT + 2 FY	3 FY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the FY in which the audit report is issued. ^^
3	Group Benefits Policy and Planning Board Meeting Presentations			ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. ^^
4	Group Benefits Policy & Planning Board Reports			ACT + 10 CY	0	ACT + 10 CY	M	S	N	V	ACT= Until end of CY in which OGB ceases to exist. **
5	Group Benefits Policy & Planning Board Meeting Minutes			PERM	0	PERM	M	R	N	V	
6	Group Benefits Estimating Conference Meeting Presentations			ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created. ^^
7	Group Benefits Estimating Conference Meeting Minutes			PERM	0	PERM	M	R	N	V	
8	OGB 5-year Strategic Plan			ACT + 5 FY	0	ACT + 5FY	P	S	N	V	ACT = until the end of the FY in which the Strategic plan was drafted. ^^
9	OGB HIPAA Compliance Records			ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the records were created or received. ^^
<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.				<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information  <b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)			<b>State Records Center Use</b> Y – Yes N - No  <b>Vital Record Identification Code</b> V= Vital I = Important U= Useful		<b>Agency Abbreviations</b> LLA = Louisiana Legislative Auditor OGB = Office of Group Benefits HIPAA = Health Insurance Portability and Accessibility Act		

  
 Agency Approval

1-7-2020  
 Date Signed

  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved

### Records Retention Schedule

SS ARC 932 (10/19)

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Division of Archives, Records Management and History  
Post Office Box 94125, Baton Rouge, LA 70804

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Indicate Use of Form <input type="checkbox"/> ORIGINAL SUBMISSION <input checked="" type="checkbox"/> XRENEWAL <input type="checkbox"/> REPLACEMENT PAGE <input type="checkbox"/> ADDENDUM PAGE	
Remarks	

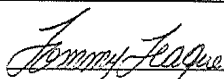
Agency No	Agency / Division / Section	Security	Archival	State Records Center	Vital	Retention Period			Remarks
						In Office	In Storage	Total Retention	
003.005	Division of Administration / Office of Group Benefits / Administration -- Finance								
Item Number	Records Series Title								
1	OGB Budget Request Documents/Records	P	R	N	V	ACT + 5 FY	0	ACT + 5 FY	ACT = until the end of the FY in which created <sup>^^</sup>
2	Actuarial Revenue/Expenditure Line-item Projections	M	S	N	V	ACT + 5 FY	0	ACT + 5 FY	ACT = until the end of the FY in which received <sup>^^</sup>
3	Actuarial Premium Rate Schedules	P	S	N	V	ACT + 5 CY	0	ACT + 5 CY	ACT = until the end of the FY in which received <sup>^^</sup>
4	Official Premium Rate Schedules	P	S	N	V	ACT + 10 CY	0	ACT + 10 CY	ACT = until end of the CY in which the OGB ceases to exist <sup>**</sup>
5	Monthly OTS Invoices & Supporting Documents	M	S	Y	V	ACT + 1 FY	3 FY	ACT + 4 FY	ACT = until the end of the FY in which the document was received <sup>^^</sup>
6	Annual IAT Agreements & Supporting Documents	M	S	Y	V	ACT + 1 FY	3 FY	ACT + 4 FY	ACT = until the end of the FY in which the document was received <sup>^^</sup>
7	Miscellaneous/One-time Invoices & Supporting Documents	M	S	Y	V	ACT + 1 FY	3 FY	ACT + 4 FY	ACT = until the end of the FY in which the document was received <sup>^^</sup>
8	OGB Fiscal Note Worksheets & Supporting Documents	M	S	N	V	ACT + 5 CY	0	ACT + 5 CY	ACT = until the end of the CY in which the document was created <sup>^^</sup>
9	DOA Analysis Sheets & Supporting Documents	M	S	N	V	ACT + 5 CY	0	ACT + 5 CY	ACT = until the end of the CY in which the document was created <sup>^^</sup>
10	Fuel Invoices & Supporting Documents	M	S	Y	V	ACT + 1 FY	3 FY	ACT + 4 FY	ACT = until the end of the FY in which the document was received <sup>^^</sup>

Permitted Retention Period Abbreviations  
 ACT - Active Period (when used define term in remarks column)  
 FY - Fiscal Year (July 1 - June 30)  
 CY - Calendar Year (Jan 1 - Dec 31)  
 AY - Academic Year (Aug 1 - July 31)  
 FFY - Federal Fiscal Year (Oct 1 - Sept 30)  
 MO - Months WK - Week (Mon-Sun) DY - Day(s)  
 PERM - Permanent  
 \*\* = May be part of an Imaging/Electronic Exception.  
 ^^ = May be part of an Imaging/Electronic Survey.

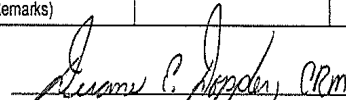
Security Status Codes  
 P - Public Record  
 M - May Contain Confidential Information  
 C - Confidential Information  
 Archival Processing Codes  
 A - Transfer to State Archives  
 R - Retain in Agency Archives  
 S - Review by State Archives  
 D - Review by State Archives/Electronic  
 O - Other (Specify in Remarks)

State Records Center Use  
 Y - Yes  
 N - No  
 Vital Record Identification Code  
 V = Vital  
 I = Important  
 U = Useful

Agency Abbreviations  
 OGB - Office of Group Benefits  
 OTS - Office of Technology Services  
 IAT - Inter Agency Transfers  
 DOA - Division of Administration

  
 Agency Approval

1-7-2020  
 Date Signed

  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved

### Records Retention Schedule

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Division of Archives, Records Management and History  
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Remarks	

Agency No	Agency / Division / Section	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Administration -- Communications								
1	Annual Enrollment Member Guides	ACT + 10 CY	0	ACT + 10 CY	P	D	N	I	ACT = until the end of the CY in which OGB ceases to exist**
2	Annual Enrollment Member Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created^^
4	Annual Enrollment HR Presentations	ACT + 10 CY	0	ACT + 10 CY	P	S	N	I	ACT = until the end of the CY in which the presentations were created^^
5	Agency/Member Memos on OGB Policies/Procedures Changes	ACT + 10 CY	0	ACT + 10 CY	P	D	N	V	ACT = until the end of the CY in OGB ceases to exist**
6	Medicare Part D Creditable Coverage Notices	ACT + 6 CY	0	ACT + 6 CY	M	S	N	V	ACT = until the end of the CY in which the notices were created^^
7	Publications	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which OGB ceases to exist**
Permitted Retention Period Abbreviations		Security Status Codes			State Records Center Use		Agency Abbreviations		
ACT - Active Period (when used define term in remarks column)		P - Public Record			Y - Yes		HR - Human Resources		
FY - Fiscal Year (July 1 - June 30)		M - May Contain Confidential Information			N - No		OGB - Office of Group Benefits		
CY - Calendar Year (Jan 1 - Dec 31)		C - Confidential Information			Vital Record Identification Code				
AY - Academic Year (Aug 1 - July 31)		Archival Processing Codes			V = Vital				
FFY - Federal Fiscal Year (Oct 1 - Sept 30)		A - Transfer to State Archives			I = Important				
MO - Months WK - Week (Mon-Sun) DY - Day(s)		R - Retain in Agency Archives			U = Useful				
PERM - Permanent		S - Review by State Archives							
** = May be part of an Imaging/Electronic Exception.		D - Review by State Archives/Electronic							
^^ = May be part of an Imaging/Electronic Survey.		O - Other (Specify in Remarks)							

*Anthony Hoopes*  
Agency Approval

1-7-2020  
Date Signed

*Dwaine P. Applegate*  
Secretary of State, State Archives & Records Services

1-8-2020  
Date Approved

### Records Retention Schedule

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Remarks	

Agency No	Agency / Division / Section	Security	Archival	State Records Center	Vital	Retention Period			Remarks
						In Office	In Storage	Total Retention	
003.005	Division of Administration / Office of Group Benefits / Administration - General								
1	OGB Employee Driver Authorization Forms	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the employee separates from agency**
2	OGB Employee Safety Meetings Training Materials & Sign-in Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received^^
3	OGB Employee PES Evaluations and Planning Session Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which supervision ends**
4	OGB Employee Time & Attendance Reports	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which the reports were created or received^^
5	Vehicle Logs & Supporting Documents	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received^^
6	SOF & Supporting Documents	ACT + 2 FY	1 FY	ACT + 3 FY	M	S	Y	V	ACT = until the end of the FY in which the documents were created or received^^
7	OGB Visitor Logs/Sign-in Sheets	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created^^
8	Daily Documents/Mail Assignments Logs	ACT + 2 FY	3 FY	ACT + 5 FY	M	S	Y	U	ACT = until the end of the FY in which the logs were created^^
9	Records Management Files (Retention Schedules, disposal requests, Transmittals, Surveys and Exceptions)	ACT + 10 CY		ACT + 10 CY	M	S	N	V	ACT = until end of CY in which OGB ceases to exist. **
<b>Permitted Retention Period Abbreviations</b> ACT - Active Period (when used define term in remarks column) FY - Fiscal Year (July 1- June 30) CY - Calendar Year (Jan 1 - Dec 31) AY - Academic Year (Aug 1 - July 31) FFY - Federal Fiscal Year (Oct 1 - Sept 30) MO - Months WK - Week (Mon-Sun) DY - Day(s) PERM - Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.		<b>Security Status Codes</b> P - Public Record M - May Contain Confidential Information C - Confidential Information		<b>State Records Center Use</b> Y - Yes N - No		<b>Agency Abbreviations</b> SOF - Special order Form OGB = Office of Group Benefits PES = Personnel Evaluation System			
		<b>Archival Processing Codes</b> A - Transfer to State Archives R - Retain in Agency Archives S - Review by State Archives D - Review by State Archives/Electronic O - Other (Specify in Remarks)		<b>Vital Record Identification Code</b> V = Vital I = Important U = Useful					

*Tommy Leagu*  
Agency Approval

1-7-2020  
Date Signed

*Deanne P. Appleton, CRM*  
Secretary of State, State Archives & Records Services

1-8-2020  
Date Approved

### Records Retention Schedule

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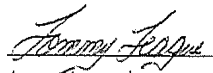
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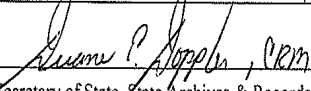
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Remarks	

Agency No	Agency / Division / Section	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Contracts Management								
1	OGB Contracts, Contract Amendments, & Supporting Documents	ACT + 3 CY	7 CY	ACT + 10 CY	M	S	Y	V	ACT = Until the end of the CY in which the contract expires or is terminated**
2	OGB Contract Solicitations (RFP, ITB, RFI) & Supporting Documents	ACT + 3 CY	0	ACT + 3 CY	M	S	Y	V	ACT = Until the end of the CY in which the solicitations deadline ends^^

<b>Permitted Retention Period Abbreviations</b> ACT - Active Period (when used define term in remarks column) FY - Fiscal Year (July 1- June 30) CY - Calendar Year (Jan 1 - Dec 31) AY - Academic Year (Aug 1 - July 31) FFY - Federal Fiscal Year (Oct 1 - Sept 30) MO - Months WK - Week (Mon-Sun) DY - Day(s) PERM - Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.	<b>Security Status Codes</b> P - Public Record M - May Contain Confidential Information C - Confidential Information <b>Archival Processing Codes</b> A - Transfer to State Archives R - Retain in Agency Archives S - Review by State Archives D - Review by State Archives/Electronic O - Other (Specify in Remarks)	<b>State Records Center Use</b> Y - Yes N - No <b>Vital Record Identification Code</b> V = Vital I = Important U = Useful	<b>Agency Abbreviations</b> OGB = Office of Group Benefits RFP = Request for Proposal ITB = Intent to Bid RFI = Request for Information
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1-7-2020  
 Date Signed

  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved

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ADDENDUM PAGE

Agency No	Agency / Division / Section	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Agency Services								
1	OGB Member Participation Schedules	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**
2	OGB Member Collections Notices & Supporting Documents	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**
3	OGB Member Appeals & Supporting Documents	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**
4	OGB-participating Agency Administrative Error Appeals & Supporting Documents	ACT + 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of CY in which OGB ceases to exist**

<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.	<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information  <b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)	<b>State Records Center Use</b> Y – Yes N - No  <b>Vital Record Identification Code</b> V= Vital I = Important U= Useful	<b>Agency Abbreviations</b> OGB = Office of Group Benefits
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*Thomas Legeus*  
 Agency Approval

1-7-2020  
 Date Signed

*James E. Appala, CLM*  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved



### Records Retention Schedule

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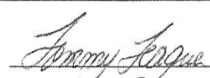
ORIGINAL SUBMISSION

RENEWAL

REPLACEMENT PAGE

ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Customer Service								
1	Enrollment Change Forms & Supporting Eligibility Documents (GB-01)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
2	Designation Forms (OGB Coordinator, Agency Master User, Invoice Contact) (GB-74, GB-75, GB-78)	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until the end of the CY in which OGB ceases to exist. **
3	OGB Member Correspondence	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
4	Daily Work Papers (includes printed copies of imaged documents and non-essential notes with PHI or OGB member contact info, produced by OGB Customer Service section staff)	ACT	0	ACT	M	S	N	U	ACT = until the end of the day in which the work papers were created ^^
Permitted Retention Period Abbreviations		Security Status Codes			State Records Center Use		Agency Abbreviations		
ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.		P – Public Record M – May Contain Confidential Information C – Confidential Information Archival Processing Codes A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)			Y – Yes N - No Vital Record Identification Code V= Vital I = Important U= Useful		OGB= Office of Group Benefits PHI = Personal Health Information		

  
 Agency Approval

1-7-2020  
 Date Signed

  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved

**Records Retention Schedule**

SS ARC 932 (10/19)

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Division of Archives, Records Management and History  
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ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Medical and Pharmacy Benefits Administration – Health Insurance								
1	Self-funded Health Plan Medical TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received ^^
2	Self-funded Health Plan Pharmacy TPA Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received ^^
3	Fully Insured Health Plan Vendors Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received ^^
4	Capitated Primary Care Network Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received ^^
5	IMMEHRA Vendor Invoices and Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received ^^
6	Health Plan Vendors Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the report or deliverable was received ^^
7	Health Savings Account Enrollment & Payroll Deduction Election/Changes (GB-79 Forms)	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
8	TPA Health and Pharmacy Claims (including supplemental Claims)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
Permitted Retention Period Abbreviations		Security Status Codes			State Records Center Use		Agency Abbreviations		
ACT – Active Period (when used define term in remarks column)		P – Public Record			Y – Yes		TPA = Third party administrator		
FY- Fiscal Year (July 1- June 30)		M – May Contain Confidential Information			N - No		IMMEHRA = Individual Medicare Market Exchange with Health Reimbursement Arrangements		
CY – Calendar Year (Jan 1 – Dec 31)		C – Confidential Information			Vital Record Identification Code		OGB = Office of Group Benefits		
AY – Academic Year (Aug 1 – July 31)		Archival Processing Codes			V= Vital				
FFY – Federal Fiscal Year (Oct 1 – Sept 30)		A – Transfer to State Archives			I = Important				
MO – Months WK – Week (Mon-Sun) DY - Day(s)		R – Retain in Agency Archives			U= Useful				
PERM – Permanent		S – Review by State Archives							
** = May be part of an Imaging/Electronic Exception.		D- Review by State Archives/Electronic							
^^ = May be part of an Imaging/Electronic Survey.		O – Other (Specify in Remarks)							

*[Signature]*  
Agency Approval

1-7-2020  
Date Signed

*[Signature]*  
Secretary of State, State Archives & Records Services

1-8-2020  
Date Approved

**Records Retention Schedule**

Louisiana Secretary of State  
Division of Archives, Records Management and History  
Post Office Box 94125, Baton Rouge, LA 70804

Http://www.sos.la.gov

SS ARC 932 (10/19)

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 ADDENDUM PAGE

Agency No	Agency / Division / Section	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
<b>003.005</b>	<b>Division of Administration / Office of Group Benefits / Medical and Pharmacy Benefits Administration – Life Insurance</b>								
<b>1</b>	Fully Insured Basic and Supplemental Life Insurance Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the document was received ^^
<b>2</b>	Fully Insured Basic and Supplemental Life Insurance Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	U	ACT = until the end of the CY in which the report or deliverable was received ^^
<b>3</b>	Fully Insured Basic and Supplemental Life Insurance Member Beneficiary Designation/Change Forms	ACT+ 10 CY	0	ACT + 10 CY	C	S	N	V	ACT= Until end of the CY in which OGB ceases to exist. **
<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.		<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information <b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)			<b>State Records Center Use</b> Y – Yes N - No <b>Vital Record Identification Code</b> V= Vital I = Important U= Useful		<b>Agency Abbreviations</b> OGB = Office of Group Benefits		

*Amy Leagus*  
Agency Approval

1-7-2020  
Date Signed

*Deanne R. Joseph, CRM*  
Secretary of State, State Archives & Records Services

1-8-2020  
Date Approved

**Records Retention Schedule**

SS ARC 932 (10/19)

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Remarks	

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	FSA & COBRA TPA Vendor Invoices & Supporting Documents	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the document was received ^^
2	FSA & COBRA TPA Vendor Reports & Contract Deliverables	ACT + 1 CY	3 CY	ACT + 4 CY	M	S	Y	V	ACT = until the end of the CY in which the report or deliverable was received ^^
3	Flexible Spending Arrangement Enrollment/Stop Form (GB-2)	ACT+ 10 CY	0	ACT + 10 CY	M	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) <u>PERM – Permanent</u> ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.		<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information  <b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)			<b>State Records Center Use</b> Y – Yes N - No  <b>Vital Record Identification Code</b> V= Vital I = Important U= Useful		<b>Agency Abbreviations</b> OGB = Office of Group Benefits		

*Tommy Hoag*  
Agency Approval

1-7-2020  
Date Signed

*Jessica P. Joppa, CRM*  
Secretary of State, State Archives & Records Services

1-8-2020  
Date Approved

Records Retention Schedule

SS ARC 932 (10/19)

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Remarks

Agency No	Agency / Division / Section	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Discontinued Programs								
1	Filing Deadline Mail Records	ACT + 3 CY		ACT + 3 CY	M	S	N	I	ACT = until the end of the CY in which the document was created or received. ^^
2	Live and Event Claims Records	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
3	Field and Audit Reports	ACT + 5 CY		ACT+ 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. ^^
4	Health Claims (including supplemental Claims)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
5	Explanation of Benefits (EOBs)	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
6	Medical Records	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
7	Pre-determinations	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
8	Case Management	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
9	Medical Necessities	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.		<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information		<b>State Records Center Use</b> Y – Yes N - No		<b>Agency Abbreviations</b> OGB = Office of Group Benefits			
		<b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)		<b>Vital Record Identification Code</b> V= Vital I = Important U= Useful					

*[Signature]*  
 Agency Approval

1-7-2020  
 Date Signed

*[Signature]* CRM  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved



**Records Retention Schedule**

SS ARC 932 (10/19)

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Remarks

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Discontinued Programs								
10	Paid in Vouchers	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
11	Flexible Benefit Master File	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
12	Hospital Audits, Statistical Reports and Work Papers	ACT + 5 CY		ACT+ 5 CY	M	S	N	I	ACT = until the end of the CY in which Report was issued. ^^
13	Fraud and Abuse Case Files and Logs	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
14	Health Claim Audits and work papers (including over \$500 plan Member check Audits)	ACT + 5 CY		ACT + 5CY	C	S	N	I	ACT = until the end of the CY in Audit is completed. ^^
15	Special Reports (Outlier, Check Cycle)	ACT + 10 CY		ACT + 10CY	M	S	N	I	ACT = until the end of the CY in which report is run. ^^
16	Reviews (Medical and Chiropractic)	ACT + 10 CY		ACT + 10CY	C	S	N	I	ACT = until the end of the CY in which OGB ceases to exist. **
17	Case Management	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
18	Medical Necessities	ACT + 10 CY		ACT + 10CY	C	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) PERM – Permanent ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.		<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information <b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)		<b>State Records Center Use</b> Y – Yes N – No <b>Vital Record Identification Code</b> V= Vital I = Important U= Useful		<b>Agency Abbreviations</b> OGB = Office of Group Benefits			

*[Signature]*  
 Agency Approval

1-7-2020  
 Date Signed

*[Signature]*  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved



**Records Retention Schedule**

SS ARC 932 (10/19)

Louisiana Secretary of State  
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Agency No	Agency / Division / Section	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
003.005	Division of Administration / Office of Group Benefits / Discontinued Programs								
19	Preferred Provider Option/Exclusive Provider Option Contracts	ACT + 5 CY		ACT + 5CY	M	S	N	V	ACT = until the end of the CY in which OGB ceases to exist. **
20	Logic Approvals	ACT + 3 CY	7CY	ACT + 10CY	M	S	N	V	ACT = until the end of the CY in which plan expires. **
21	Adjusted Batch Listings	ACT + 7 CY		ACT+ 7CY	M	S	N	I	ACT = until the end of the CY in which plan expires. **

<b>Permitted Retention Period Abbreviations</b> ACT – Active Period (when used define term in remarks column) FY- Fiscal Year (July 1- June 30) CY – Calendar Year (Jan 1 – Dec 31) AY – Academic Year (Aug 1 – July 31) FFY – Federal Fiscal Year (Oct 1 – Sept 30) MO – Months WK – Week (Mon-Sun) DY - Day(s) <u>PERM – Permanent</u> ** = May be part of an Imaging/Electronic Exception. ^^ = May be part of an Imaging/Electronic Survey.	<b>Security Status Codes</b> P – Public Record M – May Contain Confidential Information C – Confidential Information  <b>Archival Processing Codes</b> A – Transfer to State Archives R – Retain in Agency Archives S – Review by State Archives D- Review by State Archives/Electronic O – Other (Specify in Remarks)	<b>State Records Center Use</b> Y – Yes N - No  <b>Vital Record Identification Code</b> V= Vital I = Important U= Useful	<b>Agency Abbreviations</b> OGB = Office of Group Benefits
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*Anthony Lopez*  
 Agency Approval

1-7-2020  
 Date Signed

*Annmarie E. Jorgensen, CRM*  
 Secretary of State, State Archives & Records Services

1-8-2020  
 Date Approved



## Attachment E, Imaging System Survey Compliance and Records Destruction

In connection with OGB's electronic records retention requirements and within 30 days of the Emergency Contract's effective date, the Contractor shall complete a State Archives Imaging System Survey ("System Survey") and forward it to OGB.Records@la.gov,<sup>1</sup> or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

1. A list of all OGB records series<sup>2</sup> maintained/managed by the Contractor's system;
2. The hardware and software used including model number, version number and total storage capacity;
3. The type and density of media used by the Contractor's system;
4. The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
5. The Contractor's quality control procedures for image production and maintenance;
6. The Contractor's system's backup procedures including the location of back-up (on or off-site) and number of existing images; and
7. The Contractor's migration plan for purging images from the system that have met their retention period.

OGB shall review the System Survey to make an initial determination of conformity with LAC 4:XVII.1305(A). Once OGB determines that the Contractor's System Survey contains the requisite information, OGB will forward the System Survey to the Secretary of State. As a continuing requirement, any system changes necessitating a revised System Survey response must be submitted to the Secretary of State within 90 days of the change. To ensure compliance with this rule, the Contractor shall notify the Records Officer of these changes within 60 days so that he or she may forward the appropriate information to the Secretary of State.

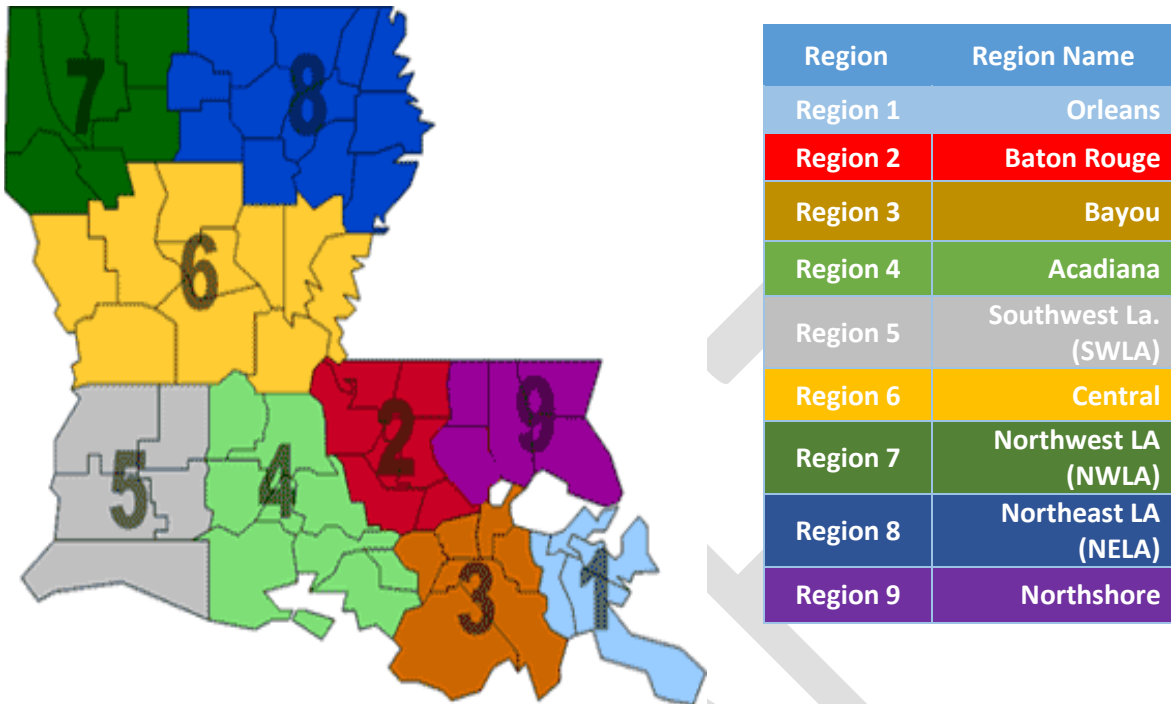
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<sup>1</sup> If OGB makes a different designation, OGB will notify the Contractor of the change and provide updated contact information.

<sup>2</sup> A records series is a group of related or similar records that may be filed together as a unit, used in a similar manner, and typically evaluated as a unit for determining retention periods. LAC 4:XVII.301(A). The records series listed in the Contractor's imaging survey should correspond to the records series listed on the OGB official Record Retention Schedule.



### Attachment F, Louisiana Regional Map



**Region 1 Parishes:** Orleans, Saint Bernard, Plaquemines, Jefferson

**Region 2 Parishes:** East Baton Rouge, West Baton Rouge, Ascension, Iberville, Pointe Coupee, East Feliciana, West Feliciana

**Region 3 Parishes:** Lafourche, Saint John, Saint Charles, Saint James, Assumption, Terrebonne

**Region 4 Parishes:** Lafayette, Evangeline, Saint Landry, Acadia, Saint Martin, Iberia, Vermilion, Saint Mary

**Region 5 Parishes:** Beauregard, Allen, Calcasieu, Jefferson Davis, Cameron

**Region 6 Parishes:** Vernon, Sabine, Natchitoches, Winn, Grant, Rapides, LaSalle, Catahoula, Concordia, Avoyelles

**Region 7 Parishes:** Caddo, Bossier, Webster, Claiborne, Bienville, Red River, DeSoto

**Region 8 Parishes:** Ouachita, Union, Lincoln, Jackson, Caldwell, Richland, Morehouse, Franklin, West Carroll, Madison, Tensas, East Carroll

**Region 9 Parishes:** Livingston, Washington, Saint Tammany, Saint Helena, Tangipahoa

**Attachment G, CPT Codes for Primary Care Services**

CPT Codes For Primary Care Services								
10030	26720	72040	81000	84703	90460	99080	G0439	J3250
10060	26750	72050	81001	85014	90461	99172	G0443	J3260
10061	27372	72052	81002	85018	90471	99173	G0444	J3301
10080	27550	72070	81003	85025	90472	99201	G0446	J3370
10081	28190	72072	81005	85027	90473	99202	G0447	J7070
10120	29065	72074	81007	85045	90474	99203	G0508	J3410
10140	29075	72081	81015	85378	90619	99204	G0509	J3420
10160	29085	72082	81020	85379	90620	99205	G2010	J3490
10180	29105	72083	81025	85380	90630	99210	G2012	J7030
11000	29125	72084	81099	85610	90632	99211	G2061	J7040
11001	29130	72100	82040	85651	90633	99212	G2062	J7050
11100	29200	72110	82043	85652	90653	99213	G2063	J7120
11101	29240	72114	82044	85730	90654	99214	G8510	J7510
11102	29260	72120	82150	86038	90655	99215	J0131	J7512
11104	29280	72170	82172	86140	90656	99241	J0132	J7613
11105	29405	72190	82247	86200	90658	99354	J0171	J7614
11200	29515	72202	82248	86235	90660	99355	J0280	J7620
11201	29530	72220	82270	86255	90662	99381	J0290	J7626
11303	30300	73020	82310	86308	90664	99382	J0295	J7644
11305	30901	73030	82374	86318	90670	99383	J0461	J7645
11402	30903	73060	82435	86328	90674	99384	J0500	J8499
11719	30905	73070	82465	86376	90682	99385	J0561	J8540
11730	36000	73080	82550	86403	90685	99386	J0636	JJ761
11730	36415	73090	82553	86431	90686	99387	J0690	L1810
11732	36416	73100	82565	86485	90688	99391	J0692	L3260
11740	36590	73110	82570	86580	90694	99392	J0694	L3670
11750	46050	73120	82607	86580	90714	99393	J0696	L3809
11750	46916	73130	82728	86593	90715	99394	J0702	L3923
11765	49615	73140	82746	86618	90718	99395	J0780	L3927
12001	56405	73501	82947	86664	90765	99396	J0945	L3931
12004	65205	73503	82950	86665	92283	99397	J1020	L3932
12005	65210	73510	82962	86677	92551	99406	J1030	L3935
12011	65220	73521	83001	86706	92552	99421	J1040	L4350
12013	65222	73522	83002	86708	93000	99422	J1100	L4386
12014	65430	73523	83036	86756	93005	99423	J1110	M1208
12020	67700	73551	83450	86769	93010	99441	J1120	Q0162
12031	67938	73552	83525	87045	93350	99442	J1180	Q0163
12032	69005	73560	83550	87046	94010	99443	J1200	Q0169

Contract # CW9268  
Primary Care Network for OGB

12041	69200	73562	83690	87070	94640	99444	J1201	Q2033
12042	69209	73564	83718	87075	94664	99499	J1580	Q2034
12044	69210	73565	83719	87077	94760	99201-95	J1700	Q2035
13121	70110	73590	83721	87081	94799	99202-95	J1710	Q2036
13131	70140	73600	83735	87086	95851	99203-95	J1720	Q2037
13132	70150	73610	83880	87088	95852	99204-95	J1741	Q2038
15853	70160	73620	83970	87147	96127	99205-95	J1815	Q2039
15854	70190	73630	84100	87177	96160	99211-95	J1885	Q4010
16020	70200	73650	84132	87181	96161	99212-95	J1890	Q4017
17000	70210	73660	84146	87209	96360	99213-95	J1940	Q4018
17003	70220	74000	84153	87324	96361	99214-95	J2001	Q4019
17110	70250	74010	84295	87365	96365	99215-95	J2010	Q4020
17111	70260	74018	84403	87389	96367	A4467	J2175	Q4021
20525	70360	74019	84425	87400	96372	A4565	J2265	Q4024
20552	71010	74020	84436	87426	96379	A4570	J2300	Q4045
20600	71020	74021	84439	87427	96999	A4615	J2360	Q4046
20605	71030	74022	84443	87428	97010	A6250	J2405	Q4049
20610	71045	76000	84445	87430	97597	A6448	J2510	S0020
20611	71046	80048	84450	87491	97598	A6449	J2540	S0077
20612	71047	80050	84478	87502	98966	A6450	J2543	S0119
24600	71100	80061	84480	87635	98967	A7003	J2550	S0630
11301	29540	73000	82272	87636	98968	A7004	J2650	S8451
11302	29550	73010	82274	87651	98970	A9150	J2700	S9083
12002	65125	73502	82948	87798	98971	A9284	J2765	S9088
23650	71048	80053	84479	87802	98972	E0114	J2794	S9543
24640	71101	80074	84481	87804	99000	G0008	J2800	Z1152
24650	71110	80076	84484	87807	99001	G0010	J2920	
26010	71111	80100	84520	87808	99002	G0168	J2930	
26011	71120	80177	84550	87811	99024	G0306	J2950	
26600	71130	80184	84630	87880	99051	G0307	J3000	
26705	72020	80185	84702	87905	99056	G0438	J3030	

## Attachment H, Insurance Requirements for Contractors

The Contractor shall purchase and maintain for the duration of the Contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

### **A. MINIMUM SCOPE AND LIMITS OF INSURANCE**

1. **Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

4. **Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$3,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

### **B. DEDUCTIBLES AND SELF-INSURED RETENTIONS**

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

### **C. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the Contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.
- b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

**D. ACCEPTABILITY OF INSURERS**

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Contract is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A:-VI or higher**. This rating requirement may be waived for workers compensation coverage only.
2. If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance within 30 days.

**E. VERIFICATION OF COVERAGE**

1. The Contractor shall furnish the Agency with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by

the Agency before work commences and upon any Contract renewal or insurance policy renewal thereafter.

2. The Certificate Holder Shall be listed as follows:

State of Louisiana  
1201 N 3<sup>rd</sup> St, Baton Rouge, LA 70802  
Contract # CW9268

3. In addition to the Certificates, the Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this Contract, at the election of the Agency, may be suspended, discontinued or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the Contract.

**F. SUBCONTRACTORS**

The Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

**G. WORKERS COMPENSATION INDEMNITY**

In the event the Contractor is not required to provide or elects not to provide workers compensation coverage, the parties hereby agree that the Contractor, its owners, agents and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of the Contractor, its owners, agents and employees. The parties further agree that the Contractor is a wholly independent contractor and is exclusively responsible for its employees, owners, and agents. The Contractor hereby agrees to protect, defend, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this Contract.