

Push to eliminate Inspector General's Office, and its ongoing corruption investigations, draws criticism

Inspector General Stephen Street defends his office against proposed budget cuts as the House Appropriations Committee reworked Gov. John Bel Edwards' proposed spending plan, on Monday, May 9, 2016, in Baton Rouge, La. (AP Photo/Melinda Deslatte)

BY Elizabeth Crisp

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A push to eliminate an office that investigates government waste and corruption is raising eyebrows at the State Capitol, with the leader of at least one nonpartisan government monitoring group calling on lawmakers to reconsider the future of the Inspector General's Office.

The House Appropriations Committee on Monday removed all funding for the Office of the State Inspector General from the annual budget bill, [House Bill 1](#). The move would [effectively kill the agency](#) — and its ongoing investigations — if money isn't added back before the budget goes into effect July 1. The budget is expected to hit the House floor for debate on Thursday and still has to be vetted by the Senate.

Supporters of the effort to strip funding for the Inspector General's Office argue that the investigating body's duties duplicate the state Attorney General's Office, Legislative Auditor's Office and other law enforcement agencies. Legislators also have raised questions about the inspector general's independence, because it is a governor-appointed position.

State Rep. Johnny Berthelot, R-Gonzales, said he thinks that the duplication is wasting the state's already limited resources.

"I do think it's a duplication of services, and I'm confident the attorney general can handle those duties," he told The Advocate on Tuesday in a brief phone conversation.

But critics of the effort to eliminate the inspector general called the move short-sighted — particularly in a state that has a storied history of corrupt politicians.

"Are we really going to want to take steps backwards by shutting down what has demonstrated to be a highly effective public corruption-fighting agency?" said Stephen Street, who has served as inspector general since 2008. "Just think about the optics. It's a black eye."

The Inspector General's Office was first created by executive order in 1988 during former Gov. Buddy Roemer's administration. Later, then-Gov. Bobby Jindal and the state Legislature agreed to put it into state law as they tried to polish the state's ethics reputation.

The Inspector General's Office is charged with investigating allegations of waste, fraud and corruption in state agencies. It also investigates local government entities when state or federal funds are involved.

"It's very short-sighted to completely eliminate an entire office that plays a unique role in state government," Street said.

"Are we really going to deprive the taxpayers of this watchdog?"

[Louisiana currently faces](#) an estimated \$600 million shortfall that has state legislators and others looking for areas to pare back spending and stave off further tax hikes. On top of deeply slashing the inspector general's budget, plans call for cutbacks to nearly all areas of state government, including health care and higher education.

Gov. John Bel Edwards already had reduced the inspector general's budget by about half in his executive recommendation for the coming year. The office had been slated to receive \$792,193 for next fiscal year. Edwards, a Democrat, said Monday that eliminating the Inspector General's Office entirely would be "a mistake" because the public expects government oversight.

"The amount of savings it produces would be insufficient to offset the confidence it takes away," Edwards said.

Over the past five years, Street estimates that his office has identified more than \$33 million in wasted money, while receiving about \$8.9 million in funding from the state.

"If you're just going to eliminate the agency, then there's a real concern that it's just politically motivated and not really driven by budget concerns," said Robert Travis Scott, president of the Public Affairs Research Council of Louisiana.

Scott said that he isn't surprised to see the Inspector General's Office targeted, though.

"The stronger the effort to try to eliminate this investigator, probably the better the evidence that the investigator is doing something worthwhile," Scott said. "If it's ruffling feathers, it will become a target."

According to Street's estimates, his office's work has spawned 24 federal criminal prosecutions in the past four years. Twenty of those cases led to felony guilty pleas, while three others resulted in guilty verdicts. Just one ended in acquittal, Street said.

He said major cases would be put at risk if his office is eliminated. Already, his 18-person staff has shrunk to 15 since February, he said.

“There are sensitive, ongoing criminal investigations that will come to a halt,” Street said. “These are cases that no one else is working.”

This isn't the first time the push to eliminate the Inspector General's Office has come up in Louisiana. A similar effort was mounted in 2012 before it was eventually defeated. PAR similarly voiced concerns at that time.

Nearly three dozen states have inspectors general with at least some limited authority over corruption investigations.

In Louisiana, the inspector general is appointed by the governor to six-year terms, meaning their tenures can extend beyond the governors who appoint them. They also are subject to House and Senate confirmation at the time of appointment. Street, who was appointed by Jindal in 2008, was reappointed in 2014, so his term will run through 2020.

But several legislators said they wonder how independent the agency is if it falls under the governor's purview.

“Being appointed by one man does away with some of the independence,” Rep. Steve Pylant, R-Winnsboro, said during the hearing, adding that “with the state's financial problems” he found the overlap of the inspector general and the attorney general to be an inappropriate use of limited resources.

Street, who serves as the national president of the Association of Inspectors General, said he doesn't trust that another agency will take up the mantle because of the political nature of elected office.

“There are cases that come with guaranteed blowback that elected officials will shy away from,” he said.

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