



State of Louisiana
Office of the Governor
Office of State Inspector General

May 10, 2016

FOR IMMEDIATE RELEASE

**Louisiana House Committee Votes to Close Down
State Inspector General**

Baton Rouge – Yesterday, the Louisiana House Appropriations Committee voted to completely strip all funding for the Louisiana Office of State Inspector General, a move that would effectively close down the office and eliminate the independent watchdog office dedicated to rooting out fraud and corruption on behalf of the taxpayers.

The amendment to zero out the Inspector General was included in a larger package of amendments to House Bill 1, the general appropriations bill for state government. In testimony before the vote, Inspector General Stephen Street told committee members that closing down the public corruption agency would be interpreted by the rest of the country as business as usual in Louisiana. "Are we really going to deprive the taxpayers of their independent watchdog? The optics of that are horrible for our state," Street said.

Following the hearing, Inspector General Street said the elimination of his office would be a "black eye" for Louisiana because of its history of corruption. "It's really no surprise that an agency that is as aggressive as we are, that is effective as we are would be targeted for defunding," Street said. "It is ironic with the reputation we have in this state, the history we have for corruption, really going back generations, that Louisiana public officials would defund the independent agency dedicated to rooting out public corruption."

Street provided information to the House Committee demonstrating the productivity of the State Inspector General, including the following:

- Since 2012, 23 out of 24 federal criminal prosecutions arising from OIG investigations have resulted in felony convictions, for a 96% success rate. Seven of these cases were against defendants who defrauded Louisiana's film tax credit program in a total amount of over 9.7 million dollars. Compare that to an annual budget of less than 2 million for OIG. *No one else in state government is working these cases.*

- **OIG is absolutely unique, not only in state government, but in the public corruption investigation field at large. It is set up by statute as an independent, *non-political* law enforcement agency with a sole mission to investigate and prevent fraud, corruption and waste. This key fact separates the Inspector General from every other elected official, or any at-will appointed official that reports to an elected official. Bluntly, OIG is set up to pursue the sensitive and difficult cases that many public officials seek to avoid, especially and including those who have to run for re-election. *No other investigative agency in state government is set up this way.***
- **OIG’s three year average of fraud and corruption identified is more than 5 times the amount of OIG’s state general fund appropriation.**
- **OIG has many ongoing investigations of a sensitive and important nature that will come to a halt if the office is defunded.**

Louisiana Inspector General Stephen Street added, “It’s impossible to do this job right without angering those in political circles. That’s the whole reason the office was set up with strong protections to allow it to do the job without fear of political retribution. Eliminating OIG is shortsighted, and hopefully the Legislature will realize that.”
