

Attorney General: The Honorable Terry Goddard

JLBC Analyst: Kim Hohman

	FY 2002 Actual	FY 2003 Estimate	FY 2004 Approved
<b>OPERATING BUDGET</b>			
<i>Full Time Equivalent Positions</i>	697.5	642.5	665.5 <sup>1/</sup>
Personal Services	30,047,100	30,254,700	31,404,700
Employee Related Expenditures	6,012,200	6,454,400	7,502,700
Professional and Outside Services	549,600	539,400	539,400
Travel - In State	254,000	196,700	196,700
Travel - Out of State	106,800	75,900	75,900
Other Operating Expenditures	6,960,700	6,545,300	6,671,500
Equipment	787,300	18,400	3,400
<b>OPERATING SUBTOTAL</b>	<b>44,717,700</b>	<b>44,084,800</b>	<b>46,394,300</b>
<b>SPECIAL LINE ITEMS</b>			
Alternative Fuels	58,200	0	0
State Grand Jury	158,200	160,000	160,100 <sup>2/</sup>
Victims' Rights	3,110,000	3,168,300	3,185,000
<b>AGENCY TOTAL</b>	<b>48,044,100</b>	<b>47,413,100</b>	<b>49,739,400<sup>3/4/5/</sup></b>

**FUND SOURCES**

General Fund	25,897,400	23,071,300	22,878,600
<u>Other Appropriated Funds</u>			
Anti-Racketeering Fund	100,000	0	0
Anti-Trust Enforcement Revolving Fund	362,400	138,800	170,500 <sup>6/</sup>
Collection Enforcement Revolving Fund	1,990,400	2,097,100	3,769,500
Consumer Fraud Revolving Fund	1,050,400	1,758,200	1,855,500
Interagency Service Agreements Fund	15,533,500	17,179,400	17,880,300
Victims' Rights Fund	3,110,000	3,168,300	3,185,000
SUBTOTAL - Other Appropriated Funds	22,146,700	24,341,800	26,860,800
<b>AGENCY TOTAL</b>	<b>48,044,100</b>	<b>47,413,100</b>	<b>49,739,400</b>

**AGENCY DESCRIPTION** — *The Attorney General is an elected constitutional officer. The office provides legal counsel to state agencies, represents the state in juvenile dependency matters, enforces civil rights, environmental, consumer protection and anti-trust laws, and investigates and prosecutes criminal cases, handles criminal appeals, and assists county attorneys.*

1/ Includes 10 FTE Positions funded from Special Line Items in FY 2004.

2/ The \$160,100 appropriated for State Grand Jury expenses is for costs incurred pursuant to A.R.S. § 21-428C. It is the intent of the Legislature that State Grand Jury expenses be limited to the amount appropriated and that a supplemental appropriation will not be provided. (General Appropriation Act footnote)

3/ The Attorney General shall notify the President of the Senate, the Speaker of the House of Representatives and the Joint Legislative Budget Committee before entering into a settlement of \$100,000 or more that will result in the receipt of monies by the Attorney General or any other person. The Attorney General shall not allocate or expend these monies until the Joint Legislative Budget Committee reviews the allocations or expenditures. Settlements that pursuant to statute must be deposited in the state General Fund need not be reviewed by the Joint Legislative Budget Committee. This paragraph does not apply to actions under Title 13, Arizona Revised Statutes, or other criminal matters. (General Appropriation Act footnote)

4/ In addition to the \$17,880,300 appropriated from the Interagency Service Agreements Fund, an additional \$370,000 and 5 FTE Positions are appropriated from the Interagency Service Agreements Fund for new or expanded interagency service agreements. The Attorney General shall report to the Joint Legislative Budget Committee whenever an interagency service agreement is established that will require expenditures from the additional amount. The report shall include the name of the agency or entity with which the agreement is made, the dollar amount of the contract by fiscal year and the number of associated FTE Positions. (General Appropriation Act footnote, as adjusted for statewide allocations)

5/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

6/ All revenues received by the Antitrust Enforcement Revolving Fund in excess of \$170,500 are appropriated. Expenditures from the fund may not exceed \$750,000 in FY 2004. Before the expenditure of any Antitrust Enforcement Revolving Fund receipts in excess of \$170,500 in FY 2004, the Attorney General shall submit the intended uses of the monies for review by the Joint Legislative Budget Committee. (General Appropriation Act footnote, as adjusted for statewide allocations)

PERFORMANCE MEASURES	FY 2002	FY 2002	FY 2003	FY 2004
	Appropriation	Actual	Appropriation	Appropriation
• Solicitor General – Number of days to respond to a request for a legal opinion	70	40	70	40
• Civil Rights – % of cases resolved using voluntary settlement agreements	25.6	13.5	30	30
• % of death penalty and/or sentences affirmed by the Arizona Supreme Court	80	87.5	80	80
• % of agency staff turnover	16	12.8	16	14
• Administrative cost as % of total cost	7.6	5.9	7.6	7.0
• Customer satisfaction rating for client agencies (Scale 1-8)	6.0	7.1	6.0	7.1

**Technical Adjustments** — The FY 2004 approved amounts include technical adjustments for Employee Related Expenditures, Risk Management charges, lease-purchase charges, Other Fund health and dental insurance changes, Other Fund retirement changes, and Other Fund AFIS charges. (Please see the General Provisions section at the end of this Appropriations Report for further details on these changes.)

**Elimination of Equipment Funding** — The approved amount includes a General Fund decrease of \$(15,000) below FY 2003 due to the elimination of one-time equipment funding.

**Collection Enforcement Revolving Fund** – The approved amount includes a Collection Enforcement Revolving Fund (CERF) increase of \$1,500,000 and 23 FTE Positions above FY 2003. Pursuant to A.R.S. § 41-191.03, the Attorney General (AG) may retain and expend up to 35% of the monies collected on behalf of the state. Statute also requires that monies unexpended from CERF at the end of each fiscal year be reverted to client agencies. The agency’s FY 2003 CERF appropriation of \$2,097,100 represents approximately 12% of the monies collected by the AG. The increased CERF appropriation will allow the department to expend a larger portion of its 35% share. In addition, a provision in the Public Finances Omnibus Reconciliation Bill (ORB) (Laws 2003, Chapter 263) expands the uses of CERF and allows the AG to expend these monies for any operating expenses incurred by the department in FY 2004. The approved amount also includes \$172,400 above FY 2003 for technical adjustments.

**Special Line Items**

**Alternative Fuels** — This program provided legal and investigative services to the Department of Administration and the Department of Revenue that were needed to administer the Alternative Fuel Cost Reimbursement Program. The agency eliminated funding for this special line item in FY 2003 as part of its \$(2,653,900) lump sum

reduction enacted by Laws 2002, 6<sup>th</sup> Special Session, Chapter 1.

**State Grand Jury** — The approved amount includes \$160,100 from the General Fund for expenses incurred by the Attorney General to investigate and try matters that are under the jurisdiction of the State Grand Jury. The approved amount is unchanged from FY 2003 except for technical adjustments. The line item includes 1.2 General Fund FTE Positions.

**Victims’ Rights** — This program provides monies to state and local agencies that are required to notify victims during various steps in the criminal justice process. The program includes 7.68% of Criminal Justice Enhancement Fund monies and an assessment on parents of juvenile offenders. This program is funded from the Victims’ Rights Fund and is unchanged from FY 2003 except for technical adjustments. The line item includes 8.8 Victims’ Rights Fund FTE Positions.

**Vetoed: Budget Reconciliation; Public Finances (Chapter 263)** — The Governor line item vetoed the Attorney General legal services cost allocation plan which would have charged all non-appropriated and other appropriated funds for non-contracted Attorney General services. Monies generated from this charge would have been deposited in the General Fund.

**Other Issues:** The following table displays the individual agency Interagency Service Agreements (ISA) expenditure amounts for FY 2003. Negotiations for the FY 2004 ISAs have not been finalized between the Office of the Attorney General and its client agencies, therefore, actual expenditures for FY 2004 may vary.

**Interagency Service Agreements with the Office of the Attorney General**

<u>Client Agency</u>	<u>FTE Positions</u>	<u>Expenditures</u>
<b>Solicitor General's Office</b>		
Clean Elections Commission	1.5	\$ 120,000
Secretary of State	0.5	25,400
Arizona Medical Board	<u>1.8</u>	<u>106,000</u>
Subtotal	3.8	\$251,400
<b>Agency Counsel Division</b>		
Lottery	1.5	\$ 120,800
Retirement	3.0	241,300
Dept. of Corrections - Employee Relations	0.5	48,400
Disease Control Research Commission	0.5	43,900
Veterans' Service Commission	0.5	43,900
Exposition and State Fair Board	1.0	100,800
Dept. of Gaming	2.0	146,700
Juvenile Corrections	0.5	35,000
Dept. of Housing	0.5	33,300
Dept. of Health Services - Legal Services	10.3	803,200
Dept. of Education	1.0	96,100
School Facilities Board	1.3	93,000
Parks Board	1.0	22,200
Land Department	3.0	258,600
Dept. of Revenue	1.0	38,900
Dept. of Transportation	<u>1.3</u>	<u>137,000</u>
Subtotal	28.9	\$ 2,263,100
<b>Child and Family Division</b>		
Department of Economic Security (DES)	0.0	\$ 150,000
<b>Civil Division</b>		
Dept. of Administration - Risk Management	104.0	\$ 7,295,600
Dept. of Administration - Risk Mgt. Case Related	0.0	131,000
Dept. of Administration - Employment Unit	0.6	65,000
Dept. of Corrections - Legal Staff	2.0	107,800
Arizona Medical Board	4.5	326,200
Cosmetology Board	0.8	77,300
Appraisal Board	0.8	66,600
Technical Registration Board	1.0	42,300
Accountancy Board	1.3	84,000
Dental Examiner Board	0.8	79,700
Nursing Board	3.7	287,200
Dept. of Public Safety	2.0	162,900
Dept. of Public Safety - Peace Officers' Training	0.8	73,400
Registrar of Contractors	0.8	32,700
Chiropractic Board	0.3	30,000
Accountancy Board - Accounting Enforcement Unit	4.1	274,900
Dept. of Transportation - Legal Services	26.1	2,181,000
Dept. of Transportation - Right-of-way	<u>5.0</u>	<u>342,600</u>
Subtotal	158.6	\$11,660,200
<b>Civil Rights Division</b>		
DES – Division of Developmental Disabilities Mediation	0.0	\$ 500
Mediation Training	0.1	5,000
Registrar of Contractors	0.1	5,000
Supreme Court Mediation Training	0.5	20,200
DES – Rehabilitation Services Administration	0.1	4,300
Non-State ISAs	<u>2.2</u>	<u>94,900</u>
Subtotal	3.0	\$ 129,900

<u>Client Agency</u>	<u>FTE Positions</u>	<u>Expenditures</u>
<b>Public Advocacy Division</b>		
Banking Department	0.6	\$ 61,800
Real Estate Department	0.5	38,800
Dept. of Game and Fish	0.0	2,500
Dept. of Insurance - Legal Services (Civil)	0.2	1,300
Dept. of Health Services - Tobacco Enforcement	2.5	324,000
Dept. of Environmental Quality - Underground Storage Tanks	3.0	235,500
Dept. of Environmental Quality - Water Quality Assurance	10.5	927,000
Dept. of Environmental Quality - Civil Investigation	1.0	102,000
Dept. of Environmental Quality - Air Quality	2.0	196,100
Dept. of Environmental Quality - Hazardous Waste	1.0	60,000
Dept. of Agriculture	<u>1.0</u>	<u>84,500</u>
Subtotal	22.3	\$ 2,033,500
<b>Criminal Division</b>		
Dept. of Revenue - Tax Enforcement	2.0	\$ 153,700
Dept. of Insurance - Legal Services (Criminal)	1.0	101,200
Dept. of Education - School Fraud Enforcement	1.0	116,300
Governor's Office - Law Enforcement	<u>1.0</u>	<u>135,100</u>
Subtotal	5.0	\$ 506,300
Contingency Amount	<u>5.0</u>	<u>370,000</u>
<b>Total Budgeted Expenditures <sup>1/</sup></b>	<b>224.7</b>	<b>\$17,364,400</b>
<sup>1/</sup> Does not total to the FY 2003 ISA appropriation.		

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