

Attorney General - Department of Law

JLBC: Kim Hohman
 OSPB: Keith Fallstrom

Subcommittee: Assets

DESCRIPTION	FY 2002 ACTUAL	FY 2003 ESTIMATE	FY 2004	
			OSPB	JLBC
PROGRAM BUDGET				
Attorney General	44,717,700	46,656,300	46,712,700	46,681,300
Alternative Fuels SLI	58,200	82,400	0	82,400
State Grand Jury SLI	158,200	160,000	160,100	160,100
Victims' Rights SLI	3,110,000	3,168,300	3,173,600	3,173,600
<i>Program Subtotal - Attorney General</i>	48,044,100	50,067,000	0	50,097,400
6th SS Lump Sum Reduction SLI	0	(2,653,900)	(2,653,900)	(2,653,900)
AGENCY TOTAL	48,044,100	47,413,100	47,392,500	47,443,500

OPERATING BUDGET

<i>Full Time Equivalent Positions</i>	697.5	642.5	642.5	642.5
Personal Services	30,047,100	32,282,800	32,348,700	32,282,800
Employee Related Expenditures	6,012,200	6,707,800	6,630,100	6,736,500
Professional and Outside Services	549,600	539,400	539,400	539,400
Travel - In State	254,000	216,400	216,400	216,400
Travel - Out of State	106,800	83,900	83,900	83,900
Other Operating Expenditures	6,960,700	6,807,600	6,875,800	6,818,900
Equipment	787,300	18,400	18,400	3,400
OPERATING SUBTOTAL	44,717,700	46,656,300	46,712,700	46,681,300
Special Line Items (SLI)	3,326,400	756,800	679,800	762,200
AGENCY TOTAL	48,044,100	47,413,100	47,392,500	47,443,500

FUND SOURCES

General Fund	25,897,400	23,071,300	22,891,100	20,436,500
<u>Other Appropriated Funds</u>				
AG Legal Services Cost Allocation Fund	0	0	0	2,192,100
Anti-Racketeering Fund	100,000	0	0	0
Anti-Trust Enforcement Revolving Fund	362,400	138,800	162,400	167,000
Collection Enforcement Revolving Fund	1,990,400	2,097,100	2,092,400	2,095,800
Consumer Fraud Revolving Fund	1,050,400	1,758,200	1,778,400	2,055,600
Interagency Service Agreements Fund	15,533,500	17,179,400	17,294,600	17,322,900
Victims' Rights Fund	3,110,000	3,168,300	3,173,600	3,173,600
SUBTOTAL - Other Appropriated Funds	22,146,700	24,341,800	24,501,400	27,007,000
SUBTOTAL - Appropriated Funds	48,044,100	47,413,100	47,392,500	47,443,500
Other Non-Appropriated Funds	26,605,300	12,805,300	NA	12,805,300
Federal Funds	7,556,500	7,016,900	NA	5,406,500
TOTAL - ALL SOURCES	82,205,900	67,235,300	NA	65,655,300

CHANGE IN FUNDING SUMMARY

	FY 2003 to FY 2004 JLBC	
	\$ Change	% Change
General Fund	(2,634,800)	(11.4%)
Other Appropriated Funds	2,665,200	10.9%
Total Appropriated Funds	30,400	0.1%

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.*

PERFORMANCE MEASURES	FY 2002 Appropriation	FY 2002 Actual	FY 2003 Appropriation	FY 2004 Recommend.
• 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

RECOMMENDED CHANGES FROM FY 2003

Standard Changes	GF	<u>FY 2004</u>
	OF	\$(177,700)
		223,100

Equipment **GF (15,000)**
The JLBC recommends a General Fund decrease to eliminate one-time FY 2003 equipment funding.

Fund Shift General Fund

Expenditures to Consumer Fraud	GF	(250,000)
Revolving Fund	OF	250,000

The JLBC recommends shifting a portion of the agency's General Fund expenditures to the Consumer Fraud Revolving Fund. The fund receives monies recovered for the state from investigative or court costs, attorney fees, and civil penalties pertaining to consumer protection or consumer fraud. Monies in the fund are used for consumer fraud education and for investigative and enforcement operations of the Consumer Protection Division, excluding attorney compensation.

The recommendation does not change the overall level of funding for consumer fraud protection. The recommendation only changes the funding mix due to an accumulated balance in the Consumer Fraud Revolving Fund. Expenditures from the Consumer Fraud Revolving Fund in future years will depend on the amount received as a result of consumer fraud settlements.

AG Legal Services	GF	(2,192,100)
Cost Allocation	OF	2,192,100

The JLBC recommends establishing a system for charging agencies for general agency counsel provided by the Attorney General. The charge would be assessed to all other appropriated funds and non-appropriated funds. Due to the size of existing contracts with Arizona Department of Transportation and Risk Management within the Arizona Department of Administration, these funds will be excluded from this charge.

The AG currently spends approximately \$5.48 million in General Fund monies on general agency counsel. Of this

amount, approximately \$2.2 million currently paid by the General Fund could be shifted to other appropriated funds and non-appropriated funds. These monies could be generated by applying a uniform pro rata charge to the Personal Services expenditures for each non-appropriated and other appropriated fund. To generate \$2.2 million, the pro rata charge to each fund would be 0.3% of Personal Services expenditures. The monies generated from the pro rata charge would be deposited in the new AG Legal Services Cost Allocation Fund.

* * *

JLBC RECOMMENDED FORMAT — Detailed Line Item with Special Line Items by Agency. *(In the FY 2003 budget, the department had an Operating Lump Sum with Special Line Items by Agency format.)*

JLBC RECOMMENDED FOOTNOTES

Standard Footnotes

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.

In addition to the \$17,322,900 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.

All revenues received by the Antitrust Enforcement Revolving Fund in excess of \$167,000 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 \$167,000, the Attorney General shall submit the intended uses of the monies for review by the Joint Legislative Budget Committee.

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.

JLBC RECOMMENDED STATUTORY CHANGES

The JLBC recommends: 1) allowing 90/10 agencies to contract for non-Attorney General legal services, and 2) establishing a charge to non-appropriated and other appropriated funds for general agency counsel provided by the Attorney General. (See "AG Legal Services Cost Allocation" policy issue for more information.)

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Anti-Racketeering Revolving (AGA2131/A.R.S. § 13-2314.01)		Non-Appropriated
Source of Revenue: Forfeitures of property and assets to satisfy judgements pursuant to anti-racketeering statutes.		
Purpose of Fund: To investigate and prosecute any offense defined as racketeering pursuant to Arizona statutes.		
Appropriated Funds Expended	100,000	0
Non-Appropriated Funds Expended	10,251,800	7,043,000
Year-End Fund Balance	8,681,100	6,908,100
Antitrust Enforcement Revolving (AGA2016/A.R.S. § 41-191.02)		Appropriated
Source of Revenue: Monies recovered for the state as a result of antitrust, restraint of trade or price-fixing activity enforcement.		
Purpose of Fund: For antitrust enforcement expenses, excluding attorney compensation.		
Funds Expended	365,300	139,400
Year-End Fund Balance	692,200	417,300
Attorney General Expendable Trust (AGA3102/A.R.S. § 35-149)		Non-Appropriated
Source of Revenue: Restricted donations and gifts from individuals and corporations.		
Purpose of Fund: For purposes specified by donors or grantors.		
Funds Expended	500	1,000
Year-End Fund Balance	3,700	2,700
CJEF Distribution to County Attorneys (AGA2068/A.R.S. § 41-2401)		Non-Appropriated
Source of Revenue: 9.35% of the Criminal Justice Enhancement Fund (CJEF) monies. CJEF consists of a 47% penalty assessment on fines, violations, forfeitures, and penalties imposed by the courts for criminal offenses and civil motor vehicle statute violations.		
Purpose of Fund: To enhance prosecutorial efforts of county attorneys.		
Funds Expended	3,235,100	3,235,000
Year-End Fund Balance	0	0
Collection Enforcement Revolving (AGA2132/A.R.S. § 41-191.03)		Appropriated
Source of Revenue: The fund receives 35% of monies recovered by the Attorney General from debts owed to the state.		
Purpose of Fund: For expenses related to debt collection owed to the state, including reimbursement of other accounts within the department.		
Funds Expended	1,996,700	2,101,300
Year-End Fund Balance	660,400	100,000
Colorado River Land Claims Revolving (AGA2430/A.R.S. § 41-191.05)		Non-Appropriated
Source of Revenue: Receives 25% of monies recovered by the state from the settlement of the state of Arizona's sovereign land claims.		
Purpose of Fund: To pay ownership claims near the Colorado River.		
Funds Expended	0	2,000
Year-End Fund Balance	10,100	8,100

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Consumer Fraud Revolving (AGA2014/A.R.S. § 44-1531.01)		Appropriated
Source of Revenue: Any monies recovered for the state from investigative or court costs, attorney fees or civil penalties pertaining to consumer protection or consumer fraud.		
Purpose of Fund: For consumer fraud education and for investigative and enforcement operations of the Consumer Protection Division, excluding attorney compensation.		
Funds Expended	1,054,800	1,763,800
Year-End Fund Balance	1,153,100	900,300
Court-Ordered Trust (AGA3180/A.R.S. § 35-142)		Non-Appropriated
Source of Revenue: Court-ordered deposits held in trust for parties to lawsuits.		
Purpose of Fund: To assure funds are available to pay judgements. Future payments are dependent on case settlements.		
Funds Expended	11,279,700	600,000
Year-End Fund Balance	1,294,500	1,294,500
Criminal Case Processing (AGA2461/A.R.S. § 41-2421)		Non-Appropriated
Source of Revenue: A portion of redirected court collections and 0.35% of the surcharge on criminal, motor vehicle, and game and fish statute violations.		
Purpose of Fund: For the processing of criminal cases.		
Other Funds Expended	8,200	47,600
Year-End Fund Balance	57,700	50,100
Federal (AGA2117/A.R.S. § 41-101.01)		Non-Appropriated
Source of Revenue: Federal grants for various purposes.		
Purpose of Fund: To be used in accordance with the terms of the individual grants, including drug enforcement, fraud and patient abuse (AHCCCS-related), civil rights enforcement, fair housing education and outreach, and hazardous waste.		
Funds Expended	7,556,500	7,016,900
Year-End Fund Balance	2,126,700	1,189,700
Interagency Service Agreements (AGA2157/A.R.S. § 41-192)		Appropriated
Source of Revenue: Any monies received by the Attorney General from charges to state agencies for legal services related to interagency service agreements.		
Purpose of Fund: To provide contracted legal services to state agencies and political subdivisions.		
Funds Expended	15,565,600	17,236,400
Year-End Fund Balance	552,700	0
Intergovernmental Agreements (AGA2500/A.R.S. § 35-142E)		Non-Appropriated
Source of Revenue: Any monies received from state agencies for specialized projects.		
Purpose of Fund: For costs associated with approved projects. Of the expenditure totals for FY 2002 and FY 2003, approximately \$409,000 represents monies collected related to a multi-state anti-trust case. The Arizona Attorney General collects each participating state's share of the expected costs of the case, and annually reimburses states for actual costs. Arizona's portion of the \$409,000 is approximately \$25,000 and is paid from the Anti-Trust Revolving Fund.		
Funds Expended	418,100	418,000
Year-End Fund Balance	264,100	181,100
Motor Carrier Safety Revolving (AGA2380/A.R.S. § 28-5203)		Non-Appropriated
Source of Revenue: A grant from the Arizona Department of Transportation.		
Purpose of Fund: To carry out the provisions of the chapter and enforce civil penalties. The fund is exempt from A.R.S. § 35-190, relating to the lapsing of appropriations.		
Funds Expended	3,900	10,000
Year-End Fund Balance	49,900	42,400

SUMMARY OF FUNDS	FY 2002 Actual	FY 2003 Estimate
Prosecuting Attorneys' Advisory Council Training (AGA2057/A.R.S. § 41-1830.03;41-2401)		Non-Appropriated
Source of Revenue: 3.03% of Criminal Justice Enhancement Fund monies.		
Purpose of Fund: For costs of training, technical assistance for prosecuting attorneys of the state and any political subdivision, and expenses for the operation of the council.		
Funds Expended	1,223,000	1,223,000
Year-End Fund Balance	1,017,200	844,200
Street Gang Enforcement Revolving (AGA1022/A.R.S. § 41-191.07)		Non-Appropriated
Source of Revenue: A grant from the Arizona Criminal Justice Commission.		
Purpose of Fund: For gang prevention programs, training prosecutors and law enforcement personnel in the area of street gang prosecution and enforcement, and investigating and prosecuting any offense that is concurrently charged or investigated with any offense relating to criminal street gangs.		
Funds Expended	131,500	174,300
Year-End Fund Balance	43,000	0
Victims' Rights (AGA3215/A.R.S. § 41-191.08)		Appropriated
Source of Revenue: 7.68% of monies collected by the Criminal Justice Enhancement Fund and an assessment on parents of juvenile offenders.		
Purpose of Fund: For states and local entities that provide victims' rights services and assistance.		
Other Funds Expended	3,680,100	3,879,000
Year-End Fund Balance	1,349,900	382,900
Victim Witness (AGA2228/A.R.S. § 41-2407)		Non-Appropriated
Source of Revenue: Grants from the Victim Compensation and Assistance Fund and the Victims of Crime Act Fund.		
Purpose of Fund: To assist crime victims and surviving family members who are involved in felony cases and appellate matters.		
Funds Expended	53,500	51,400
Year-End Fund Balance	0	0

[Click here to return to the Table of Contents](#)