

Attorney General: The Honorable Terry Goddard

JLBC Analyst: Brian Schmitz

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	642.5	665.5	665.5 ^{1/}
Personal Services	29,020,100	31,082,100	31,798,900
Employee Related Expenditures	6,245,500	7,757,600	8,008,100
Professional and Outside Services	434,200	490,400	977,100
Travel - In State	177,900	208,500	208,500
Travel - Out of State	64,700	60,900	60,900
Other Operating Expenditures	6,310,200	6,839,300	6,818,800
Equipment	367,200	0	558,500
OPERATING SUBTOTAL	42,619,800	46,438,800	48,430,800
SPECIAL LINE ITEMS			
Crane Lawsuit	0	500,000 ^{2/}	0
State Grand Jury	159,400	160,100	160,100 ^{3/}
Victims' Rights	2,850,600	3,185,000	3,199,300
Ch. 235, Military Airport Planning; Appropriation	0	0	100,000
AGENCY TOTAL	45,629,800	50,283,900	51,890,200^{4/5/}
FUND SOURCES			
General Fund	23,033,200	23,423,100	23,256,700
<u>Other Appropriated Funds</u>			
Antitrust Enforcement Revolving Fund	355,400	170,500	183,600 ^{6/}
Collection Enforcement Revolving Fund	1,977,000	3,769,500	4,070,800
Consumer Fraud Revolving Fund	1,432,100	1,855,500	2,906,500
Interagency Service Agreements Fund	15,981,500	17,880,300	18,273,300 ^{7/}
Victims' Rights Fund	2,850,600	3,185,000	3,199,300
SUBTOTAL - Other Appropriated Funds	22,596,600	26,860,800	28,633,500
SUBTOTAL - Appropriated Funds	45,629,800	50,283,900	51,890,200
Other Non-Appropriated Funds	10,245,900	8,659,200	8,659,200
Federal Funds	6,150,000	5,571,900	5,571,900
TOTAL - ALL SOURCES	62,025,700	64,515,000	66,121,300

^{1/} Includes 8.8 OF FTE Positions and 1.2 GF FTE Positions funded from Special Line Items in FY 2005.

^{2/} Laws 2003, 2nd Special Session, Chapter 4 appropriated \$500,000 in FY 2004 for Crane litigation expenses.

^{3/} 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)

^{4/} 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)

^{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 \$183,600 are appropriated. Expenditures from the fund may not exceed \$750,000 in FY 2005. Before the expenditure of any Antitrust Enforcement Revolving Fund receipts in excess of \$183,600 in FY 2005, 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)

^{7/} In addition to the \$18,273,300 appropriated from the Interagency Service Agreements Fund, an additional \$800,000 and 11 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)

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 2003	FY 2003	FY 2004	FY 2005
	Appropriation	Actual	Appropriation	Appropriation
• Solicitor General – Number of days to respond to a request for a legal opinion	70	72	40	60
• Civil Rights – % of cases resolved using voluntary settlement agreements	30	15.5	30	13.5
• % of death penalty and/or sentences affirmed by the Arizona Supreme Court	80	0	80	75
• % of agency staff turnover	16	27	14	14
• Administrative cost as % of total cost	7.6	7.0	7.0	6.6
• Customer satisfaction rating for client agencies (Scale 1-8)	6.0	7.1	7.1	7.1

Operating Budget

The budget provides \$48,430,800 for the operating budget in FY 2005. This amount consists of \$22,996,600 from the General Fund, \$183,600 from the Antitrust Enforcement Revolving Fund, \$4,070,800 from the Collection Enforcement Revolving Fund, \$2,906,500 from the Consumer Fraud Revolving Fund, and \$18,273,300 from the Interagency Service Agreements Fund. These amounts include an increase for statewide salary and other adjustments. *(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)*

Information Technology Projects

The budget includes a Consumer Fraud Revolving Fund increase of \$1,000,000 for information technology projects. These projects include enhancing the department’s computer network security, replacing the case management system, expanding the document management system, and converting to Microsoft Word. Of the \$1,000,000, \$279,700 represents a one-time expenditure.

Death Penalty Appeals

The budget includes a Collection Enforcement Revolving Fund increase of \$200,000 to enhance the agency’s ability to respond to death penalty appeals. This funding will provide money for the costs associated with the expert witness and investigative services needed to defend against inmates claiming mental retardation to avoid the death penalty. This is a one-time expenditure.

Lease Costs

The budget includes a General Fund decrease of \$(19,000), an Interagency Service Agreements Fund decrease of \$(1,200), and a Collection Enforcement Revolving Fund decrease of \$(300) for lease costs.

Special Line Items

Crane Lawsuit

The budget provides no funding for the Crane Lawsuit in FY 2005. This amount reflects a General Fund decrease of \$(500,000). One-time funding was provided for this item in FY 2004 by Laws 2003, 2nd Special Session, Chapter 4 to pay legal fees incurred by outside counsel in defending the state.

State Grand Jury

The budget provides \$160,100 from the General Fund in FY 2005 for the State Grand Jury. This amount is unchanged from FY 2004. This Special Line Item funds expenses incurred by the Attorney General to investigate and try matters that are under the jurisdiction of the State Grand Jury. The line item includes 1.2 General Fund FTE Positions.

Victims’ Rights

The budget provides \$3,199,300 from the Victims’ Rights Fund for Victims’ Rights in FY 2005. This amount includes an increase for statewide salary and other adjustments. This Special Line Item 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. The line item includes 8.8 Victims’ Rights Fund FTE Positions.

Ch. 235 Military Airport Planning; Appropriation

Laws 2004, Chapter 235 appropriates \$100,000 from the General Fund to the Attorney General’s Office in FY 2005 and each year thereafter. This legislation seeks to preserve the state’s military bases by appropriating monies to several state agencies and charging them with certain responsibilities. The appropriation to the Attorney General

is to pay for the department's duties under this act, including review of plans and determination of compliance with land use plans.

Additional Legislation

Criminal Justice; Budget Reconciliation

The Criminal Justice Budget Reconciliation Bill (Laws 2004, Chapter 281) includes a session law provision allowing the Attorney General to use Collection Enforcement Revolving Fund monies for operating expenses incurred by the department in FY 2005.

Other Issues

The following table displays the individual agency Interagency Service Agreements (ISA) expenditure amounts for FY 2004. Negotiations for the FY 2005 ISAs have not been finalized between the Office of the Attorney General and its client agencies. Therefore, actual expenditures for FY 2005 may vary.

Interagency Service Agreements with the Office of the Attorney General		
<u>Client Agency</u>	<u>FTE Positions</u>	<u>Expenditures</u>
Solicitor General's Office		
Clean Elections Commission	1.50	\$ 120,000
Arizona Medical Board	1.75	106,000
Secretary of State	<u>0.40</u>	<u>25,405</u>
Subtotal	3.65	\$ 251,405
Child and Family Protection Division		
Department of Economic Security	0.0	\$ 145,000
Civil Division		
Lottery Commission	1.50	\$ 129,720
Retirement System	3.00	311,310
Disease Control Research Commission	0.50	45,930
Department of Veteran's Services	0.45	44,490
Exposition and State Fair Board	1.00	93,944
Department of Gaming	2.00	145,670
Juvenile Corrections	0.50	35,000
Department of Housing	0.50	45,650
Department of Health Services – Behavioral Health	10.25	803,210
Department of Education	1.28	113,210
School Facilities Board	1.25	109,120
Parks Board, Arizona State	1.00	44,450
Land Department	3.00	241,620
Department of Revenue	1.33	127,340
Department of Transportation – Motor Vehicle	1.34	137,700
Department of Administration – Risk Management Operating	104.00	7,483,000
Department of Administration – Risk Management Case Related	0.00	115,000
Department of Administration – Employment	0.84	65,000
Department of Corrections	1.50	156,200
Arizona Medical Board	4.50	338,260
Cosmetology Board	0.75	83,112
Appraisal Board	0.80	66,562
Technical Registration Board	1.00	85,016
Accountancy Board	1.25	84,964
Osteopathic Examiners Board	0.50	21,032
Dental Examiners Board	0.80	84,080
Nursing Board	3.00	289,100
Accountancy Board – Accounting Enforcement Unit	4.13	297,100
Chiropractic Examiners Board	0.50	44,432
Registrar of Contractors	0.50	45,816
Pharmacy Board	0.50	43,820
Veterinary Medical Examining Board	0.25	24,316
Behavioral Health Examiners Board	0.50	47,936
Structural Pest Control Commission	0.00	600
Department of Public Safety – POST / ALEOAC	0.75	82,196

Interagency Service Agreements with the Office of the Attorney General		
<u>Client Agency</u>	<u>FTE Positions</u>	<u>Expenditures</u>
Department of Public Safety	3.00	182,190
Department of Transportation – Operating	26.20	2,196,800
Department of Transportation – Right-of-way	<u>5.00</u>	<u>342,600</u>
Subtotal	189.17	\$14,607,496
Civil Rights Division		
Mediation Training	0.23	9,000
DES – Division of Developmental Disabilities Mediation	0.04	1,600
DES – Rehabilitation Services Administration	0.25	10,000
Arizona Supreme Court Mediation Training	0.74	29,000
Other Non-State Mediation ISAs	<u>1.74</u>	<u>68,657</u>
Subtotal	3.00	\$ 118,257
Criminal Division		
Department of Revenue – Tax Enforcement	1.50	\$ 123,360
Department of Insurance	1.00	85,896
Department of Education – School Fraud Enforcement	1.00	83,440
Department of Corrections	<u>1.00</u>	<u>77,825</u>
Subtotal	4.50	\$ 370,521
Public Advocacy Division		
Department of Banking	1.00	\$ 98,420
Department of Real Estate	0.54	31,080
Department of Insurance	0.17	17,071
Department of Health Services – Tobacco Enforcement	3.50	250,000
Department of Agriculture	1.00	88,670
Department of Environmental Quality – Underground Storage Tanks	4.90	429,714
Department of Environmental Quality – Water Quality Assurance	10.00	906,170
Department of Environmental Quality – Air Quality	3.00	366,000
Department of Environmental Quality – Hazardous Waste	1.00	151,998
Department of Game and Fish	<u>0.00</u>	<u>6,700</u>
Subtotal	25.11	\$2,345,823
Contingency Amount	<u>5.00</u>	<u>370,000</u>
Total Budgeted Expenditures ^{1/}	230.43	\$18,208,502
^{1/} Does not total to the FY 2004 ISA appropriation		

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