

Attorney General - Department of Law

	FY 2019 ACTUAL	FY 2020 ESTIMATE	FY 2021 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	588.7	607.7	607.7 ^{1/}
Personal Services	29,270,500	31,366,500	32,106,200
Employee Related Expenditures	11,561,400	13,240,900	12,915,500
Professional and Outside Services	253,900	254,100	254,100
Travel - In State	176,300	218,700	218,700
Travel - Out of State	108,000	140,100	140,100
Other Operating Expenditures	6,891,400	10,150,700	10,080,300
Equipment	346,800	233,200	233,200
OPERATING SUBTOTAL	48,608,300	55,604,200	55,948,100 ^{2/3/}
SPECIAL LINE ITEMS			
Capital Postconviction Prosecution	735,800	802,700	824,800
Case Management System Upgrade	317,400	0	0
Child and Family Advocacy Centers	100,000	500,000	100,000 ^{4/}
Election Litigation Expenses	164,500	0	0
Federalism Unit	717,700	1,002,200	1,048,900
First Responder Personnel Mental Health Services	0	400,000	0
Government Accountability and Special Litigation	693,200	1,208,700	1,252,000
Human Trafficking Survivor Services	0	300,000	0
Internet Crimes Against Children Enforcement	548,400	1,250,000	1,250,000 ^{5/}
Military Airport Planning	79,700	85,000	88,100 ^{6/}
Multidisciplinary Young Persons Program	0	250,000	0
Peace Officer Equipment Grants	0	2,500,000	0
Peace Officer Memorial Fund Deposit	0	1,000,000	0
Risk Management Interagency Service Agreement	8,839,900	9,590,000	9,927,300
Southern Arizona Law Enforcement	1,175,300	1,525,100	1,571,300
State Grand Jury	174,900	181,100	185,200
Tobacco Enforcement	238,000	821,600	834,200
Victims' Rights	2,469,900	3,767,700	3,783,300
Voter Fraud Unit	0	530,000	530,000
AGENCY TOTAL	64,863,000	81,318,300	77,343,200 ^{7/}
FUND SOURCES			
General Fund	25,065,800	26,082,400	25,411,000
<u>Other Appropriated Funds</u>			
Antitrust Enforcement Revolving Fund	111,800	148,600	152,500
Attorney General Legal Services Cost Allocation Fund	1,686,600	2,105,000	2,166,600
Collection Enforcement Revolving Fund	6,578,100	6,914,700	7,132,700
Consumer Protection - Consumer Fraud Revolving Fund	4,621,300	15,364,400	10,889,300
Consumer Remediation Subaccount of the Consumer Restitution and Remediation Revolving Fund	317,400	0	0
Interagency Service Agreements Fund	14,459,400	16,445,500	16,980,500 ^{8/}
Internet Crimes Against Children Enforcement Fund	548,300	900,000	900,000
Risk Management Revolving Fund	9,004,400	9,590,000	9,927,300
Victims' Rights Fund	2,469,900	3,767,700	3,783,300
SUBTOTAL - Other Appropriated Funds	39,797,200	55,235,900	51,932,200
SUBTOTAL - Appropriated Funds	64,863,000	81,318,300	77,343,200
Other Non-Appropriated Funds	66,615,700	64,795,500	64,795,500
Federal Funds	6,161,400	7,392,800	7,392,800
TOTAL - ALL SOURCES	137,640,100	153,506,600	149,531,500

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.

FOOTNOTES

- 1/ Includes 22.2 GF and 129 OF FTE Positions funded from Special Line Items in FY 2021.
- 2/ The sum of \$950,000 in FY 2021, the sum of \$2,350,000 in FY 2022 and the sum of \$2,350,000 in FY 2023 are appropriated from the Consumer Protection-Consumer Fraud Revolving Fund established by A.R.S. § 44-1531.01 to the Attorney General for operating expenses of the Criminal Division. (FY 2020 General Appropriation Act footnote)
- 3/ Within ten days after receiving a complaint alleging a violation of section 15-511, Arizona Revised Statutes, the attorney general shall forward a copy of the complaint to the governor, the president of the senate and the speaker of the house of representatives. (General Appropriation Act footnote)
- 4/ The amount appropriated for the child and family advocacy centers line item is allocated to the child and family advocacy center fund established by section 41-191.11, Arizona Revised Statutes. (General Appropriation Act footnote)
- 5/ The \$900,000 appropriation from the internet crimes against children enforcement fund established by section 41-199, Arizona Revised Statutes, and the \$350,000 appropriation from the state general fund for the internet crimes against children enforcement line item are continuing appropriations and are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, through June 30, 2022. (General Appropriation Act footnote)
- 6/ A.R.S. § 26-263 annually appropriates \$85,000 from the General Fund for Military Airport Planning. Because this appropriation is in permanent statute, it is not included in the General Appropriation Act.
- 7/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.
- 8/ All monies appropriated to the attorney general legal services line item in the department of child safety budget do not count toward the attorney general's interagency service agreements fund appropriation in fiscal year 2020-2021. (General Appropriation Act footnote)

Operating Budget

The budget includes \$55,948,100 and 456.5 FTE Positions in FY 2021 for the operating budget. These amounts consist of:

	<u>FY 2021</u>
General Fund	\$22,522,300
Antitrust Enforcement Revolving Fund	152,500
Attorney General Legal Services Cost Allocation Fund (LSCAF)	2,166,600
Collection Enforcement Revolving Fund (CERF)	7,132,700
Consumer Protection - Consumer Fraud (CPCF) Revolving Fund	6,993,500
Interagency Service Agreements (ISA) Fund	16,980,500

FY 2021 adjustments are as follows:

Criminal Division Resources

The budget includes a decrease of \$(1,400,000) in FY 2021 for additional Criminal Division resources. This amount consists of:

General Fund	(1,500,000)
CPCF Revolving Fund	100,000

An FY 2020 General Appropriation Act footnote appropriates \$950,000 in FY 2021, \$2,350,000 in FY 2022,

Table 1

Additional Criminal Division Resources

	19 CJ BRB Consumer Remediation	20 GAA CPCF ^{1/}	Total
	<u>19 BRB GF</u>		
FY 2018	\$1,500,000		\$1,500,000
FY 2019	1,500,000		1,500,000
FY 2020	1,500,000	\$850,000	2,350,000
FY 2021		\$1,400,000 950,000	2,350,000
FY 2022		2,350,000	2,350,000
FY 2023		2,350,000	2,350,000

1/ FY 2020 includes an additional \$476,000 to shift SAWCCE FTE Positions from ARRF.

and \$2,350,000 in FY 2023 from the CPCF Revolving Fund for Criminal Division resources. This funding will not appear in the FY 2021 General Appropriation Act.

Currently, a portion of the Criminal Division within the AG's Office is funded through ARRF, which receives revenues from civil asset forfeiture and Racketeer Influenced and Corrupt Organizations (RICO) Act monies. These monies are derived from cash and assets that are seized from individuals that are believed to have engaged in a wide array of illicit activities. Due to declining and uncertain revenues from these sources, the additional

funds are to support agency efforts to move FTE Positions within the Criminal Division to more stable funding.

Additionally, the FY 2019 Criminal Justice Budget Reconciliation Bill (BRB) authorized the AG to use \$1,400,000 from the Consumer Remediation Subaccount of the Consumer Restitution and Remediation Revolving Fund in FY 2021 to offset operating expenses that would otherwise be paid from RICO funds. The Consumer Remediation Subaccount is a statutorily non-appropriated fund which receives monies from legal settlements. The AG is typically required to submit an expenditure plan to the Joint Legislative Budget Committee for review prior to expending monies from the fund. This review requirement will not apply to the \$1,400,000 in FY 2021 operating resources.

In total, the Attorney General will have received \$1,500,000 in each of FY 2018 and FY 2019 for its Criminal Division. The agency will also receive a total of \$2,350,000 in each of FY 2020, FY 2021, FY 2022, and FY 2023 for these purposes. *(Please see Table 1 for more details.)*

Statewide Adjustments

The budget includes an increase of \$1,743,900 in FY 2021 for statewide adjustments. This amount consists of:

General Fund	750,000
Antitrust Enforcement Revolving Fund	3,900
Attorney General Legal Services Cost Allocation Fund (LSCAF)	61,600
Collection Enforcement Revolving Fund (CERF)	218,000
Consumer Protection - Consumer Fraud (CPCF) Revolving Fund	175,400
Interagency Service Agreements (ISA) Fund	535,000

(Please see the Agency Detail and Allocations section.)

Capital Postconviction Prosecution

The budget includes \$824,800 and 6 FTE Positions from the General Fund in FY 2021 for Capital Postconviction Prosecution. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$22,100 from the General Fund in FY 2021 for statewide adjustments.

This line item funds costs associated with prosecuting capital cases after the initial conviction.

Child and Family Advocacy Centers

The budget includes \$100,000 from the General Fund in FY 2021 for the Child and Family Advocacy Centers line item. FY 2021 adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(400,000) from the CPCF Revolving Fund in FY 2021 to remove an additional one-time distribution to child and family advocacy centers.

These monies are deposited into the Child and Family Advocacy Centers Fund. Monies in the fund are for distribution to child and family advocacy centers. Child and family advocacy centers provide victim advocacy, case management, and counseling services to primary and secondary victims of child abuse, domestic violence, sexual assault, elder abuse and homicide.

Pursuant to statute, at least 90.25% of fund monies are allocated to grants to child and family advocacy centers and 4.75% to statewide child and family advocacy center organizations; no more than 5% of the fund may be retained by the AG for administrative costs. To be eligible for funds, a child and family advocacy center must certify to the AG's Office that it meets certain statutory criteria relating to its ability to provide victim services.

Federalism Unit

The budget includes \$1,048,900 and 7 FTE Positions from the CPCF Revolving Fund in FY 2021 for the Federalism Unit. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$46,700 from the CPCF Revolving Fund in FY 2021 for statewide adjustments.

This line item provides funding for the Attorney General to defend the state in cases related to federal issues. Some of these legal expenses had previously been borne by the Governor's Office.

First Responder Personnel Mental Health Services

The budget includes no funding in FY 2021 for the First Responder Mental Health Services line item. FY 2021 adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(400,000) from the CPCF Revolving Fund in FY 2021 to remove one-time

funding for mental health services for first responders and first responder professionals.

Monies in this line item are distributed to organizations that provide resources and training for first responders and first responder professionals who are experiencing the effects of stress from traumatic incidents suffered in the line of duty.

Government Accountability and Special Litigation

The budget includes \$1,252,000 and 10 FTE Positions from the CPCF Revolving Fund in FY 2021 for the Government Accountability and Special Litigation (GASL) line item. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$43,300 from the CPCF Revolving Fund in FY 2021 for statewide adjustments.

A.R.S. § 41-194.01 requires that, at the request of a member of the Legislature, the AG investigate local government ordinances that potentially violate state law. The statute also requires the AG to make a written report of its findings within 30 days of receiving the request. If the local ordinance is found to violate state law, the local governing body has 30 days to resolve the violation. After 30 days, the State Treasurer is instructed to withhold state shared monies from the locality.

Human Trafficking Survivor Services

The budget includes no funding in FY 2021 for the Human Trafficking Survivor Services line item. FY 2021 adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(300,000) from the CPCF Revolving Fund in FY 2021 to remove one-time funding for services for human trafficking survivors.

Monies in this line item are distributed to organizations that provide resources and services to survivors of human trafficking.

Internet Crimes Against Children Enforcement

The budget includes \$1,250,000 in FY 2021 for the Internet Crimes Against Children (ICAC) Enforcement line item. This amount consists of:

General Fund	350,000
ICAC Enforcement Fund	900,000

These amounts are unchanged from FY 2020.

A.R.S. § 41-199 requires the Attorney General to enter into 1 or more intergovernmental agreements to operate the Arizona Internet Crimes Against Children Task Force (AZICAC), led by the Phoenix Police Department. AZICAC is a joint federal/local law enforcement task force that investigates child pornography.

A General Appropriation Act footnote would make the FY 2021 amount non-lapsing until the end of FY 2022.

Military Airport Planning

The budget includes \$88,100 and 1 FTE Position from the General Fund in FY 2021 for Military Airport Planning. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$3,100 from the General Fund in FY 2021 for statewide adjustments.

A.R.S. § 26-263 appropriates \$85,000 annually from the General Fund to the Attorney General’s Office. Therefore, funding for this line item does not appear in the General Appropriation Act. The legislation sought to preserve the state’s military bases by appropriating monies to several state agencies and charging them with certain responsibilities. Monies in this line item pay for the department’s duties under the original 2004 legislation, including review and determination of compliance with land use plans.

Multidisciplinary Young Persons Program

The budget includes no funding in FY 2021 for a multidisciplinary young persons program. FY 2021 adjustments are as follows:

Remove One-Time Funding

The budget includes a decrease of \$(250,000) from the CPCF Revolving Fund in FY 2021 to remove a one-time distribution to a multidisciplinary young persons program.

Monies in this line item are distributed to an organization that uses a multidisciplinary program to assist young persons within their environments. To be eligible, the program must connect each participating child to at least 5 adults who teach, model, and provide research-based support to the child.

Peace Officer Equipment Grants

The budget includes no funding for Peace Officer Equipment Grants in FY 2021. FY 2021 adjustments are as follows:

Remove Peace Officer Equipment Grants Funding

The budget includes a decrease of \$(2,500,000) from the CPCF Revolving Fund in FY 2021 to remove a one-time distribution for peace officer equipment grants.

Monies in this line item are to be used to provide grants to local and community police departments for the purchase of new equipment. An FY 2020 General Appropriation Act footnote requires the agency to report on distributions from the line item to JLBC Staff and others by March 1, 2020.

Peace Officer Memorial Fund Deposit

The budget includes no funding in FY 2021 for a Peace Officer Memorial Fund deposit. FY 2021 adjustments are as follows:

One-Time Peace Officer Memorial Fund Deposit

The budget includes a decrease of \$(1,000,000) from the CPCF Revolving Fund in FY 2021 to remove a one-time deposit into the Peace Officer Memorial Fund.

Monies in this line item are to be deposited into the Peace Officer Memorial Fund. This fund is used to maintain and update the Peace Officer Memorial in Wesley Bolin Memorial Plaza. Monies in the fund may also be used to pay education expenses for family members of fallen officers. An FY 2020 General Appropriation Act footnote requires the agency to submit an expenditure plan for review by JLBC prior to expending monies in the line item.

Risk Management Interagency Service Agreement

The budget includes \$9,927,300 and 93 FTE Positions from the Risk Management Revolving Fund in FY 2021 for the Risk Management Interagency Service Agreement. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$337,300 from the Risk Management Revolving Fund in FY 2021 for statewide adjustments.

This line item provides funding for the Attorney General's contract with the Risk Management Division of the Arizona Department of Administration. Attorneys from

the Attorney General's Office defend the state in most risk management cases regarding agency liability.

Southern Arizona Law Enforcement

The budget includes \$1,571,300 and 16 FTE Positions in FY 2021 for Southern Arizona Law Enforcement. These amounts consist of:

General Fund	1,252,300
CPCF Revolving Fund	319,000

FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$46,200 from the General Fund in FY 2021 for statewide adjustments.

This line item provides funding for the Criminal Division's investigations and prosecutions of fraud, corruption, criminal enterprise, drug trafficking, and money laundering cases in Southern Arizona.

State Grand Jury

The budget includes \$185,200 and 1.6 FTE Positions from the General Fund in FY 2021 for the State Grand Jury. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$4,100 from the General Fund in FY 2021 for statewide adjustments.

This line item funds expenses incurred by the Attorney General to investigate and try matters that are under the jurisdiction of the State Grand Jury.

Tobacco Enforcement

The budget includes \$834,200 and 6.6 FTE Positions in FY 2021 for Tobacco Enforcement. These amounts consist of:

General Fund	88,300
CPCF Revolving Fund	745,900

FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$12,600 in FY 2021 for statewide adjustments. This amount consists of:

General Fund	3,100
CPCF Revolving Fund	9,500

This line item funds the Attorney General’s enforcement of the Master Settlement Agreement (MSA). The MSA is a settlement reached by major tobacco companies and 46 states in 1998 that requires these companies to compensate states annually for Medicaid costs associated with tobacco use. In exchange for annual payments from the tobacco companies, states agree to diligently enforce tobacco tax laws.

In addition to the monies provided in this line item, the budget continues to require AHCCCS to transfer up to \$1,200,000 to the Attorney General for MSA enforcement. As a result, the budget includes a total of up to \$2,021,600 for the Attorney General to enforce the MSA in FY 2021.

Victims’ Rights

The budget includes \$3,783,300 and 6 FTE Positions from the Victims’ Rights Fund in FY 2021 for Victims’ Rights. FY 2021 adjustments are as follows:

Statewide Adjustments

The budget includes an increase of \$15,600 from the Victims' Rights Fund in FY 2021 for statewide adjustments.

This 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 is funded by a \$9 penalty on civil and criminal violations.

Voter Fraud Unit

The budget includes \$530,000 and 4 FTE Positions from the CPCF Revolving Fund in FY 2021 for the Voter Fraud Unit. These amounts are unchanged from FY 2020.

This line item provides funding for the development of a public complaint process for allegations of voter fraud and for the investigation of those allegations by the Attorney General's office.

Other Issues

Attorney General Legal Services Cost Allocation Fund

A.R.S. § 41-191.09 requires agencies to pay annually a flat fee to the Attorney General for general legal counsel as specified by the General Appropriation Act each year. See *Table 2* for a list of agencies and their corresponding FY

Table 2
FY 2021 Attorney General Legal Services Charges

Agency	Charge
Arizona Department of Administration	\$ 127,700
Office of Administrative Hearings	3,000
Commission on the Arts	3,100
Automobile Theft Authority ^{1/}	1,400
Citizens Clean Elections Commission	2,700
State Department of Corrections	2,000
Arizona Criminal Justice Commission	8,700
Arizona Schools for the Deaf and the Blind	100,200
Commission for the Deaf and the Hard of Hearing	4,100
Early Childhood Development and Health Board	47,100
Department of Education	132,000
Department of Emergency and Military Affairs	30,000
Department of Environmental Quality	135,600
Exposition and State Fair Board	20,900
Arizona Department of Forestry and Fire Management	13,400
Department of Gaming	37,300
Department of Health Services	173,800
Arizona Historical Society	700
Department of Housing	19,300
Department of Insurance and Financial Institutions ^{1/}	12,400
Department of Juvenile Corrections	9,400
State Land Department	2,100
Department of Liquor, Licenses and Control	11,400
Arizona State Lottery Commission	24,800
Arizona State Parks Board	45,800
State Personnel Board	600
Arizona Pioneers’ Home	12,100
Commission on Postsecondary Education	1,800
Department of Public Safety	677,400
Arizona State Retirement System	69,100
Department of Revenue	4,900
Secretary of State	1,800
State Treasurer	9,200
Department of Veterans’ Services	52,700
Total Legal Services Charges	\$ 1,798,500

^{1/} The Automobile Theft Authority is part of the Department of Insurance and Financial Institutions.

2021 Attorney General Legal Services charge. These amounts are unchanged from FY 2020.

(Please see the FY 2015 Appropriations Report for a more detailed history on legal services charges, and the FY 2018 Appropriations Report for changes that occurred after FY 2015.)