



30th Alaska State Legislature  
House Finance Budget Subcommittee  
Department of Law  
FY18 Operating Budget

**DEPARTMENT OF LAW  
FY2018 HOUSE FINANCE BUDGET SUBCOMMITTEE  
NARRATIVE REPORT  
February 24, 2017**

---

**SUBCOMMITTEE MEETINGS:**

The House Finance Budget Subcommittee for the Department of Law held seven meetings with the Department, during the review of the FY2018 budget request. Three of the meetings focused on public testimony, discussion of amendments, and closing out the subcommittee.

**RECOMMENDATIONS:**

The Chair of the House Finance Budget Subcommittee for the Department of Law submits a recommended operating budget for FY2018 to the House Finance Committee as follows:

<b>Fund Source:</b> (dollars are in thousands)	
Unrestricted General Funds (UGF)	\$49,140.4
Designated General Funds (DGF)	\$2,867.0
Other Funds	\$31,607.0
Federal Funds	\$1,489.4
<b>Total</b>	<b>\$85,103.8</b>

The Unrestricted General Fund (UGF) difference from the FY2015 Management Plan to the FY2018 House Subcommittee budget recommendation is a reduction of \$10,134.9, a 17.1% decrease.

From the FY2017 Management Plan, the Subcommittee recommendation reflects a total increase in Unrestricted General Funds of \$264.1, a 0.5% percent increase.

**Positions:**

Permanent Full-time	504
Permanent Part-time	0
Temporary	0
<b>Total</b>	<b>504</b>

**Budget Amendments:**

The following budget amendments are submitted by the Subcommittee Chair to the House Finance Committee for consideration:

- 1) Eliminate a technical error in the original Governor’s operating budget bill in the Civil Division, Department of Natural Resources, <\$1465.2> 1004 UGF. The carryforward transaction into FY17 for Outside Counsel and North Pole Remedial Action was submitted by OMB as a Section 1 transaction in error. Legislative Finance added the transaction to match the Governor’s bill, but **RECOMMENDS: DO NOT ACCEPT**. Legislative Finance already added a Language Section transaction to correctly reflect the carryforward. This amendment passed with no objection.
- 2) Add \$225.0 1004 UGF and 1 PFT Attorney II to Civil Division, Environmental Law. This position will help the Department pursue recoveries in existing cases that could potentially generate significant revenue for the state. This amendment passed 5-3.

**Statutory Change Proposals:**

The following statutory change recommendation is also submitted to the House Finance Committee for consideration:

For Consideration by House Judiciary Committee:

- 1) **Work over interim to do a comprehensive reform of Child Protection statutes.** Particular areas of focus include, but are not limited to the following:
  - looking to streamline existing statute
  - looking into combining the adjudication and disposition hearings in Child In Need of Aid (CINA) proceedings
  - allowing a no-contest plea for parents, and
  - creating settlement judges who focus solely on CINA cases

**OTHER INFORMATION:**

The Subcommittee discussed a variety of issues during the meetings. Those not put forward in this report for consideration by the House Finance Committee include, but are not limited to:

- 1) There was strong support for increasing the number of prosecutors in response to Department testimony that they have had to increase the number of crimes that they are declining to prosecute. Amendments were put forth that would have increased the Department’s budget by about \$480.3 in order to hire two prosecutors in Anchorage

and one in Bethel. The Subcommittee agreed it would be desirable to find money to pay for these prosecutors in another department. It was agreed that this recommendation would be forwarded to the full Finance Committee where it is more appropriate to look at multiple departments simultaneously.

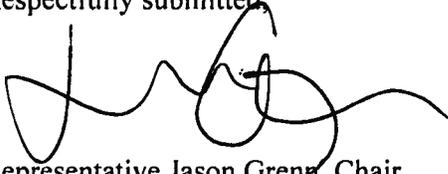
- 2) The Subcommittee examined a list of potential recoveries the Department could make for the state, that the Department was currently not pursuing due to limited resources. While there was support in the Subcommittee for adding funding for a position to the Environmental Law section, some members of the Subcommittee expressed dismay that the Department was not hiring counsel on a contingent basis to pursue these recoveries if they themselves did not have the resources. While this was not put forward as a formal proposal for legislation, this could be something that the Subcommittee looks at in more detail next year.
- 3) Amendments were put forth and withdrawn that highlighted the fact that the Department had requested significantly more in their travel budget than they had used in the past two years. The Department testified that they both need flexibility to move money between allocations and line items, and that they had expended almost all of their appropriation in the last two years. The Department testified that reducing the travel line item down to the actual spend in recent years would ultimately mean reduced funds for items such as prosecutors. The Subcommittee expressed a desire that the Department do a better job of identifying where funds are being spent in future years, for the purposes of transparency.
- 4) Two amendments were put forth that were ruled out of order prior to public testimony. These amendments would have removed a total of \$2,500.0 from the services line in Civil Division Natural Resources section and Civil Division Regulatory Affairs section. Concerns were raised by the sponsor of these amendments that these amendments were not heard in subcommittee. They are being included in this document should the full Finance Committee wish to examine these items more closely.

**ATTACHED LEGISLATIVE FINANCE REPORTS:**

The House Finance Budget Subcommittee for the Department of Law adopts the attached reports:

- Allocation Summary Report (All Funds) – Between FY2018 Governor and House Subcommittee (HSub)
- Transaction Detail Report – House Structure (HSub Amends)

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. Grenn', written over a horizontal line.

Representative Jason Grenn, Chair  
House Finance Budget Subcommittee for the Department of Law