



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

## Department of Law

OFFICE OF THE ATTORNEY GENERAL

1031 West Fourth Avenue, Suite 200  
Anchorage, Alaska 99501  
Main: 907.269.5100  
Fax: 907.269.5110

January 21, 2020

Representative Andy Josephson, Chair  
House Finance Sub-committee, Law  
State Capitol, Room 502  
Juneau, AK 99801

Dear Representative Josephson,

Thank you for your December 18, 2019, letter. The Department of Law represents the State of Alaska in litigation matters, both as a plaintiff when the State is pursuing claims against individuals or businesses, and as a defendant when individuals or businesses bring claims against the State. The Department also represents the State in constitutional litigation matters that do not generate revenue but nonetheless relate to important policy issues. The Department's goal is to protect and advance the State's interests, maximize the State's positive recoveries, and minimize the State's liability payouts, all for a reasonable cost commensurate with the magnitude and importance of the matters at issue.

The Department does an excellent job in advancing and protecting the State's interests, generating substantial revenue for the State, and minimizing the State's liability payouts. For example:

- The Department's oil and gas section represented the state in confidential tax and royalty litigation settlements between 2017-2019 that netted over \$300 million of revenue for the State;
- Since July 1, 2019, the Department recovered over \$3 million in consumer protection settlements for the State;
- In tort liability cases brought against the state:
  - 49% of all cases between 2017-2019 were dismissed either via motion practice or a no-cost walkaway settlement.
  - The Department eliminated over \$58 million in liability demands against the State. The total amount of damages *claimed* by plaintiffs in tort cases resolved between 2017-2019 was \$76,108,976.80. However, the total amount of settlement/verdicts that plaintiffs obtained from the State between 2017-2019 was only \$17,269,310.00.

- The above numbers reflect that the Department settled tort cases against the State for 78% less than what was sought by plaintiffs between 2017-2019.
- The total amount of attorney's fees and costs awarded to the State as the prevailing party between 2017-2019 was \$124,991.29.
- Plaintiffs in two employment cases demanded a total of \$995,000 plus legal fees, and the Department resolved both cases for less than \$171,000 – this represents 17% of the plaintiffs' demands.

In response to your letter we provide to you the attached spreadsheet listing relevant information regarding the cases you inquired about, including:

- Attorney time
- Para-professional time
- Total internal and external costs
- Case status
- Outside counsel information

Also attached are the outside counsel contracts relevant to the cases. Collectively, the amount of money spent on the cases represents 1% of the Civil Division's FY20 budget.

Please let us know if you have any additional questions.

Sincerely,



Kevin G. Clarkson  
Attorney General, State of Alaska

*Enclosures:*

*LAW Civil Division Litigation Time, Fees and Costs for CY2019*

*Contract for Clapp, Peterson, Tiemessen, Thorsness, & Johnson, LLC*

*Contract for Lane Powell, LLC*