

Department of Law
FY22 - Summary of Significant Budget Issues
(\$ thousands)

Item	Appropriation / Allocation	Description	Governor Request	Amount Enacted	Comment
1	Criminal Division / Various	Establish Memoranda of Agreement with Local Governments to Support Misdemeanor Prosecutions	Net Zero (\$1,290.1) Gen Fund (UGF) \$1,290.1 Stat Desig (Other)	n/a	The legislature denied a request for Statutory Designated Program Receipt (SDPR) authority that would have replaced UGF funding and authorized the agency to establish Memorandum of Agreement (MOA) contracts with local governments to charge the communities for misdemeanor prosecution services based on 'average yearly misdemeanor prosecution volumes'. The Municipality of Anchorage and City and Borough of Juneau were excluded from the proposal, as both local governments provide the majority of their own misdemeanor prosecutions. Criminal Division Total: \$1,290.1 SDPR / (\$1,290.1 UGF) First Judicial District: \$311.3 SDPR / (\$311.3 UGF) Second Judicial District: \$191.6 SDPR / (\$191.6 UGF) Third Judicial District, Outside Anchorage: \$354.6 SDPR / (\$354.6 UGF) Fourth Judicial District: \$432.6 SDPR / (\$432.6 UGF) Fiscal Analyst Comment: SDPR authority is used to fund an extraordinary level of service that would not occur if the receipts were not provided through a contract initiated by an external (non-State) party. This means that without the funding, the agency will not perform the service. Furthermore, SDPR contracts may only reimburse direct costs incurred by the agency to perform that service, and any unspent funds may be returned to the external party in accordance with specific terms and timeline described in the MOA.
2	Criminal Division / Various	Add 75% Funding for 10 Attorneys and 9 Support Staff to Address Sexual Assault and Sexual Abuse of Minor Cases	\$3,000.0 Gen Fund (UGF) 19 PFT Positions	\$2,250.2 Gen Fund (UGF) 19 PFT Positions	Alaska has the highest rate of sexual assault in the United States; four times the national average. The Department reports that there are currently 1,020 sexual assault and sexual abuse of minor cases pending trial, and prosecutors manage an average of 68 cases. This added capacity is anticipated to reduce the average caseload to 40 cases per prosecutor, and the agency hopes that it will alleviate employee burnout in addition to enhancing the State's ability to manage these cases without displacing other types of prosecutions. Positions and funding are added in the following locations at 75% funding, to account for the time required to recruit and hire the positions: First Judicial District: \$236.3 and 2 PFTs

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2	Criminal Division / Various	Add 75% Funding for 10 Attorneys and 9 Support Staff to Address Sexual Assault and Sexual Abuse of Minor Cases	\$3,000.0 Gen Fund (UGF) 19 PFT Positions	\$2,250.2 Gen Fund (UGF) 19 PFT Positions	(continued) Attorney IV and Paralegal II in Juneau Second Judicial District: \$363.8 and 3 PFTs Attorney IV, Paralegal II, and Law Office Assistant I in Nome Third Judicial District, Anchorage: \$420.0 and 4 PFTs Two Attorney IVs, Paralegal II, and Law Office Assistant I Third Judicial District, Outside Anchorage: \$357.8 and 3 PFTs Attorney IV and Paralegal in Palmer, and Attorney IV in Kenai Fourth Judicial District: \$444.0 and 3 PFTs Attorney IV and Paralegal II in Bethel, and Attorney IV in Fairbanks Criminal Appeals/Special Litigation: \$428.3 and 4 PFTs Two Attorney IVs, Paralegal II, and Law Office Assistant I in Anchorage Fiscal Analyst Comment: These added positions should be revisited in the FY23 budget process to determine whether they have been filled, and if so, the legislature may consider adding the remaining 25% of the costs to fully-fund the positions. The legislature recognized that increasing the capacity of criminal prosecutions at the Department of Law will have impacts to all other areas of the criminal justice system, and added the following intent language for the Criminal Division appropriation: It is the intent of the legislature that the Office of Management and Budget provide to the Legislative Finance Division and Finance Committee Co-Chairs, not later than December 1, 2021, a report detailing the impact of added prosecutorial capacity to the workload and budgetary needs of other State agencies, and that any future requests for increased appropriations for criminal prosecutors be accompanied by budgetary documentation that captures not just the costs to the Department of Law, but also to the Judiciary, Department of Corrections, Department of Public Safety, Department of Administration, and other impacted agencies.

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3	Civil Division Except Contracts Relating to Interpretation of Janus v AFSCME / Deputy Attorney General's Office	Outside Counsel and Expertise to Support Statehood Defense (FY21- FY25)	Total: \$4,000.0 \$1,447.3 Invest Loss (UGF) \$2,552.7 AHFC Div (UGF) MultiYr	\$4,000.0 Gen Fund (UGF) MultiYr	The legislature modified the Governor's request for funding to engage in legal services "related to the defense of Alaska's rights provided at statehood to develop and protect the state's natural resources, and to manage its fish and wildlife resources." These funds can be spent as an FY21 supplemental, and used through FY25 for the agency's own attorneys and staff, as well as outside legal counsel, retained experts, and consultants. The Governor had originally submitted the request with \$1.4 million of Investment Loss Trust fund authorization, and \$2.6 million of Alaska Housing Finance Corporation dividend funding. The legislature modified the fund source to UGF to avoid over-appropriating the Governor's proposed fund sources.
4	Civil Division Except Contracts Relating to Interpretation of Janus v AFSCME / Deputy Attorney General's Office	Maintain Civil Division (Excludes Janus) Structure	n/a	n/a	The legislature denied the Governor's request to change of the name of the Civil Division (Excludes Janus) back to the Civil Division, and provided funding for litigation related to the Janus decision in a separate appropriation titled Janus v AFSCME Legal Contracts. Items 4, 5, and 8 are related. Fiscal Analyst Comment: In FY21 the legislature changed the name of the Civil Division to 'Civil Division Except Contracts Relating to Interpretation of Janus v AFSCME' to restrict the agency from using that appropriation to expend funds on civil litigation related to Janus v. American Federation of State, County, and Municipal Employees (AFSCME). To further that point, the legislature also established a separate appropriation titled 'Janus v AFSCME Legal Contracts' and provided \$20.0 UGF in order to stand up the appropriation and limit spending. The Governor vetoed the \$20.0 UGF which removed the appropriation from the budget structure. The agency continued to expend funds out of the Civil Division (Excludes Janus) for contracts related to the interpretation of the Janus v AFSCME decision.

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5	Civil Division Except Contracts Relating to Interpretation of Janus v AFSCME / Labor and State Affairs	Eliminate Funding Not Required to Maintain Agency's Core Operations	n/a	(\$200.0) Gen Fund (UGF)	This decrement is approximate to the amount that the agency spent on contracts related to the interpretation of Janus v. AFSCME in FY21. The legislature enacted structure changes in FY21 to restrict the amount of funding that was expended for this purpose. Items 4, 5, and 8 are related.
6	Civil Division Except Contracts Relating to Interpretation of Janus v AFSCME / Special Litigation	Add Funding to Protect Constitutional Right to Bear Arms	n/a	\$200.0 Gen Fund (UGF)	Funding was added to the base budget for the Department of Law to fight any potential federal restrictions related to the Second Amendment to the United States Constitution, which states that "A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms shall not be infringed."
7	Administration and Support / Office of the Attorney General	Eliminate Vacant Chief of Staff Position and Interagency Receipt Authority	n/a	(\$266.6) I/A Repts (Other) (1) PFT Position	The agency reclassified a position in the FY20 Management Plan to Chief of Staff, and the position later became vacant in February, 2021. The position was created using Interagency (I/A) Receipt Authority which the agency can add outside of the appropriation process, and which allowed the Office of the Attorney General to draw various fund sources from both the civil and criminal divisions to fund that position, with the rationale that the position provides indirect administrative services to the rest of the agency. The elimination of this vacant position and receipt authority does not represent a decrease in the agency's budget, and fund sources that were used to satisfy the I/A during the period in which this position was filled may continue to be used within their respective divisions.
8	Legal Contracts Relating to Interpretation of Janus v AFSCME Decision / Legal Contracts Janus v AFSCME Decision	Restore Appropriation for Legal Contracts Related to Janus v AFSCME	n/a	n/a	The legislature restored the Janus v. AFSCME Legal Contracts appropriation with \$20.0 UGF, but the Governor vetoed all funding, thereby eliminating the appropriation. In FY21 the name of the Civil Division was changed to exclude expenditures related to the Janus litigation, and a separate appropriation titled Contracts Related to the Interpretation of Janus v. AFSCME was established with \$20.0 for this purpose. The Governor vetoed the funding in FY21 as well, and the agency continued to expend funds from the Civil Division (Excludes Janus) for these contracts.

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8	Legal Contracts Relating to Interpretation of Janus v AFSCME Decision / Legal Contracts Janus v AFSCME Decision	Restore Appropriation for Legal Contracts Related to Janus v AFSCME	n/a	n/a	(continued) Items 4, 5 and 8 are related.
9	Various	SB 55, Ch. 9, SLA 2021 Employer Contributions to PERS	\$3,442.1 Gen Fund (UGF)	\$3,442.1 Gen Fund (UGF)	SB 55 removes the 22% cap on payroll contributions to the Public Employee Retirement System (PERS) for the State of Alaska as a PERS employer. The budgetary impact of this legislation is reflected as a shift from the direct appropriation to PERS (which is typically funded with UGF) to agency payroll, where the cost can be spread across all fund sources. This shift results in a UGF increase to Agency Operations of \$72,871.7, and a UGF decrease to Statewide Items of \$95,794.5, for a net statewide UGF savings of \$22,922.8. Specifically, the UGF impact to the Department of Law is \$3,442.1 spread across multiple appropriations.