

**ALASKA STATE LEGISLATURE
HOUSE JUDICIARY STANDING COMMITTEE**

February 8, 2023

1:17 p.m.

MEMBERS PRESENT

Representative Sarah Vance, Chair
Representative Jamie Allard, Vice Chair
Representative Ben Carpenter
Representative Craig Johnson
Representative David Eastman
Representative Andrew Gray
Representative Cliff Groh

MEMBERS ABSENT

All members present

OTHER LEGISLATORS PRESENT

Representative Jesse Sumner

COMMITTEE CALENDAR

PRESENTATION(S): CIVIL DIVISION OVERVIEW, DEPARTMENT OF LAW

- HEARD

PREVIOUS COMMITTEE ACTION

No previous action to record

WITNESS REGISTER

CORI MILLS, Deputy Attorney General
Office of the Attorney General
Civil Division
Department of Law
Juneau, Alaska

POSITION STATEMENT: Gave a presentation, an overview of the Civil Division, Department of Law.

ACTION NARRATIVE

[1:17:02 PM](#)

CHAIR SARAH VANCE called the House Judiciary Standing Committee meeting to order at 1:17 p.m. Representatives Carpenter, Eastman, Gray, and Vance were present at the call to order. Representatives C. Johnson, Groh, and Allard arrived as the meeting was in progress.

PRESENTATION(S): CIVIL DIVISION OVERVIEW: DEPARTMENT OF LAW

[1:17:34 PM](#)

CHAIR VANCE announced that the only order of business would be a presentation, an overview of the Civil Division, Department of Law.

[1:18:03 PM](#)

CORI MILLS, Deputy Attorney General, Office of the Attorney General, Civil Division, Department of Law, gave a presentation, an overview of the Civil Division, Department of Law, via a PowerPoint presentation [hard copy included in the committee packet]. She turned to slides 2-4, which show that within the Department of Law (DOL) is the Criminal Division, which prosecutes crime, and the Civil Division, which provides legal services to state government. She discussed what makes up state government, by showing slide 5, which lists the departments within the State of Alaska. She explained that DOL has attorneys that represent every state department, board, commission, and public corporation, as well as the Division of Elections, the Office of the Lieutenant Governor, and Office of the Governor. She said DOL does not represent the Alaska Railroad Corporation or the University of Alaska. She indicated these areas of coverage by DOL are contained in Alaska Statute under Title 11. She added that although DOL does not cover domestic relationship-type issues, such as child custody, it does cover child protection and child support. She listed other examples relating to law suits to the State of Alaska wherein DOL is involved. She said DOL keeps track of billable hours to manage caseloads. She reported that there were over 8,000 active matters worked on by DOL over the last year.

[1:22:30 PM](#)

MS. MILLS, in response to a question from Representative Carpenter, said some of the work is billed, while other work may be covered by federal funds. She noted she would be talking a lot about DOL's budget on Friday, during a Finance meeting.

MS. MILLS continued her PowerPoint presentation, noting that the length of each matter worked on varies greatly. She reported that last year, DOL's attorneys put in over 255,000 billable hours. She said the department has 264 employees, but with vacancies, the actual number working ranges from 135-140, and 80 percent are attorneys, currently 135-140. Each attorney handles about 55 matters and bills approximately 1,800 hours a year. This is on par with private firms, which usually require a minimum billable hour amount of 1,900 hours.

[1:25:34 PM](#)

MS. MILLS moved on to slide 6, "Protecting Alaskans' Safety," which lists the core services of the Civil Division as: protecting Alaskans' safety and financial well-being; fostering conditions for responsible development of the state's natural resources; protecting the fiscal integrity of the state; and promoting good governance. Turning to slide 7, "Civil Division Structure," she listed the following: statehood defense and resource development; protective legal services; government services; torts and other civil defense litigation, and legal support services.

MS. MILLS covered the next several slides, which offer details about the topics listed on slide 7. Slide 8, "Statehood Defense & Resource Development," read as follows [original punctuation provided, with some formatting changes]:

Natural Resources

Anne Nelson

Dept. of Fish & Game Represents state interests in statehood defense, natural resource management & development, fish & game management

Oil & Gas

Mary Gramling

Dept. of Natural Resources Dept. of Revenue Ensures the state receives its appropriate share of O&G tax royalties

Transportation

Max Garner

Dept. of Transportation & Public Facilities Represents DOT&PF on construction & operation of public facilities & development projects

Environmental

Jenn Currie

Represents the state's interest in clean water & air matters, hazardous waste discharge cases, and cleanup costs & recovery

[1:29:57 PM](#)

The committee took an at-ease from 1:30 p.m. to 1:32 p.m.

[1:32:09 PM](#)

MS. MILLS, in response to a question from Representative Gray, confirmed the topic of restructuring the Civil Division would be addressed during the aforementioned Friday Finance meeting and would cover how the sections of the division, listed in this presentation, would be grouped.

MS. MILLS returned to the presentation, to slide 9, "Protective Legal Services," which read as follows [original punctuation provided, with some formatting changes]:

Human Services
Alex Hildebrand
Dept. of Health Dept. of Family & Community Services
Protection of vulnerable adults

Child Protection
Carla Erickson
Office of Children's Services (OCS) Child in Need of Aid (CINA)

Commercial & Fair Business
Rebecca Hattan
Professional licensing Public utilities Alcohol and marijuana sales Child support recovery

Regulatory Affairs & Public Advocacy
Jeff Waller
Protects the Alaskan public interest in public utility and pipeline proceedings before the Regulatory Commission of Alaska

MS. MILLS noted that of the aforementioned 8,000 cases, 3,000 are housed in the Child Protection Section.

[1:33:34 PM](#)

MS. MILLS, in response to Co-Chair Allard, returned to slide 8 to offer further details regarding the Environmental Section. She then returned to slide 9, "Protective Legal Services," to finish reviewing the focus of each section.

[1:40:08 PM](#)

MS. MILLS turned to slides 10-11, "Government Services," which read as follows [original punctuation provided, with some formatting changes]:

Opinions, Appeals, & Ethics

Jessie Alloway

Defends the state in federal and state appellate courts, including Child in Need of Aid (CINA) appeals

Public Corps. & Government Services

Bill Milks

Represents unique state entities like public corporations, retirement systems, state health plans, and the Dept. of Education & Early Development

Special Litigation

Margaret Paton-Walsh

Handles high-profile, expedited & complex litigation Constitutional challenges & elections matters Enforces Alaska antitrust laws

Labor & State Affairs

Rachel Witty

Governor & Lt. Governor's offices Division of Elections Departments of: Administration, Labor & Workforce Dev.; Military & Vet. Affairs

Legislation & Regulations

Rebecca Polizzotto

Oversees all legislative drafting, coordinates review of proposed & enacted legislation, oversees regulations projects for all state agencies

Professional Development & Public Service

Jessica Leeah

Oversees all internship, externship and fellowship programs. Works on recruitment efforts and training opportunities.

[1:43:25 PM](#)

MS. MILLS, in response to a question from Representative Gray, said the Civil Division handles any lawsuits filed by the governor, who consults with the attorney general before bringing that lawsuit. Then DOL determines what legal team is appropriate to handle the matter. She then said that under AS 44.23.020, the attorney general is charged with defending the state in all actions, which includes state officials acting within the scope of their employment. She noted that although the governor is high profile, the commissioner of the Department of Corrections gets sued "more than anyone else." There are times when DOL determines that outside counsel is necessary, but DOL will still manage the contract. In response to a follow-up question, she spoke about 1986 Civil Rights Act violations.

[1:46:31 PM](#)

MS. MILLS, in response to Representative Carpenter, confirmed that the Public Corporations & Government Services Section represents "a piece of" [the Permanent Fund Corporation]. She said there is a memorandum of agreement (MOA) between the attorney general and the corporation that was established about 20 years ago that allows the corporation to have its own in-house transaction attorney that is overseen by the attorney general. She said DOL helps the corporation with issues such as the Open Meetings Act that are outside of the transactional arena.

MS. MILLS finished covering slides 10 and 11. In response to Chair Vance, she offered her understanding that the Professional Development & Public Service Section was initiated January 2022.

CHAIR VANCE indicated interest in hearing more about this in the future.

REPRESENTATIVE CARPENTER suggested more detail be brought to a budget subcommittee meeting to learn what has been successful in order to duplicate that success elsewhere.

MS. MILLS expressed her willingness to share more information in the future. She talked about a "great trajectory" in terms of filling vacant positions.

CHAIR VANCE said she would extend an invitation to Ms. Mills to come back before the House Judiciary Standing Committee to speak more on this issue.

[1:53:46 PM](#)

MS. MILLS returned to the presentation, to slide 12, "Torts & Other Civil Defense Litigation," which read as follows [original punctuation provided, with some formatting changes]:

Torts

Mark Cucci

Provides advice & defense to state agencies in tort suits

Workers' Compensation & Corrections

Mark Cucci

Defends the state as an employer in workers' compensation claims Provides advice & defense to the Dept. of Corrections in civil suits

MS. MILLS said [the State of Alaska] gets sued "a lot" because it has "deep pockets." She said the department would like to divide the two sections into their own. She said torts include "slip and fall" cases. She said the state has a lot of employees who file worker's compensation claims, so DOL represents the Division of Risk Management in handling those claims. Regarding Corrections, she noted that "inmates have a lot of time and file a lot of complaints."

[1:55:55 PM](#)

MS. MILLS, in response to a question from Representative Allard regarding COVID-19 mandates, said that is a policy set by the court system; various judges in state courthouses can decide "whether to impose that mandate."

CHAIR VANCE mentioned the court system being separate from DOL, and she stated her intent to bring in other entities to discuss all factors of the justice system.

[1:57:14 PM](#)

MS. MILLS returned to the presentation, to slide 13, "Legal Support Services," which read as follows [original punctuation provided, with some formatting changes]:

Information & Project Support

Alan Birnbaum

Advises agencies on the management, sharing, retention, and disclosure of information

ProLaw & Admin
Alan Birnbaum
Management, training, and maintenance of statewide
data management and processing systems

[2:00:04 PM](#)

MS. MILLS, in response to a question from Representative Allard about document requests in city councils compared to the legislature, clarified that the legislature is under its own discloser rules.

[2:00:42 PM](#)

MS. MILLS moved on to slide 14, "State Fiscal Preservation," showing examples of fiscal year 2023 (FY 23) revenue generation and protection, which read as follows [original punctuation provided]:

Human Services

- \$2M in awards for reimbursements for Medicaid

Third-Party Liability

- \$6,708 in annuity collections for TPL

- \$518,629 in Medicaid Estate/Trust recovery

- \$594,289 in Medicaid audit settlements and judgements

- \$333,547 in recovery of Medicaid expenditures from post-conviction litigation

Natural Resources

- Collected \$1.4M in damages associated with sinking of Faulkner Walsh's barge *The Delta Chief*

Public Corporations & Governmental Services

- Obtained \$25M (less attorneys' fees) in Allianz/APFC securities fraud settlement - Saved ~\$80-86M annually in dismissal of U.S. Dept. of Education Impact Aid action Regulatory Affairs and Public Advocacy

- \$6.2M in quantifiable consumer benefits in FY2022 for reduction in utilities costs - An additional \$1.07M is anticipated in a pending case Environmental - \$1.8M in settlements and fines

MS. MILLS said DOL does a lot of work to bring money back into the state.

[2:02:20 PM](#)

MS. MILLS, in response to Representative Gray, elaborated on the topic of the \$80 to \$86 million saved annually. She said two years ago the federal government changed the way it looked at impact aid for education and started taking transportation into account, which would potentially decrease the amount that Alaska got. Alaska engaged with outside counsel and entered into a negotiation with the U.S. Department of Education, wherein "they basically backed off."

[2:03:48 PM](#)

MS. MILLS, after finishing her presentation, answered a question from Representative Gray as to who decides whether "to fight something" [in court]. She said it matters who DOL is representing in any given case. If it is a quasi-independent agency, for example, DOL will consult with them. Cases involving departments go to the governor, she said. The attorney general has the ultimate authority over litigation decisions. She offered details about a particular case.

[2:09:38 PM](#)

MS. MILLS, in response to a request from Chair Vance to talk about attorneys and contracting for services, said there are two factors DOL considers: "Do we have the expertise in-house?" and "Do we have the money and human resources to take on the case?"

[2:12:27 PM](#)

CHAIR VANCE requested Ms. Mills provide a list of billable hours and attorneys to help the committee understand the big picture, as well as know where resources are going within individual sections of DOL.

MS. MILLS said she could do that, as well as, at the aforementioned upcoming Finance meeting, talk about the effect of billing to individual budgets. She said she could also supply a list of paralegal support.

[2:15:11 PM](#)

MS. MILLS, in response to a query from Representative Allard regarding an organizational chart, said the Civil Division has a total of 274 employees, 148 of which are attorneys. She suggested she could bring further information on Friday.

[2:15:47 PM](#)

MS. MILLS, in response to a question from Representative Gray about filling vacancies, mentioned a bill that had given "the 20 percent rate," which stopped people leaving the Civil Division. She offered her understanding that the Criminal Division would relate a similar story.

[2:16:45 PM](#)

CHAIR VANCE thanked Ms. Mills for the presentation.

[2:18:21 PM](#)

ADJOURNMENT

There being no further business before the committee, the House Judiciary Standing Committee meeting was adjourned at 2:18 p.m.