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STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

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November 29, 1999

Commission on Privatization and Delivery
of Government Services
Alaska State Legislature
Anchorage, AK 99501

Dear Commission Members:

At the November 18, 1999 meeting of the commission, a number of questions were posed to the department:

Mr. Harper requested information on the benefits accruing to the state from its expenditures on oil and gas litigation. Since 1982, the state has recovered over \$10 billion to date as a result of oil and gas tax, royalty, and regulatory litigation. Between FY 1994 and FY 1999, the period of time the contractual expenditure information provided to the commission covers, more than \$3.3 billion was collected.

Mr. Pignalberi asked the department to provide the information requested of the various subcommittees in items I – X of the commission's "Suggested Outline for Subcommittee Reports." Attached are items I – IX. For item X, we would direct the commission's attention to the department's August 31, 1999 response to Mr. Johnson, questions 1 – 5.

Also attached, per Mr. Pignalberi's request, are sample reports from the Civil Division's timekeeping and billing system.

We are still working on Mr. Pignalberi's request for information on our collection efforts. As I pointed out to Mr. Pignalberi when the request was made, this will take some time. We will submit this response to the commission as soon

as it can be completed; however, it is doubtful you will receive it until the week of December 6.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

A handwritten signature in black ink, appearing to read 'Barbara J. Ritchie', with a stylized flourish at the end.

By: Barbara J. Ritchie
Deputy Attorney General

Attachment

I. DEPARTMENT OF LAW

II. BRU and Component Names as Listed in Department of Law Budget

BRU	COMPONENT
a. Criminal Division	First Judicial District Second Judicial District Third Judicial District: Anchorage Third Judicial District: Outside Anchorage Fourth Judicial District Criminal Justice Litigation Criminal Appeals/Special Litigation
b. Civil Division	Deputy Attorney General's Office Collections and Support Commercial Section Environmental Law Fair Business Practices Governmental Affairs Human Services Legislation/Regulations Mental Health Lands Natural Resources Oil and Gas and Mining Special Litigation Transportation Section Timekeeping and Support
c. Statehood Defense	Statehood Defense
d. Oil and Gas Litigation and Legal Services	Oil and Gas Litigation Oil and Gas Legal Services
e. Administration and Support	Office of the Attorney General Administrative Services

III. Total Department of Law FY00 Budget, All Funds
(\$ in thousands)

	Criminal Division	Civil Division	Statehood Defense	Oil & Gas Litigation & Legal Services	Admin & Support	Total
Federal Receipts	476.1					476.1
GF Match	157.3					157.3
General Fund	12,570.8	6,797.1	1,293.0	4,784.3	837.4	26,282.6
GF Program Receipts		422.1			46.2	468.3
Interagency Receipts	960.1	13,735.1			553.3	15,248.5
Fish & Game Fund	125.8					125.8
GF Mental Health		63.0				63.0
Interagency Oil & Hazardous		465.4				465.4
Permanent Fund Receipts				1,477.0		1,477.0
Statutory Designated Receipts		505.0				505.0
Tobacco Settlement Revenue		134.0				134.0
FY 2000 Authorized Total	14,290.1	22,121.7	1,293.0	6,261.3	1,436.9	45,403.0

IV. Total Revenue
(\$ in thousands)

General Fund Program Receipts

Collected criminal fines; forfeited bonds	1,330.0
Collected cost of appointed counsel	888.9
Collected cost of incarceration	741.6
Collected civil judgments	49.2
Misc. collections not posted to debt by fiscal year-end	101.4
Consumer protection recoveries	95.4
Recovery of attorneys' fees and costs	22.0

Federal Funds

Medicaid Provider Fraud	352.4
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Oil and Gas Litigation

Royalty, tax, regulatory settlements	59,607.5
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FY99 TOTAL	63,188.4
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V. Constitutional and Statutory Provisions Governing the Department of Law

Constitution

Article III,

- Section 16 - Governor's Authority
- Section 22 - Executive Branch
- Section 24 - Supervision
- Section 25 - Department Heads

Statutes

The main statutory provisions governing the Department of Law are found in AS 44.23. The department is also referred to in numerous other places in statute. Some examples follow:

- AS 08.88 - Real Estate Commission
- AS 09.50 - Compromise by Attorney General
- AS 14.07 - State Board of Education legal services
- AS 18.66 - Council on Domestic Violence and Sexual Assault
- AS 25.24 - Child Support Enforcement legal services
- AS 31.05 - Oil and Gas Conservation Commission legal services
- AS 39.52 - Executive Branch Ethics Act
- AS 42.04 - Regulatory Commission of Alaska legal services
- AS 43.10 - Enforcement and Collection of Taxes
- AS 44.62 - Administrative Procedures Act
- AS 44.80 - Liability of the State
- AS 45.50 - Competitive Practices and Regulation of Competition
- AS 47.17 - Child Protection
- AS 47.24 - Protection of Vulnerable Adults

VI. Department of Law Mission, Goals, and Objectives

The mission of the Department of Law is to (1) protect the state's sovereignty; (2) prosecute crime; (3) represent and advise the state in all civil matters; and (4) provide other legal services to state government.

Goals and Strategies

CRIMINAL DIVISION:

- Protect the public through effective prosecutions.
- Assist law enforcement agencies with criminal investigations and filing misdemeanor and felony charges.
- Serve as legal advisor to grand juries and represent the state in all phases of criminal trial and appellate proceedings.
- Effectively prosecute domestic violence crimes - both felony and misdemeanor.
- Reduce fraud in benefit programs.

CIVIL DIVISION:

- Provide effective legal advice and representation of the state.
- Protect Alaska's children and youth by handling child abuse, neglect, and delinquency cases expeditiously.
- Ensure the state receives its correct share of oil and gas taxes and royalties; clarify and improve the rules governing taxpayers to reduce disputes and litigation.
- Resolve questions of state versus federal control and management of natural resources and lands.
- Increase collections of money owed the state by businesses and individuals for child support, fines, loans, and other unpaid obligations.
- Ensure the department's revised process for legal review of regulations projects continues efficiently, timely, and responsive to the needs of agencies and the public.

VII. Number of Department of Law Employees

	Full-Time	Part-Time
Criminal Division		
Attorneys	89	1
Paraprofessionals	31	
Support Staff	61	1
Civil Division		
Attorneys	120	6
Paraprofessionals	33	
Support Staff	85	2
Statehood Defense		
Attorneys	8	
Paraprofessionals	2	
Support Staff	1	
Administration and Support	20	1
Total FY2000 Authorized	450	11

VIII. Technology Used to Perform the Department of Law's Mission

General-use Computer Technology

The Department of Law's information technology infrastructure consists of over 20 Novell Netware servers and 430+ Intel Pentium-based personal computers running Windows 95/98. There are 15 locations in the state, and 11 of these locations have local area networks. All 15 locations are joined to the State of Alaska WAN through dedicated circuits ranging from 56kbps to T-1. All user workstations are configured with the TCP/IP protocol and have Internet access.

Administrative Services

State of Alaska administration applications are hosted on an OS/390 mainframe accessed through TCP/IP (tn3270) over the statewide WAN. Applications in use include accounting, payroll, and property control. Law participates in budgeting by using the states Automated Budget System, a client/server system.

Legal Research / Legislation Tracking

The primary commercial tool used for electronic legal research is WestLaw. Users gain access to WestLaw either through modems connected to dedicated analog lines, or through the internet. The largest sites also have access to the WestLaw "Premise" product, a CD-based offering that is installed in networked CD devices. Research into statutes and regulations is accomplished through WAN access to databases maintained by the Legislative Affairs Agency. Tracking of current legislation is accomplished over the WAN using standard browsers accessing web-based databases. Some tracking of legislation is accomplished over the WAN using tn3270 to access mainframe databases.

Common Agency Software

The primary software for daily use is MS Office 97. Groupwise is used for email and scheduling, although the department plans a switch to the state's SMTP-based enterprise email system. Attachmate Extra Personal Client along with QWS3270 Winsock, a free 3270 emulator, are used for OS/390 access.

Prosecutor Case Management

Tracking of all criminal prosecution efforts is accomplished through the system known as CRIMES (Criminal Record Information and Exchange System.) "CRIMES" is an Oracle-based client/server system that supports up to 180 users across the state. Each client interacts with a local server housing a replicated copy of the database. Database synchronization occurs after working hours.

Timekeeping and Billing

The Civil Division has as clients each of the individual agencies of the executive branch. Costs of legal work are charged back to client agencies. Timekeeping and billing is accomplished through use of the Barrister Javelan program, a client/server system based on MS SQL Server. There are 160 Javelan users, located in Anchorage, Juneau, Bethel, and Fairbanks. Timekeeping records are stored in a single-repository SQL database and accessed by users over the WAN. Preparation of bills by administrative staff occurs in Juneau, accessing the database over the WAN.

Litigation Support Imaging

Litigation of oil & gas taxation and royalty cases requires intensive document research. Before a case reaches the discovery phase, these documents are usually in the possession of their owners. In litigation, each side requests documents to support their respective cases, resulting in the exchange of huge volumes of paper. The Department of Law's Litigation Support group is responsible for making relevant documents available to the attorneys working on a case. This is accomplished through use of the Litigation Support

VIII - Continued

Imaging System, a UNIX-based system that stores massive quantities of legal documents for use in any necessary litigation. The system uses an Oracle database for document indexing, and includes high-capacity magneto-optical storage devices. Document research is carried on using RetrievalWare, a software product designed to facilitate searching and indexing of scanned and text-based documents.

**IX. Existing Agency Contracts
(as of November 21, 1999)**

FIRM	SUBJECT	PURPOSE	BEGIN DAT	END DATE	AUTH	Procurement Type
Affiliated Appraiser	Real Estate	Expert Witness	8/14/97	6/30/00	\$30,500	Exempt (Expert Witness)
Affiliated Appraiser	Real Estate	Expert Witness	11/19/97	6/30/00	\$7,000	Exempt (Expert Witness)
Ashburn & Mason	Oil & Gas	Legal Services	4/1/83	1/1/15	\$330,060	Novation
Ashburn & Mason	Oil & Gas	Legal Services	8/19/92	6/30/00	\$542,500	Limited Comp (RFP)
Bankston & McCollum	Tort Litigation	Legal Services	2/18/98	1/1/15	\$475,000	Limited Comp (RFP)
Barrister Info. Syst	Timekeeping & Billing System	Software Support	6/26/98	6/30/04	\$418,062	Limited Comp (RFP)
Baxter, Bruce, et al	Employment	Legal Services	9/22/98	9/16/99	\$60,000	Limited Comp (RFP)
Birch/Foster/Rubini	Bond/Investment Counsel	Legal Services	11/1/93	10/31/99	\$3,250,000	Formal RFP
Blumstein & Dunn, PC	Employment	Legal Services	5/28/99	1/1/15	\$15,000	Limited Comp (RFP)
Brind, Joel, Ph.D.	Abortion Statute Challenge	Expert Witness	11/7/97	1/1/15	\$10,000	Exempt (Expert Witness)
Carney, Badley et al	Construction Claims	Legal Services	11/24/98	1/1/15	\$550,000	Limited Comp (RFP)
Clarke Engineering	Condemnation Dispute	Expert Witness	1/23/93	1/1/15	\$17,500	Exempt (Expert Witness)
Covington & Burling	Fed/State Relations	Legal Services	7/1/98	6/30/00	\$35,000	Small Purch. (R&A)
Crowell & Moring	Administrative Law (federal)	Legal Services	8/13/84	6/30/00	\$70,000	Pre-dates Code
Davison & Davison	Workers' Comp.	Legal Services	6/11/97	1/1/15	\$30,000	Small Purch. (RFP)
Delaney Wiles et al.	Tort Litigation	Legal Services	12/11/95	1/1/15	\$850,000	Limited Comp (RFP)
Delaney Wiles et al.	Tort Litigation	Legal Services	12/1/98	1/1/15	\$175,000	Limited Comp (RFP)
Delaney, Wiles	Employment	Legal Services	2/22/99	1/1/15	\$35,000	Limited Comp (RFP)
DeLisio Moran et al.	Tort Litigation	Legal Services	10/10/94	1/1/15	\$215,000	Limited Comp (RFP)
Econ One	Consumer Protection/Antitrust	Expert Witness	3/1/99	6/30/00	\$50,000	Exempt (Expert Witness)
Econ One	Oil & Gas	Expert Witness	9/1/98	6/30/00	\$220,000	Exempt (Expert Witness)
Epstein, David J.	Commercial	Legal Services	11/21/85	1/1/15	\$0	Multi-State
Fast, Kathleen J.	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	\$5,000	Small Purch. (R&A)
Forslund, Curtis D.	Commercial	Legal Services	6/22/99	6/30/00	\$50,000	Small Purch. (Single)
Foster, Gary	Construction Claims	Legal Services	7/15/97	1/1/15	\$250,000	Single Source
Foster/Birch (JV)	Bond/Investment Counsel	Legal Services	10/1/95	9/30/00	\$250,000	Formal RFP
Guess & Rudd	Workers' Comp.	Legal Services	3/29/95	1/1/15	\$20,000	Small Purch. (RFP)
Guetschow, Bernd C.	Bankruptcy	Legal Services	4/20/95	6/30/00	\$50,000	Small Purch. (R&A)
Hagans, Ahearn et al	Medicaid Fraud	Legal Services	4/15/99	6/30/00	\$7,500	Exempt (Expert Witness)
Hainline & Assoc.	Construction Claims	Expert Witness	9/24/99	6/30/01	\$30,000	Exempt (Expert Witness)
Hainline & Assoc.	Construction Claims	Expert Witness	9/18/98	6/30/00	\$50,000	Exempt (Expert Witness)

IX. Existing Agency Contracts
(as of November 21, 1999)

FIRM	SUBJECT	PURPOSE	BEGIN DAT	END DATE	AUTH	Procurement Type
Hainline & Associate	Construction Claims	Expert Witness	3/3/98	1/1/15	\$50,000	Exempt (Expert Witness)
Heller/Simpson (JV)	Bond/Investment Counsel	Legal Services	9/25/95	9/24/00	\$800,973	Formal RFP
Hogan & Hartson	Campaign Finance Reform	Legal Services	7/13/99	6/30/00	\$5,000	Small Purch. (R&A)
Hogan & Hartson	State's Rights	Legal Services	7/12/99	6/30/00	\$5,000	Small Purch. (R&A)
Hogan & Hartson, LLP	State's Rights	Legal Services	9/1/99	1/1/15	\$75,000	Limited Comp (RFP)
Hosie, Frost & Large	Consumer Protection/Antitrust	Legal Services	3/27/99	6/30/00	\$25,000	Small Purch. (R&A)
Hosie, Wes, et al.	Oil & Gas	Legal Services	5/13/92	1/1/15	\$3,639,548	Novation
J.P.Dokoozian & Assc	Construction Claims	Expert Witness	6/16/98	6/30/00	\$25,000	Exempt (Expert Witness)
Jermain, Dunnagan &	Consumer Protection/Antitrust	Legal Services	8/10/99	6/30/00	\$10,000	Small Purch. (R&A)
Kaye, Scholer, et al	Oil & Gas	Legal Services	12/1/93	1/1/15	\$32,070	Novation
Killip, Jeff	Child Protection	Legal Services	1/25/99	8/31/99	\$10,000	Small Purch. (R&A)
Koester, G. Thomas	State's Rights	Legal Services	7/26/91	1/1/15	\$403,000	Single Source
Koester, G. Thomas	State's Rights	Legal Services	6/4/99	1/1/15	\$50,000	Single Source
LCMF Inc.	Construction Claims	Expert Witness	9/3/98	6/30/00	\$10,000	Exempt (Expert Witness)
Lessmeier & Winters	Tort Litigation	Legal Services	4/25/95	1/1/15	\$305,000	Limited Comp (RFP)
Metamor	Crimes System	Software Support	6/22/98	6/30/03	\$497,000	Formal RFP
Mikunda, Cottrell &	Consumer Protection/Antitrust	Expert Witness	10/5/99	6/30/00	\$5,000	Exempt (Expert Witness)
Milton B. Barker	Bankruptcy	Paraprofessional Services	10/30/98	6/30/00	\$26,000	Small Purch. (R&A)
Morrison & Foerster	Oil & Gas	Legal Services	7/1/81	1/1/15	\$27,535,000	Pre-dates Code
Muse, Stancil & Co.	Oil & Gas	Expert Witness	4/14/99	6/30/00	\$70,000	Exempt (Expert Witness)
Owens & Turner	Technology/Patent	Legal Services	7/1/99	6/30/00	\$50,000	Small Purch. (RFP)
Pacific Economics Gp	Commercial	Expert Witness	10/23/98	6/30/00	\$100,000	Exempt (Expert Witness)
Parran, Theo., M.D.	Medicaid Fraud	Expert Witness	6/30/99	12/31/99	\$20,000	Exempt (Expert Witness)
Pillifont, Lois	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	\$5,000	Small Purch. (R&A)
Pomp, Prof. Richard	Oil & Gas	Expert Witness	8/31/99	6/30/01	\$50,000	Exempt (Expert Witness)
Preston Gates et al.	Oil & Gas	Legal Services	9/16/83	1/1/15	\$21,486,000	Pre-dates Code
Preston Gates et al.	Environmental	Legal Services	4/24/89	6/30/00	\$34,000	Emergency (type - B)
Preston Gates et al.	Bond/Investment Counsel	Legal Services	3/29/94	12/31/99	\$500,000	Formal RFP
Price & Price	Real Estate	Legal Services	8/1/96	8/31/99	\$141,677	Formal RFP (Novation)
Reich Law Firm	Collections	Legal Services	6/4/99	1/1/15	\$5,000	Small Purch. (R&A)
Resource Data, Inc.	Y2K Testing	Software Support	7/15/99	12/31/99	\$8,500	Small Purch. (Single)

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(as of November 21, 1999)**

FIRM	SUBJECT	PURPOSE	BEGIN DAT	END DATE	AUTH	Procurement Type
Ringert Clark Chart.	Collections	Legal Services	9/19/97	6/30/00	\$10,000	Small Purch. (R&A)
Robertson, et al.	Tort Litigation	Legal Services	1/29/96	1/1/15	\$100,000	Limited Comp (RFP)
Robertson, Monagle	Environmental	Legal Services	8/8/97	1/1/15	\$921,000	Limited Comp (RFP)
Rubinfeld, Daniel	Oil & Gas	Expert Witness	6/1/99	6/30/00	\$25,000	Small Purch. (R&A)
Ruddy, et al.	Environmental	Legal Services	7/1/97	12/31/99	\$43,000	Single Source
Sam, Christine M.	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	\$5,000	Small Purch. (R&A)
Simpson, Tillinghast	Constitutional	Legal Services	6/5/98	1/1/15	\$130,000	Limited Comp (RFP)
Stanley, Michael	State's Rights	Legal Services	9/12/97	1/1/15	\$30,000	Emerg. (GS approved)
Stanley, Michael	State's Rights	Legal Services	4/12/99	6/30/00	\$35,000	Small Purchase (R&A)
Statewide Appraisal	Real Estate	Expert Witness	3/23/98	6/30/00	\$7,000	Exempt (Expert Witness)
SunGard Shareholders	Commercial	Expert Witness	10/23/98	6/30/00	\$65,000	Exempt (Expert Witness)
Susan M. Reiter	Collections	Legal Services	3/3/98	6/30/00	\$5,000	Small Purchase (R&A)
Travis Environmental	Construction Claims	Expert Witness	9/19/97	6/30/00	\$16,200	Exempt (Expert Witness)
Travis/Peterson Env.	Oil & Gas	Expert Witness	3/25/99	6/30/00	\$60,000	Exempt (Expert Witness)
Tucker Alan, Inc.	Construction Claims	Expert Witness	7/2/98	6/30/00	\$100,000	Exempt (Expert Witness)
Tucker Alan, Inc.	Construction Claims	Expert Witness	7/2/98	6/30/00	\$105,000	Exempt (Expert Witness)
Tundra Women's Coal.	DA Volunteer Coordinator	DA Volunteer Coordinator	3/1/99	2/28/00	\$5,000	Small Purch. (R&A)
Van Muers & Assoc.	Oil & Gas	Expert Witness	4/19/99	6/30/00	\$20,000	Exempt (Expert Witness)
Vincent M. Rue, PhD	Abortion Statute Challenge	Expert Witness	9/15/97	1/1/15	\$10,000	Exempt (Expert Witness)
Washburn, Briscoe	State's Rights	Legal Services	3/15/82	1/1/15	\$2,134,000	Pre-dates Code
Williams & Tinkham	Collections	Legal Services	8/17/99	6/30/00	\$25,000	Small Purch. (R&A)
Williams, Kastner	Real Estate	Legal Services	9/18/97	9/30/99	\$25,000	Small Purch. (RFP)
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	11/1/93	10/31/99	\$900,000	Formal RFP
Wohlforth, et al.	Commercial	Legal Services	7/1/94	8/31/99	\$740,206	Formal RFP
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	3/1/96	2/20/00	\$500,000	Formal RFP
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	4/1/96	3/31/00	\$330,000	Formal RFP
Wohlforth, et al.	Bond/Investment Counsel	Legal Services	11/26/96	11/30/99	\$500,000	Formal RFP
Wohlforth, et al.	Real Estate	Legal Services	11/5/98	6/30/00	\$75,000	Small Purch. (RFP)
Wohlforth/Hawkins	Bond/Investment Counsel	Legal Services	7/25/97	6/30/00	\$50,000	Formal RFP
Wostmann & Assoc.	PROMIS Maintenance	Software Support	1/15/97	12/31/99	\$35,000	Small Purch. (Single)

Department of Law - Open* Case Files by Section by Type

Section:	02	22	26	28	30	33	44	55	66	70	75	77	88	99	Total
ANC-Collections & Support	0	225	220	3	0	503	186	0	71	0	0	0	0	2	1,210
ANC-Commerical	0	141	12	0	0	1	2	0	125	0	0	0	0	0	281
ANC-Enviromental Affairs	0	23	0	0	4	0	0	0	69	0	0	0	0	6	102
ANC-Fair Business Practices	0	109	0	0	0	0	11	0	128	0	0	0	0	12	260
ANC-Gas, Oil & Mining	0	143	0	0	0	0	0	0	103	0	0	0	0	5	251
ANC-Govt Affairs & Contr	0	164	0	0	0	5	12	0	284	0	0	0	0	8	473
ANC-Human Services	0	518	0	0	0	39	1,788	0	84	0	0	0	0	0	2,429
ANC-Natural Resources	0	141	6	0	0	4	1	0	237	0	0	1	0	12	402
ANC-Special Litigation	0	2	0	0	199	0	0	0	146	0	0	0	0	0	347
ANC-Transportation	0	44	0	0	0	0	0	0	132	0	0	0	0	2	178
ANC-Welfare Fraud	0	36	11	0	0	4	0	36	10	92	0	0	0	0	189
Barrow Office	0	0	0	0	0	0	94	0	0	0	0	0	0	0	94
Bethel AGO	0	0	0	0	0	0	155	0	2	0	0	0	0	0	157
FAI-Collections & Support	0	31	0	0	0	257	11	0	1	0	0	0	0	0	300
FAI-General Civil	0	17	0	0	1	4	5	0	13	0	0	0	0	0	40
FAI-Human Services	0	20	0	0	0	7	355	0	24	0	0	0	0	0	406
FAI-Natural Resources	0	8	0	0	0	0	0	0	107	0	0	0	0	1	116
FAI-Special Litigation	0	9	0	0	23	0	1	0	36	0	0	0	0	0	69
FAI-Transporation	0	58	0	0	8	0	2	0	175	0	0	0	0	0	243
Jun-Commercial	0	142	15	0	0	0	0	0	65	0	0	0	0	27	249
Jun-Govt Affairs & Contr	1	157	0	0	2	0	0	0	195	0	0	0	0	4	359
Jun-Human Services	0	90	0	0	0	66	186	0	254	0	0	0	0	32	628
Jun-Legis/Regs	0	0	0	0	0	0	0	0	8	0	0	2	1	13	24
Jun-Natural Resources	0	53	0	0	0	0	0	0	111	0	0	0	0	7	171
Jun-Oil, Gas & Mining	0	100	0	0	0	2	0	0	37	0	0	0	0	1	140
Jun-Special Litigation	0	5	0	0	44	1	0	0	14	0	0	0	0	0	64
Jun-Transportation	0	45	0	0	5	0	0	0	40	0	0	0	0	2	92
Total	1	2,281	264	3	286	893	2,809	36	2,471	92	0	3	1	134	9,274

*Open Case Files - For the purposes of this report an "Open" case file is any case file that is currently open in Javelan timekeeping and billing purposes, and does not indicate or imply the legal status of a particular matter.

11/22/99

FY99 Billable Hours by Client

<u>Client ID</u>	<u>Client Name</u>	<u>Billable Hours</u>	<u>Bill Value</u>
0100	GOV/EXEC OFFICE	1,799.60	155,801.80
0102	GOV/OMB	192.30	16,842.32
0103	GOV/GOV COORDINATION	1,607.30	144,428.47
0105	GOV/D.C. OFFICE	6.80	610.27
0199	GOV/OTHER	1,192.10	100,918.26
0201	LT GOV/ELECTIONS	1,658.90	145,108.81
0299	LT GOV/OTHER	97.20	8,637.68
0300	APOC	2,176.00	189,559.51
0400	ADMIN/RET&BENEFITS	980.50	85,115.19
0402	ADMIN/GEN SVC SUPPLY	752.70	66,843.89
0403	ADMIN/PERSONNEL	341.50	30,086.53
0404	ADMIN/LABOR RELATIONS	739.80	64,863.06
0405	ADMIN/FINANCE	23.50	2,151.93
0406	ADMIN/INFO SERVICES	54.20	4,854.96
0407	ADMIN/SENIOR SERVICES	163.20	13,740.97
0411	ADMIN/O&G CONS COMM	1,028.10	90,477.14
0412	ADMIN/LONGEVITY	49.50	4,441.11
0413	ADMIN/DIV OF MOTOR VEHICLE(DMV	18.80	1,644.98
0499	ADMIN/OTHER	235.90	21,115.86
0501	CED/Div. of Banking, Securities & Corporations	663.60	59,271.08
0502	CED/Occupational Licensing	4,225.20	375,923.44
0505	CED/INSURANCE	2,500.70	231,713.22
0507	CED/AIDEA	695.50	63,989.72
0509	CED/INVESTMENTS	492.80	44,684.50
0512	CED/DEVELOPMENT	17.90	1,232.39
0516	CED/SCIENCE&TECH FOUNDATION	16.30	1,436.73
0599	CED/OTHER	229.10	19,718.85
0600	Regulatory Commission of Alaska	3,243.80	299,253.63
0900	CED/(formerly C&RA)	505.00	43,214.38
1004	EDUC/EXECUTIVE ADMINISTRATIVE	1,144.00	103,580.58

11/22/99

FY99 Billable Hours by Client

<u>Client ID</u>	<u>Client Name</u>	<u>Billable Hours</u>	<u>Bill Value</u>
1005	EDUC/SCHOOL FINANCE	864.50	75,127.97
1006	EDUC/SCHOOL FACILITIES	140.30	12,637.66
1007	EDUC/TEACHING&LEARNING SUPPORT	317.50	28,186.88
1008	EDUC/ALYESKA CENTRAL SCHOOL	38.00	3,523.36
1009	EDUC/AK ST COUNCIL ON THE ART	7.00	649.04
1010	EDUC/ AK VOC TECHNICAL CENTER	12.10	945.68
1011	EDUC/MT EDGE CUMBE BOARDING SCH	2.40	222.52
1012	LABOR/ VOC REHABILITATION	110.60	9,513.05
1013	EDUC/ AK LIB, ARCH & MUSEUMS	74.90	6,851.99
1020	EDUC/ADAK REG SCH DIST	2.50	231.80
1030	PROF TEACHING PRACTICES COMM	215.10	19,943.78
1049	EDUC/OTHER	193.10	17,845.40
1050	POST SEC ED COMM	2,767.60	229,526.77
1100	ENV CONS/HQ	11,031.10	971,247.64
1200	F&G/COMML FISH	781.60	70,477.31
1201	F&G/SPORT FISH	869.20	76,790.46
1202	F&G/SUBSISTENCE	128.20	11,681.30
1203	F&G/BD OF FISH	794.20	69,777.92
1204	F&G/BD OF GAME	605.10	53,488.86
1205	F&G/ FUND	635.60	58,018.01
1206	F&G/TRUSTEE COUNCIL	4.60	404.23
1299	F&G/OTHER	4,424.90	393,014.57
1300	CFEC	694.40	61,053.73
1401	CORRECTIONS	1,997.10	173,247.52
1402	H&SS/CINA	28,478.48	2,401,747.79
1403	H&SS/MENTAL	1,211.60	102,511.63
1404	H&SS/GUARDIANSHIPS	18.90	1,561.05
1406	H&SS/FAM & YOUTH SVC	1,036.30	88,184.58
1407	H&SS/PUB ASSIST	401.20	35,405.98
1408	H&SS/ALC & DRUG	250.30	22,324.62

11/22/99

FY99 Billable Hours by Client

<u>Client ID</u>	<u>Client Name</u>	<u>Billable Hours</u>	<u>Bill Value</u>
1409	H&SS/PUB HEALTH	341.10	28,195.54
1410	H&SS/MEDICAL ASSIST	6,158.20	547,004.09
1411	H&SS/WELFARE FRAUD	2,250.60	185,327.35
1412	H&SS/JUV DELINQ	4,107.20	354,008.38
1413	H&SS/LICENSING	339.40	30,428.90
1499	H&SS/OTHER	672.90	59,688.40
1500	HUMAN RTS COMMN	1,005.80	89,312.69
1701	LABOR/ESD	760.10	70,423.60
1702	LABOR/OSHA	1,578.80	143,141.07
1703	LABOR/WG&HR	318.00	29,478.22
1704	LABOR/WORK COMP	242.80	21,919.82
1799	LABOR/OTHER	112.50	10,049.01
1800	MILITARY AFFAIRS	1,563.90	142,452.09
1801	MILITARY AFFAIRS EMERG/SVCS	80.20	7,436.12
1902	DNR/OIL & GAS	8,398.00	697,668.59
1903	DNR/PARKS	418.80	36,920.49
1904	DNR/PIPELINE COORD	827.00	74,990.83
1906	DNR/NAVIGABILITY	1,303.90	116,055.61
1907	DNR/FORESTRY	117.10	8,107.19
1914	DNR/MINING	1,427.40	123,278.20
1915	DNR/AGRICULTURE	1,041.60	95,051.74
1916	DNR/LAND	5,467.20	479,920.02
1917	DNR/WATER	196.30	17,348.24
1918	DNR/ RS 2477	128.80	11,942.10
1999	DNR/OTHER	1,524.50	126,304.88
2001	PUB SAF/TROOPERS	16.20	1,428.96
2002	PUB SAF/FIRE PREV	11.90	1,066.24
2099	PUB SAF/OTHER	165.80	14,201.27
2108	DOT/STATEWIDE	609.20	54,975.05
2109	DOT/MARINE HWY SYS	2,172.40	190,128.78

11/22/99

FY99 Billable Hours by Client

<u>Client ID</u>	<u>Client Name</u>	<u>Billable Hours</u>	<u>Bill Value</u>
2110	DOT/SOUTHEAST REGION	1,312.20	114,679.27
2111	DOT/CENTRAL REGION	4,635.10	414,351.24
2112	DOT/NORTHERN REGION	4,829.20	446,797.36
2113	DOT/INTERNATL AIRPORTS	2,190.70	201,858.34
2201	REV/INCOME&EXCISE TAX	1,908.50	162,393.41
2202	REV/ABC BD	910.70	81,715.61
2203	REV/CSED	12,845.49	1,111,206.52
2204	REV/PERM FUND CORP	92.70	8,567.30
2205	REV/AHFC	3,309.70	303,532.72
2206	REV/OIL&GAS AUDIT	6,554.80	539,788.68
2207	REV/TREASURY	437.60	38,175.76
2209	REV/PERM FUND DIVIDEND	889.80	80,954.05
2211	REV/GAMING	35.10	3,254.47
2299	REV/OTHER	424.20	37,913.48
2301	LAW/ANTI-TRUST	1,229.60	106,529.44
2302	LAW/CONS PROT	3,125.90	250,272.02
2303	LAW/CRIM DIV	2.20	201.90
2304	LAW/EXEC ETHICS ACT	1,033.90	79,629.27
2305	LAW/PROVIDER FRAUD	270.30	15,008.11
2312	LAW/ OIL & GAS	5,691.60	449,568.93
2313	LAW/ COLLECTION	354.39	25,085.88
2314	LAW/REGULATIONS	2,760.40	200,687.88
2315	LAW/LEGIS DRAFTING	1,601.80	124,592.57
2316	LAW/LEGIS REVIEW	492.60	43,122.08
2317	LAW/EXXON	3,075.60	266,180.57
2318	LAW/NATIVE SOVEREIGNTY	536.20	49,716.34
2399	LAW/OTHER	3,705.59	296,469.05
3100	LEGISLATURE	85.30	7,453.72
3200	LEGISLATIVE AFFAIRS	1.50	139.08
4100	COURT SYSTEM	786.20	61,514.67

11/22/99

FY99 Billable Hours by Client

<u>Client ID</u>	<u>Client Name</u>	<u>Billable Hours</u>	<u>Bill Value</u>
5100	UNIVERSITY OF ALASKA	93.70	8,524.65
7777	INS TENDERS/TORT	26,034.50	2,232,318.96
<u>Grand Total:</u>		<u>219,574.85</u>	<u>18,917,861.16</u>

	02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Human Services														
ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
F&G/BD OF GAME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00
GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.80	0.00	0.00	0.00	45.60	0.00	53.40
GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	32.90	0.00	0.00	0.00	0.00	0.00	32.90
H&SS/ALC & DRUG	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.10	0.00	0.00	0.00	0.00	0.00	22.10
H&SS/CINA	0.00	40.90	0.00	0.00	0.00	3,473.70	0.00	51.90	0.00	0.00	0.00	0.00	0.00	3,566.50
H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	327.40	0.00	0.00	51.30	0.00	4.40	383.10
H&SS/GUARDIANSHIPS	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.20	0.00	0.00	0.00	0.00	0.00	2.20
H&SS/LICENSING	0.00	56.60	0.00	0.00	0.00	0.00	0.00	2.90	0.00	0.00	35.60	0.00	0.20	95.30
H&SS/MEDICAL ASSIST	36.80	836.90	0.00	0.00	0.00	0.00	0.00	652.60	0.00	0.00	0.00	0.00	426.50	1,952.80
H&SS/MENTAL	0.20	114.10	0.00	0.00	0.00	0.00	0.00	307.10	0.00	0.00	20.10	0.00	10.50	452.00
H&SS/OTHER	2.30	24.90	0.00	0.00	0.00	0.00	0.00	143.80	0.00	0.00	2.20	0.00	1.40	174.60
H&SS/PUB ASSIST	0.30	70.40	0.00	0.00	0.00	0.00	0.00	228.70	0.00	0.00	28.00	0.00	45.10	372.50
H&SS/PUB HEALTH	0.00	40.30	0.00	0.00	0.00	0.00	0.00	201.90	0.00	0.00	0.00	0.00	82.10	324.30
HUMAN RTS COMMN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
INS TENDERS/TORT	0.00	0.00	0.00	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.10
LABOR/ VOC REHABILI	0.00	25.50	0.00	0.00	0.00	0.00	0.00	77.30	0.00	0.00	0.00	0.00	4.60	107.40
LABOR/ESD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LABOR/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.40	0.00	0.00	0.00	0.00	0.00	4.40
LABOR/WG&HR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.60
LAW/EXEC ETHICS ACT	0.00	43.80	0.00	0.00	0.00	0.00	0.00	9.20	0.00	0.00	0.00	0.00	0.00	53.00
LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.50	0.00	0.00	0.00	0.00	0.00	25.50
LAW/NATIVE SOVEREIGN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75.60	0.00	0.00	0.00	0.00	0.00	75.60
LEGISLATURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.50	0.00	0.00	0.00	0.00	0.00	6.50
LT GOV/ELECTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
PROF TEACHING PRACTI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.50	0.00	0.00	0.00	0.00	0.00	6.50
REV/CSED	0.00	392.10	0.00	0.00	452.50	0.00	0.00	640.60	0.00	0.00	0.00	0.00	0.00	1,485.20
REV/INCOME&EXCISE TA	0.30	53.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	54.00
REV/PERM FUND CORP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90	0.00	0.00	0.00	0.00	0.00	0.90
Total	49.90	2,879.90	0.00	2.10	452.50	3,473.70	0.00	4,136.50	0.00	0.00	145.70	45.60	817.30	12,003.20
Jun-Legis/Regs														
CED/BK SEC & CORP	0.00	1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30
CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10	4.10
CED/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	182.60	182.60
CFEC	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
DNR/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.70	25.70
ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	503.70	503.70
F&G/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55.70	55.70
F&G/SPORT FISH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.60	0.00	0.00	0.00	0.00	0.00	28.60
GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GOV/GOV COORDINATION	37.60	23.00	0.00	0.00	0.00	0.00	0.00	240.60	0.00	0.00	0.00	0.00	13.20	314.40
H&SS/MEDICAL ASSIST	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	73.10	73.60
H&SS/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	130.90	130.90
H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	1.10
LAW/LEGIS DRAFTING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,594.90	0.00	0.00	1,594.90
LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	191.50	0.00	0.00	0.00	0.00	478.40	669.90
LAW/REGULATIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,758.80	2,758.80

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Legis/Regs	PUB SAF/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43.20	43.20
	REV/INCOME&EXCISE TA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30	4.30
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	65.80	65.80
	Total	37.60	26.80	0.00	0.00	0.00	0.00	0.00	461.80	0.00	0.00	1,594.90	165.80	4,339.50	6,626.40
Jun-Natural Resources	CED/(formerly C&RA)	0.00	6.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.30
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	CED/OTHER	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	CFEC	21.70	176.40	0.00	0.00	0.00	0.00	0.00	30.50	0.00	0.00	134.30	0.00	22.20	385.10
	CORRECTIONS	0.00	5.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.20
	DNR/FORESTRY	10.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.60
	DNR/LAND	9.50	175.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	185.20
	DNR/OIL & GAS	0.00	84.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	84.10
	DNR/OTHER	7.90	5.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.30
	DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20
	DNR/WATER	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
	DOT/MARINE HWY SYS	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	DOT/STATEWIDE	0.00	13.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.70
	EDUC/EXECUTIVE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	7.00
	EDUC/OTHER	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.70
	EDUC/SCHOOL FACILITI	0.00	16.60	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	24.60
	ENV CONS/HQ	68.30	346.30	0.00	0.00	0.00	0.00	0.00	849.40	0.00	0.00	0.00	0.00	424.90	1,688.90
	F&G/ FUND	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70
	F&G/BD OF FISH	59.90	1.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39.20	0.00	277.50
	F&G/COMML FISH	32.00	47.50	0.00	0.00	0.00	0.00	0.00	118.90	0.00	0.00	0.00	0.00	0.00	7.10
	F&G/OTHER	65.20	55.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	F&G/SPORT FISH	38.70	0.00	0.00	0.00	0.00	0.00	0.00	2.60	0.00	0.00	0.00	0.00	0.00	41.30
	F&G/SUBSISTENCE	0.00	2.90	0.00	0.00	0.00	0.00	0.00	46.60	0.00	0.00	0.00	0.00	0.00	49.50
	GOV/EXEC OFFICE	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	30.40	8.20	0.00	40.00
	GOV/GOV COORDINATION	200.30	64.70	0.00	0.00	0.00	0.00	0.00	749.80	0.00	0.00	0.00	0.00	248.10	1,262.90
	GOV/OTHER	39.90	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	40.90
	H&SS/ALC & DRUG	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.80	0.00	0.00	0.00	0.00	0.00	7.80
	LABOR/OSHA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	LAW/EXEC ETHICS ACT	3.10	0.00	0.00	0.00	0.00	0.00	0.00	48.70	0.00	0.00	0.00	0.00	0.00	51.80
	LAW/LEGIS REVIEW	2.00	0.00	0.00	0.00	0.00	0.00	0.00	50.70	0.00	0.00	0.00	0.00	0.00	52.70
	LAW/NATIVE SOVEREIGN	92.00	253.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	345.50
	LAW/OTHER	236.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236.70
	LEGISLATURE	2.50	0.00	0.00	0.00	0.00	0.00	0.00	32.50	0.00	0.00	0.00	0.00	0.00	35.00
LT GOV/ELECTIONS	0.00	5.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	7.50	
LT GOV/OTHER	1.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80	
MILITARY AFFAIRS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.50	
RCA	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	
REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00	0.00	5.00	
Total		897.70	1,261.20	0.00	0.00	0.00	0.00	0.00	1,965.20	0.00	0.00	203.90	8.20	982.20	5,318.40
Jun-Oil, Gas & Mining	ADMIN/GEN SVC SUPPLY	0.00	35.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	35.50
	ADMIN/LABOR RELATION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	ADMIN/O&G CONS COMM	0.00	33.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	33.20

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Oil, Gas & Mining	ADMIN/RET&BENEFITS	1.50	3.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.80
	DNR/OIL & GAS	10.00	959.30	0.00	0.00	0.00	0.00	0.00	57.90	0.00	0.00	6.10	0.00	0.00	1,033.30
	DNR/PIPELINE COORD	0.50	66.40	0.00	0.00	0.00	0.00	0.00	749.60	0.00	0.00	0.00	0.00	0.00	816.50
	DOT/CENTRAL REGION	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	DOT/INTERNATL AIRPOR	4.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.70
	DOT/MARINE HWY SYS	0.00	52.30	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	61.30
	DOT/SOUTHEAST REGION	0.00	10.30	0.00	0.00	0.00	0.00	0.00	5.70	0.00	0.00	0.00	0.00	0.00	16.00
	EDUC/EXECUTIVE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	8.00
	EDUC/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.10	0.00	0.00	0.00	0.00	0.00	6.10
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.20	0.00	0.00	0.00	4.10	0.00	17.30
	GOV/GOV COORDINATION	0.00	5.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.90
	GOV/OTHER	0.00	1.50	0.00	0.00	0.00	0.00	0.00	159.30	0.00	0.00	0.00	0.00	0.00	160.80
	H&SS/ALC & DRUG	0.00	10.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.10
	H&SS/CINA	0.00	10.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.50
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.30
	H&SS/GUARDIANSHIPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	H&SS/MEDICAL ASSIST	0.00	141.60	0.00	0.00	0.00	0.00	0.00	3.50	0.00	0.00	0.00	0.00	0.00	145.10
	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.10	0.00	0.00	0.00	0.00	0.00	16.10
	H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20
	INS TENDERS/TORT	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
	LABOR/OSHA	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
	LAW/ OIL & GAS	0.00	2,835.70	0.00	0.00	0.00	0.00	0.00	8.40	0.00	0.00	0.00	0.00	0.00	2,844.10
	LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.80	0.00	0.00	0.00	0.00	0.00	12.80
	LAW/EXEC ETHICS ACT	0.00	250.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.30
	LAW/LEGIS REVIEW	12.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.10
	LAW/OTHER	1.00	25.20	0.00	0.00	0.00	0.00	0.00	20.00	0.00	0.00	0.00	0.00	0.00	46.20
	PUB SAF/OTHER	0.00	2.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50
	REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	70.90	0.00	0.00	0.00	0.00	0.00	70.90
	REV/INCOME&EXCISE TA	0.00	665.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	665.90
	REV/OIL&GAS AUDIT	0.00	70.20	0.00	0.00	0.00	0.00	0.00	10.10	0.00	0.00	0.00	0.00	0.00	80.30
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.40	0.00	0.00	6.40
	Total	29.80	5,182.10	0.00	3.00	0.00	0.00	0.00	1,153.60	0.00	0.00	12.50	4.10	0.00	6,385.10
Jun-Special Litigation	ADMIN/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49.60	0.00	0.00	49.60
	CORRECTIONS	0.00	1.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90
	DOT/MARINE HWY SYS	0.00	50.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50.90
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21.10	0.00	21.10
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	4.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.30
	INS TENDERS/TORT	91.70	0.00	0.00	3,687.30	0.00	0.00	0.00	95.90	0.00	0.00	0.00	0.00	0.00	3,874.90
	LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30
	PUB SAF/FIRE PREV	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.90	0.00	0.00	0.00	0.00	0.00	11.90
	REV/INCOME&EXCISE TA	0.00	1.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10
	Total	91.70	53.90	0.00	3,691.60	0.00	0.00	0.00	108.10	0.00	0.00	49.60	21.10	0.00	4,016.00
Jun-Transportation	ADMIN/GEN SVC SUPPLY	0.00	154.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	154.00
	CORRECTIONS	0.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
	DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
	DOT/CENTRAL REGION	0.00	44.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.50	55.50
	DOT/MARINE HWY SYS	0.00	1,198.30	0.00	0.00	0.00	0.00	0.00	339.00	0.00	0.00	0.00	0.00	44.50	1,581.80

	02	22	26	30	33	44	55	66	70	75	77	88	99	Total
un-Transportation DOT/NORTHERN REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	0.00	0.00	0.00	0.00	0.00	8.00
DOT/SOUTHEAST REGION	0.00	1,047.40	0.00	0.00	0.00	0.00	0.00	89.00	0.00	0.00	0.00	0.00	0.00	1,136.40
DOT/STATEWIDE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	114.00	0.00	0.00	58.50	0.00	41.50	214.00
EDUC/EXECUTIVE ADMIN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.50	0.00	0.00	0.00	0.00	0.00	24.50
EDUC/TEACHING&LEARNI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.50	0.00	0.00	0.00	0.00	0.00	13.50
F&G/ FUND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00	0.00	1.20
GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	43.00	0.00	43.00
GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	181.10	0.00	0.00	181.10
H&SS/ALC & DRUG	0.00	151.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	151.00
H&SS/MEDICAL ASSIST	0.00	599.90	0.00	0.00	0.00	0.00	0.00	22.40	0.00	0.00	0.00	0.00	0.00	622.30
INS TENDERS/TORT	0.00	0.00	0.00	14.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14.50
LABOR/WG&HR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90	0.00	0.00	0.00	0.00	0.00	3.90
LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	236.80	0.00	0.00	0.00	0.00	0.00	236.80
LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	155.50	0.00	0.00	0.00	0.00	0.00	155.50
LAW/OTHER	0.00	0.30	0.00	0.00	0.00	0.00	0.00	48.40	0.00	0.00	0.00	0.00	0.00	48.70
LT GOV/ELECTIONS	41.00	2.00	0.00	0.00	0.00	0.00	0.00	16.50	0.00	0.00	0.00	0.00	0.00	59.50
POST SEC ED COMM	0.00	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50
REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	175.30	0.00	0.00	0.00	0.00	0.00	175.30
REV/CSFD	0.00	15.50	0.00	0.00	0.00	0.00	0.00	6.80	0.00	0.00	0.00	0.00	0.00	22.30
REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.30	0.00	0.00	0.00	0.00	0.00	2.30
Total	41.00	3,245.90	0.00	14.50	0.00	0.00	0.00	1,257.60	0.00	0.00	239.60	43.00	97.50	4,939.10
Total	5,803.50	75,191.70	2,549.20	23,617.00	7,412.00	32,941.40	638.10	52,658.00	1,265.30	148.50	3,486.10	741.10	13,118.20	219,570.10

**File Types - 02 Oral Advice; 22 General Litigation; 26 Executions; 30 Insurance Tenders; 33 CSE Proceedings; 44 Children's Proceedings; 55 Welfare Fraud Investigations; 66 Aid to Agency; 70 Welfare Fraud Litigation; 75 Medicaid Provider Fraud Invest; 77 Legislative Drafting; 88 Legislative Review; and 99 Regulation Review.

11/26/99

Section	Client	02	22	26	30	33	44	55	66	70	75	77	88	99	Total	
ANC-Collections & Support	ADMIN/DIV OF MOTOR V	0.00	0.00	2.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.90	
	ADMIN/SENIOR SERVICE	0.00	0.50	2.10	0.00	0.00	0.00	0.00	29.20	0.00	0.00	0.00	0.00	0.00	31.80	
	APOC	0.00	0.00	49.60	0.00	0.00	0.00	0.00	31.80	0.00	0.00	0.00	0.00	0.00	81.40	
	CED/(formerly C&RA)	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60	
	CED/INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	CED/OCC LICENSING	0.00	3.00	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.10	
	CORRECTIONS	0.00	0.00	243.00	0.00	0.00	0.00	0.00	2.30	0.00	0.00	0.00	0.00	0.00	245.30	
	COURT SYSTEM	0.00	1.50	3.00	0.00	0.00	0.00	0.00	565.60	0.00	0.00	0.00	0.00	0.00	570.10	
	DNR/AGRICULTURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30	
	DNR/FORESTRY	0.00	0.00	2.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.70	
	DNR/OTHER	0.00	0.00	9.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.40	
	DOT/CENTRAL REGION	0.00	0.00	28.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.10	
	DOT/INTERNATL AIRPOR	0.00	0.60	1.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80	
	ENV CONS/HQ	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60	
	F&G/ FUND	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	
	F&G/OTHER	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	1,144.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,144.20	
	H&SS/FAM & YOUTH SVC	0.00	0.00	4.40	0.00	0.00	0.00	0.00	139.00	0.00	0.00	0.00	0.00	0.00	143.40	
	H&SS/GUARDIANSHIPS	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	27.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.80	
	H&SS/LICENSING	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	
	H&SS/MENTAL	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	
	H&SS/WELFARE FRAUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40	
	INS TENDERS/TORT	0.00	0.00	46.40	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	46.50	
	LABOR/OSHA	0.00	28.70	0.00	0.00	0.00	0.00	0.00	30.50	0.00	0.00	0.00	0.00	0.00	59.20	
	LABOR/WORK COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.20	
	LAW/ COLLECTION	0.00	0.00	321.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	321.60	
	LAW/CONS PROT	0.00	0.00	4.10	0.00	0.00	0.00	0.00	5.20	0.00	0.00	0.00	0.00	0.00	9.30	
	LAW/OTHER	0.00	0.00	1,623.90	0.00	0.00	0.00	0.00	14.90	0.00	0.00	0.00	0.00	0.00	1,638.80	
	POST SEC ED COMM	0.00	1.20	2.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10	
	PROF TEACHING PRACTI	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	
	PUB SAF/OTHER	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	
	RCA	0.00	4.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.70	
	REV/ABC BD	0.00	3.10	3.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.90	
	REV/CSED	0.00	1,674.80	1.00	0.00	4,826.00	0.00	0.00	2,031.20	0.00	0.00	0.00	3.60	0.00	137.00	8,673.60
	REV/OTHER	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60
REV/PERM FUND DIVIDE	0.00	28.20	6.30	0.00	0.00	0.00	0.00	19.70	0.00	0.00	0.00	0.00	0.00	0.00	54.20	
Total		0.00	1,750.90	2,373.10	0.00	4,826.00	1,172.00	0.00	2,870.40	0.00	0.00	3.60	0.00	137.00	13,133.00	
ANC-Commerical	CED/BK SEC & CORP	0.00	6.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.80	
	CED/INSURANCE	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	
	CED/INVESTMENTS	0.00	365.50	10.40	0.00	0.00	0.00	0.00	38.20	0.00	0.00	0.00	0.00	0.00	414.10	
	CED/OCC LICENSING	0.00	9.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.30	
	DNR/AGRICULTURE	0.00	186.10	119.90	0.00	0.00	0.00	0.00	449.60	0.00	0.00	0.00	0.00	8.60	764.20	
	DNR/MINING	0.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total	
ANC-Commerical	DNR/OIL & GAS	0.00	786.70	0.00	0.00	0.00	0.00	0.00	613.30	0.00	0.00	0.00	0.00	30.60	1,430.60	
	DOT/CENTRAL REGION	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	2.40	
	DOT/INTERNATL AIRPOR	0.00	21.10	0.00	0.00	0.00	0.00	0.00	13.80	0.00	0.00	0.00	0.00	0.00	34.90	
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.40	
	GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.20	
	H&SS/ALC & DRUG	0.00	25.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.60	
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	10.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	
	H&SS/GUARDIANSHIPS	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.30	
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	3.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45.80	
	H&SS/MEDICAL ASSIST	0.00	18.90	0.00	0.00	0.00	0.00	0.00	26.90	0.00	0.00	0.00	0.00	0.00	505.00	
	LABOR/ESD	0.00	358.20	0.00	0.00	0.00	0.00	0.00	146.80	0.00	0.00	0.00	0.00	0.00	0.40	
	LABOR/OSHA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	62.80	
	LAW/ OIL & GAS	0.00	62.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,036.60	
	LAW/ANTI-TRUST	0.00	430.70	0.00	0.00	0.00	0.00	0.00	605.90	0.00	0.00	0.00	0.00	0.00	2,257.00	
	LAW/CONS PROT	14.00	113.00	0.00	0.00	0.00	0.00	0.00	2,130.00	0.00	0.00	0.00	0.00	0.00	3.00	
	LAW/EXEC ETHICS ACT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	44.90	
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.90	0.00	0.00	0.00	0.00	0.00	26.70	
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.70	0.00	0.00	0.00	0.00	0.00	0.20	
	PUB SAF/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.00	31.30	
	RCA	0.00	31.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,032.80	
	REV/AHFC	0.00	1,409.90	0.60	0.00	0.00	0.00	0.00	1,622.30	0.00	0.00	0.00	0.00	0.00	3.60	
	REV/CSED	0.00	3.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.60	
	REV/OIL&GAS AUDIT	0.00	7.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.30	
	REV/PERM FUND DIVIDE	0.00	7.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,793.10	
	Total		14.00	3,858.30	130.90	0.00	0.00	13.90	0.00	5,723.10	0.00	0.00	0.00	13.70	39.20	
	ANC-Enviromenta l Affairs	ADMIN/GEN SVC SUPPLY	0.00	176.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.10	185.40
APOC		0.00	113.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	113.60	
CORRECTIONS		0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	
DNR/LAND		0.00	61.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.90	0.00	0.00	103.70	
DNR/OIL & GAS		0.00	18.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.10	
DNR/PARKS		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30	
DOT/CENTRAL REGION		0.00	16.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.40	
DOT/INTERNATL AIRPOR		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50	
DOT/NORTHERN REGION		0.00	23.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23.20	
DOT/STATEWIDE		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50	3.50	
EDUC/OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60	0.60	
ENV CONS/HQ		952.10	1,737.50	0.00	0.00	0.00	0.00	0.00	2,770.90	0.00	0.00	51.00	0.00	731.50	6,243.00	
GOV/EXEC OFFICE		0.00	110.50	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	15.70	0.00	130.20	
H&SS/GUARDIANSHIPS		0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	
H&SS/MEDICAL ASSIST		0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	
H&SS/MENTAL		0.00	6.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	
INS TENDERS/TORT		0.00	0.00	0.00	274.10	0.00	0.00	0.00	50.30	0.00	0.00	0.00	0.00	0.00	324.40	
LAW/EXXON		0.00	2,762.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,762.20	
LAW/OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.60	0.00	0.00	0.00	0.00	0.00	7.60	
LT GOV/ELECTIONS		0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	
POST SEC ED COMM		0.00	5.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.40	
RCA		0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50	
REV/OIL&GAS AUDIT		0.00	42.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42.30	

	02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Enviromenta Total	952.10	5,087.00	0.00	274.10	0.00	0.00	0.00	2,833.60	0.00	0.00	92.90	15.70	744.70	10,000.10
I Affairs														
ANC-Fair BusinessADMIN/SENIOR SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
Practices APOC	0.00	8.90	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	9.30
CED/INSURANCE	13.40	734.30	0.00	0.00	0.00	0.00	0.00	1,701.20	0.00	0.00	0.00	0.00	46.00	2,494.90
CED/INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.10
CED/OCC LICENSING	0.00	971.50	0.00	0.00	0.00	0.00	0.00	425.10	0.00	0.00	0.00	0.00	0.00	1,396.60
DOT/INTERNATL AIRPOR	0.00	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.50
GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.20	0.00	0.00	0.00	43.50	0.00	68.70
GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.90	0.00	0.00	11.50	0.00	0.00	39.40
H&SS/CINA	0.00	0.00	0.00	0.00	0.00	86.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	86.70
H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
H&SS/MEDICAL ASSIST	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
H&SS/MENTAL	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
INS TENDERS/TORT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.50
LABOR/ESD	0.00	1.50	0.00	0.00	0.00	0.00	0.00	8.40	0.00	0.00	0.00	0.00	0.00	9.90
LABOR/WG&HR	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
LABOR/WORK COMP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.40	0.00	0.00	18.40
LAW/ANTI-TRUST	0.00	71.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	71.20
LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	85.40	0.00	0.00	0.00	0.00	0.00	85.40
LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	152.90	0.00	0.00	0.00	0.00	0.00	152.90
POST SEC ED COMM	0.00	394.90	0.00	0.00	0.00	0.00	0.00	1,622.70	0.00	0.00	0.00	0.00	27.90	2,045.50
PROF TEACHING PRACTI	0.00	89.40	0.00	0.00	0.00	0.00	0.00	28.60	0.00	0.00	81.20	0.00	4.00	203.20
RCA	0.00	1,927.50	0.00	0.00	0.00	0.00	0.00	1,217.10	0.00	0.00	0.00	0.00	28.90	3,173.50
REV/PERM FUND DIVIDE	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	1.20
Total	13.40	4,206.70	0.00	0.00	0.00	88.20	0.00	5,297.20	0.00	0.00	111.10	43.50	106.80	9,866.90
ANC-Gas, Oil & Mining														
ADMIN/O&G CONS COMM	0.00	273.00	0.00	0.00	0.00	0.00	0.00	320.60	0.00	0.00	0.00	0.00	381.60	975.20
APOC	0.00	6.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.70
CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.10	18.10
CORRECTIONS	0.00	2.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50
DNR/LAND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.80
DNR/MINING	0.00	1,148.90	0.00	0.00	0.00	0.00	0.00	79.40	0.00	0.00	0.00	0.00	103.50	1,331.80
DNR/OIL & GAS	0.00	5,014.10	0.00	0.00	0.00	0.00	0.00	661.50	0.00	0.00	0.00	0.00	0.00	5,675.60
DNR/OTHER	0.00	5.20	0.00	0.00	0.00	0.00	0.00	9.80	0.00	0.00	0.00	0.00	0.00	15.00
DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	0.00	0.00	2.00
DOT/INTERNATL AIRPOR	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
ENV CONS/HQ	0.00	1.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	7.00
F&G/OTHER	0.00	9.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.80
GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	51.90	0.00	51.90
GOV/GOV COORDINATION	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.70	0.00	0.00	0.00	0.00	0.00	3.20
GOV/OTHER	0.00	17.40	0.00	0.00	0.00	0.00	0.00	337.10	0.00	0.00	0.00	0.00	0.00	354.50
H&SS/CINA	0.00	0.00	0.00	0.00	0.00	13.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.50
H&SS/GUARDIANSHIPS	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
H&SS/MENTAL	0.00	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.50
HUMAN RTS COMMN	0.00	15.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.30
INS TENDERS/TORT	0.00	0.00	0.00	269.70	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	273.70
LABOR/OSHA	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
LAW/ OIL & GAS	0.00	2,599.00	0.00	0.00	0.00	0.00	0.00	172.80	0.00	0.00	0.00	0.00	0.00	2,771.80

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Gas, Oil & Mining	LAW/CONS PROT	0.00	4.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.50
	LAW/EXXON	0.00	10.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.50
	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66.10	0.00	0.00	0.00	0.00	0.00	66.10
	RCA	0.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
	REV/AHFC	0.00	2.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.30
	RE /CSED	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	REV/INCOME&EXCISE TA	0.00	41.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.70
	REV/OIL&GAS AUDIT	0.00	3,388.90	0.00	0.00	0.00	0.00	0.00	424.00	0.00	0.00	0.00	0.00	2,315.90	6,128.80
	REV/OTHER	0.00	274.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	275.60
	Total	0.00	12,832.40	0.00	269.70	0.00	13.50	0.00	2,085.80	0.00	0.00	1.00	51.90	2,819.10	18,073.40
ANC-Govt Affairs & Contr	ADMIN/LABOR RELATION	9.30	75.20	0.00	0.00	0.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	184.50
	ADMIN/O&G CONS COMM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	1.50	1.80
	ADMIN/OTHER	0.00	41.10	0.00	0.00	0.00	0.00	0.00	33.50	0.00	0.00	0.00	0.00	0.00	74.60
	ADMIN/PERSONNEL	17.20	68.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	85.70
	APOC	8.60	1,305.70	0.00	0.00	0.00	0.00	0.00	421.20	0.00	0.00	0.00	0.00	0.00	1,735.50
	CED/(formerly C&RA)	0.00	33.10	0.00	0.00	0.00	0.00	0.00	249.70	0.00	0.00	1.50	0.00	0.00	284.30
	CED/AIDEA	0.00	88.50	0.00	0.00	0.00	0.00	0.00	382.10	0.00	0.00	85.20	0.00	0.00	555.80
	CED/INSURANCE	0.00	3.40	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	3.80
	CED/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00
	CORRECTIONS	0.10	1,018.20	0.00	0.00	0.00	0.00	0.00	10.70	0.00	0.00	0.00	0.00	0.00	1,029.00
	COURT SYSTEM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40
	DNR/AGRICULTURE	0.00	0.00	9.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.90
	DNR/LAND	0.00	11.40	0.00	0.00	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	13.30
	DNR/NAVIGABILITY	0.00	8.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.70
	DNR/OIL & GAS	0.00	74.00	0.00	0.00	0.00	0.00	0.00	7.10	0.00	0.00	0.00	0.00	0.00	81.10
	DNR/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	444.60	0.00	0.00	0.00	0.00	0.00	444.60
	DOT/CENTRAL REGION	0.00	105.00	0.00	0.00	0.00	0.00	0.00	11.00	0.00	0.00	0.00	0.00	0.00	116.00
	DOT/INTERNATL AIRPOR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.60	0.00	0.00	0.00	0.00	0.00	15.60
	DOT/MARINE HWY SYS	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	DOT/NORTHERN REGION	0.00	44.10	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	45.10
	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.10
	F&G/OTHER	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	F&G/TRUSTEE COUNCIL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60	0.00	0.00	0.00	0.00	0.00	4.60
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.20	0.00	0.00	0.00	21.20	0.00	39.40
	GOV/OTHER	1.80	193.90	0.00	0.00	0.00	0.00	0.00	64.60	0.00	0.00	0.00	0.00	0.20	260.50
	H&SS/ALC & DRUG	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00
	H&SS/CINA	0.00	7.30	0.00	0.00	0.00	327.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	335.00
	H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	1.90
	H&SS/GUARDIANSHIPS	0.00	5.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	31.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31.00
	H&SS/LICENSING	0.00	64.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.90	64.20
	H&SS/MEDICAL ASSIST	0.00	2,338.30	0.00	0.00	0.00	0.00	0.00	339.20	0.00	0.00	0.00	0.00	0.00	2,684.40
	H&SS/MENTAL	0.00	3.90	0.00	0.00	0.00	156.70	0.00	57.00	0.00	0.00	0.00	0.00	0.00	217.60
	H&SS/OTHER	4.40	80.50	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	88.90
	HUMAN RTS COMMN	0.00	491.60	0.00	0.00	0.00	0.00	0.00	393.10	0.00	0.00	0.00	0.00	0.00	884.70
	INS TENDERS/TORT	0.00	0.00	0.00	329.30	0.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	335.30
	LABOR/ESD	0.20	139.80	0.00	0.00	0.00	0.00	0.00	45.00	0.00	0.00	16.50	0.00	0.00	201.50
	LABOR/OSHA	0.00	1,346.10	0.00	0.00	0.00	0.00	0.00	61.40	0.00	0.00	0.00	0.00	72.10	1,479.60

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total	
ANC-Govt Affairs & Contr	LABOR/OTHER	3.00	8.80	0.00	0.00	0.00	0.00	0.00	46.10	0.00	0.00	2.20	0.00	43.80	103.90	
	LABOR/WG&HR	0.00	164.10	0.00	0.00	0.00	0.00	0.00	85.50	0.00	0.00	5.40	0.00	37.60	292.60	
	LABOR/WORK COMP	0.00	100.00	0.00	0.00	0.00	0.00	0.00	88.60	0.00	0.00	0.00	0.00	7.50	196.10	
	LAW/ANTI-TRUST	0.00	73.00	0.00	0.00	0.00	0.00	0.00	48.80	0.00	0.00	0.00	0.00	0.00	121.80	
	LAW/CONS PROT	0.00	0.00	5.00	0.00	0.00	0.00	0.00	497.90	0.00	0.00	0.00	0.00	0.00	502.90	
	LAW/LEGIS REVIEW	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.50	
	LAW/NATIVE SOVEREIGN	0.00	26.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26.70	
	LAW/OTHER	22.70	0.00	0.00	0.00	0.00	0.00	0.00	484.90	0.00	0.00	0.00	0.00	0.00	507.60	
	LAW/PROVIDER FRAUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.30	
	LEGISLATURE	0.80	0.00	0.00	0.00	0.00	0.00	0.00	5.10	0.00	0.00	0.00	0.00	0.00	5.90	
	LT GOV/ELECTIONS	12.20	231.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	243.90	
	LT GOV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	55.40	0.00	0.00	0.00	0.00	6.00	61.40	
	MILITARY AFFAIRS	0.90	115.00	0.00	0.00	0.00	0.00	0.00	1,007.10	0.00	0.00	0.00	0.00	0.00	1,123.00	
	MILITARY AFFAIRS EME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	61.50	0.00	0.00	8.40	0.00	0.00	69.90	
	POST SEC ED COMM	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70	0.00	0.00	0.00	0.00	0.00	1.70	
	PROF TEACHING PRACTI	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	
	PUB SAF/OTHER	0.00	1.60	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	8.60	
	PUB SAF/TROOPERS	12.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.80	
	RCA	1.70	0.00	0.00	0.00	0.00	0.00	0.00	18.60	0.00	0.00	0.00	0.00	0.00	20.30	
	REV/ABC BD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.00	
	REV/AHFC	0.00	0.80	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	7.80	
	REV/CSED	0.00	26.60	0.00	0.00	19.70	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.20	48.00	
	REV/OIL&GAS AUDIT	0.00	21.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	143.60	164.60	
	REV/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.00	
	UNIVERSITY OF ALASKA	0.00	86.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	86.10	
	Total		97.70	8,407.10	14.90	329.30	19.70	515.40	0.00	5,096.60	0.00	0.00	119.70	21.20	319.40	14,941.00
	ANC-Human Services	ADMIN/SENIOR SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	47.50	0.00	0.00	0.00	0.00	0.00	47.50
		H&SS/CINA	0.00	2.00	0.00	0.00	0.00	17,572.50	0.00	4.00	0.00	0.00	0.00	0.00	0.00	17,578.50
		H&SS/FAM & YOUTH SVC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.60	0.00	0.00	0.00	0.00	0.00	28.60
		H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	1,993.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,993.50
H&SS/LICENSING		0.00	63.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	63.80	
H&SS/MEDICAL ASSIST		0.00	14.80	0.00	0.00	0.00	0.00	0.00	156.00	0.00	0.00	0.00	0.00	0.00	170.80	
H&SS/MENTAL		0.00	0.00	0.00	0.00	0.00	438.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	438.60	
H&SS/OTHER		0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.50	
LABOR/WORK COMP		0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.00	0.00	0.00	0.00	0.00	0.00	27.00	
POST SEC ED COMM		0.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	
PUB SAF/OTHER		0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	
Total			0.00	86.30	0.00	0.00	0.00	20,004.60	0.00	265.60	0.00	0.00	0.00	0.00	0.00	20,356.50
Anc-Medicaid Provider Fraud	LAW/PROVIDER FRAUD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	121.50	0.00	148.50	0.00	0.00	0.00	270.00	
	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	121.50	0.00	148.50	0.00	0.00	0.00	270.00	
ANC-Natural Resources	ADMIN/O&G CONS COMM	0.00	17.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17.60	
	ADMIN/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50	0.00	0.00	5.50	
	APOC	0.00	134.00	0.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	0.00	0.00	138.00	
	CED/(formerly C&RA)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80	0.00	0.00	0.00	0.00	0.00	1.80	
	CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.60	0.00	0.00	0.00	0.00	1.40	3.00	
	CED/OTHER	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	

	02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Natural Resources	CFEC	0.50	233.40	0.00	0.00	0.00	0.00	4.20	0.00	0.00	69.00	0.00	0.00	307.10
	COURT SYSTEM	0.40	12.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.90
	DNR/ RS 2477	10.20	117.40	0.00	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00	0.00	128.80
	DNR/AGRICULTURE	0.00	253.10	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	253.70
	DNR/FORESTRY	0.00	9.90	0.00	0.00	0.00	0.00	66.60	0.00	0.00	15.90	0.00	0.00	92.40
	DNR/LAND	91.90	3,494.00	0.00	0.00	0.00	0.00	796.60	0.00	0.00	206.30	0.00	21.40	4,610.20
	DNR/MINING	0.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00
	DNR/NAVIGABILITY	0.00	494.00	0.00	0.00	0.00	0.00	801.20	0.00	0.00	0.00	0.00	0.00	1,295.20
	DNR/OIL & GAS	0.00	17.20	0.00	0.00	0.00	0.00	9.00	0.00	0.00	0.00	0.00	0.00	26.20
	DNR/OTHER	1.30	53.10	0.00	0.00	0.00	0.00	934.70	0.00	0.00	0.00	0.00	0.00	989.10
	DNR/PARKS	0.00	3.80	0.00	0.00	0.00	0.00	281.60	0.00	0.00	124.20	0.00	0.00	409.60
	DNR/WATER	0.00	0.00	0.00	0.00	0.00	0.00	187.10	0.00	0.00	0.00	0.00	8.70	195.80
	DOT/CENTRAL REGION	0.00	7.60	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	9.10
	DOT/INTERNATL AIRPOR	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.70
	DOT/SOUTHEAST REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.40
	EDUC/SCHOOL FINANCE	0.00	13.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.50
	ENV CONS/HQ	0.20	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.70
	F&G/ FUND	0.00	320.00	4.40	0.00	0.00	0.00	307.50	0.00	0.00	0.00	0.00	0.00	631.90
	F&G/BD OF FISH	0.00	18.70	0.00	0.00	0.00	0.00	7.30	0.00	0.00	0.00	0.00	389.30	415.30
	F&G/BD OF GAME	0.00	107.70	0.00	0.00	0.00	0.00	204.50	0.00	0.00	17.30	0.00	271.60	601.10
	F&G/COMML FISH	0.00	360.80	0.00	0.00	0.00	0.00	195.40	0.00	0.00	0.00	0.00	2.80	559.00
	F&G/OTHER	22.50	1,484.40	0.00	0.00	0.00	0.00	2,521.50	0.00	0.00	89.70	0.00	25.70	4,143.80
	F&G/SPORT FISH	0.00	44.60	0.00	0.00	0.00	0.00	17.00	0.00	0.00	0.00	0.00	17.40	79.00
	F&G/SUBSISTENCE	0.00	17.00	0.00	0.00	0.00	0.00	51.70	0.00	0.00	0.00	0.00	0.00	78.70
	GOV/D.C. OFFICE	6.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.60
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	249.50	0.00	0.00	0.00	81.20	0.00	330.70
	GOV/GOV COORDINATION	1.80	0.00	0.00	0.00	0.00	0.00	14.90	0.00	0.00	0.00	0.00	0.00	16.70
	GOV/OMB	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.90	0.00	0.00	38.90

[illegible]

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
ANC-Transportation	REV/OIL&GAS AUDIT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.40	8.40
	Total	102.90	4,966.00	0.00	87.00	0.00	10.10	0.00	4,048.70	0.00	0.00	60.00	10.50	259.70	9,544.90
ANC-Welfare	H&SS/WELFARE FRAUD	0.00	164.30	0.00	0.00	0.00	0.00	638.10	182.50	1,265.30	0.00	0.00	0.00	0.00	2,250.20
Fraud	REV/ABC BD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	1.50
	Total	0.00	164.30	0.00	0.00	0.00	0.00	638.10	184.00	1,265.30	0.00	0.00	0.00	0.00	2,251.70
Bethel AGO	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	1,381.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,381.10
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	344.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	344.10
	H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
	Total	0.00	0.00	0.00	0.00	0.00	1,726.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,726.20
FAI-Collections & Support	DNR/AGRICULTURE	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	DOT/NORTHERN REGION	0.00	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.40
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	88.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	88.50
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	38.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.10
	H&SS/MENTAL	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	INS TENDERS/TORT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.90	0.00	0.00	0.00	0.00	0.00	6.90
	MILITARY AFFAIRS	0.00	5.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.70
	REV/CSED	19.30	440.40	0.00	0.00	2,098.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,558.20
	REV/INCOME&EXCISE TA	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	Total	19.30	450.50	0.00	0.00	2,098.50	126.60	0.00	6.90	0.00	0.00	0.00	0.00	0.00	2,701.80
FAI-Human Services	ADMIN/SENIOR SERVICE	2.70	7.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.40
	CORRECTIONS	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
	COURT SYSTEM	0.00	0.20	0.00	0.00	0.00	0.00	0.00	68.30	0.00	0.00	0.00	0.00	0.00	68.50
	DNR/AGRICULTURE	0.00	8.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.10
	DNR/LAND	0.20	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90
	DOT/NORTHERN REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	0.00	0.00	0.00	0.80
	EDUC/OTHER	0.00	19.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.80
	GOV/D.C. OFFICE	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	2.50
	H&SS/ALC & DRUG	6.90	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.80
	H&SS/CINA	43.70	54.70	0.00	0.00	0.00	4,046.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,145.20
	H&SS/FAM & YOUTH SVC	27.60	0.00	0.00	0.00	0.00	0.00	0.00	1.40	0.00	0.00	0.00	0.00	0.00	29.00
	H&SS/GUARDIANSHIPS	0.00	4.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.10
	H&SS/JUV DELINQ	6.60	23.80	0.00	0.00	0.00	1,630.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,661.00
	H&SS/LICENSING	10.80	105.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	116.00
	H&SS/MEDICAL ASSIST	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	H&SS/MENTAL	11.20	3.70	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	15.40
	H&SS/OTHER	0.00	58.50	0.00	0.00	0.00	0.00	0.00	4.80	0.00	0.00	0.00	0.00	0.00	63.30
	H&SS/PUB ASSIST	3.00	12.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.70
	H&SS/PUB HEALTH	1.40	3.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.90
	INS TENDERS/TORT	0.00	0.00	0.00	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10
	LABOR/ESD	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	LABOR/WG&HR	2.60	13.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.00
	LAW/CONS PROT	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	LAW/NATIVE SOVEREIGN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	34.70	0.00	0.00	0.00	0.00	0.00	34.70

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total	
FAI-Human Services	LAW/OTHER	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.70	0.00	0.00	0.00	0.00	0.00	7.70	
	PUB SAF/TROOPERS	0.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	
	RCA	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	
	REV/CSED	0.60	7.10	0.00	0.00	7.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.40	
	REV/PERM FUND DIVIDE	0.30	24.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	24.50	
	Total	119.30	352.00	0.00	0.10	7.70	5,677.40	0.00	118.20	0.00	0.00	0.00	0.00	2.50	0.00	6,277.20
FAI-Natural Resources	DNR/AGRICULTURE	3.10	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.60	
	DNR/FORESTRY	1.60	6.60	0.00	0.00	0.00	0.00	0.00	3.20	0.00	0.00	0.00	0.00	0.00	11.40	
	DNR/LAND	68.00	250.10	0.00	0.00	0.00	0.00	0.00	227.00	0.00	0.00	0.00	0.00	0.00	545.10	
	DNR/MINING	1.40	0.00	0.00	0.00	0.00	0.00	0.00	77.10	0.00	0.00	0.00	0.00	0.00	78.50	
	DNR/OIL & GAS	1.30	37.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.70	
	DNR/OTHER	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.10	
	DNR/PARKS	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.40	
	ENV CONS/HQ	161.70	0.30	0.00	0.00	0.00	0.00	0.00	913.30	0.00	0.00	0.00	0.00	693.70	1,769.00	
	F&G/COMML FISH	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	
	F&G/OTHER	1.70	0.00	0.00	0.00	0.00	0.00	0.00	13.40	0.00	0.00	0.00	0.00	0.00	15.10	
	F&G/SPORT FISH	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00	6.00	
	LAW/CONS PROT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.80	0.00	0.00	0.00	0.00	0.00	2.80	
	LT GOV/ELECTIONS	3.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20	
	REV/CSED	0.00	17.40	0.00	0.00	7.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	25.00	
	Total	245.90	312.30	0.00	0.00	7.60	0.00	0.00	1,236.80	0.00	0.00	0.00	0.00	6.00	693.70	2,502.30
	FAI-Special Litigation	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20	0.00	0.00	0.00	0.00	0.00	3.20
H&SS/ALC & DRUG		0.00	2.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.40	
H&SS/CINA		0.00	0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	
H&SS/FAM & YOUTH SVC		0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60	
H&SS/JUV DELINQ		0.00	0.00	0.00	0.00	0.00	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.70	
H&SS/MENTAL		3.80	7.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.60	
H&SS/OTHER		0.00	5.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.50	
INS TENDERS/TORT		24.80	0.00	0.00	3,542.00	0.00	0.00	0.00	173.90	0.00	0.00	0.00	0.00	0.00	3,740.70	
LAW/OTHER		1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	
PUB SAF/TROOPERS		1.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	
Total		31.80	15.70	0.00	3,542.00	0.00	6.70	0.00	177.10	0.00	0.00	0.00	0.00	0.00	3,773.30	
FAI-Transporation	DNR/LAND	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.60	0.00	0.00	0.00	0.00	0.00	0.90	
	DOT/CENTRAL REGION	0.00	4.20	0.00	0.00	0.00	0.00	0.00	3.60	0.00	0.00	0.00	0.00	0.00	7.80	
	DOT/NORTHERN REGION	22.10	3,512.60	0.00	0.00	0.00	0.00	0.00	963.20	0.00	0.00	0.00	0.00	0.00	4,497.90	
	DOT/STATEWIDE	2.20	0.00	0.00	0.00	0.00	0.00	0.00	66.50	0.00	0.00	0.00	0.00	0.00	68.70	
	ENV CONS/HQ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.70	
	F&G/SPORT FISH	0.00	0.80	0.00	0.00	0.00	0.00	0.00	1.90	0.00	0.00	0.00	0.00	0.00	2.70	
	GOV/EXEC OFFICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.20	0.00	5.20	
	H&SS/CINA	0.00	0.00	0.00	0.00	0.00	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40	
	H&SS/JUV DELINQ	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	
	H&SS/MENTAL	0.00	20.10	0.00	0.00	0.00	0.00	0.00	4.80	0.00	0.00	0.00	0.00	0.00	24.90	
	H&SS/OTHER	0.00	2.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.60	
	INS TENDERS/TORT	0.00	0.00	0.00	9.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.60	
	LABOR/WG&HR	0.00	3.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.60	

[illegible]

		02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Commercial	REV/OTHER	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	46.20	0.00	0.30	47.20
	REV/PERM FUND DIVIDE	25.30	726.40	0.00	0.00	0.00	0.00	0.00	46.70	0.00	0.00	0.00	0.00	2.40	800.80
	REV/TREASURY	7.60	1.60	1.70	0.00	0.00	0.00	0.00	27.40	0.00	0.00	0.00	0.00	0.00	38.30
	Total	554.10	4,276.90	25.90	56.30	0.00	0.00	0.00	1,325.10	0.00	0.00	96.90	64.80	913.50	7,313.50
Jun-Govt Affairs & Contr	ADMIN/DIV OF MOTOR V	0.00	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	ADMIN/FINANCE	20.30	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20.60
	ADMIN/GEN SVC SUPPLY	87.10	169.30	0.00	0.00	0.00	0.00	0.00	82.60	0.00	0.00	0.00	0.00	0.00	339.00
	ADMIN/INFO SERVICES	10.10	18.30	0.00	0.00	0.00	0.00	0.00	25.80	0.00	0.00	0.00	0.00	0.00	54.20
	ADMIN/LABOR RELATION	153.40	165.50	0.00	0.00	0.00	0.00	0.00	234.90	0.00	0.00	0.00	0.00	0.00	553.80
	ADMIN/LONGEVITY	4.80	0.00	0.00	0.00	0.00	0.00	0.00	41.90	0.00	0.00	1.80	0.00	1.00	49.50
	ADMIN/O&G CONS COMM	0.00	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	ADMIN/OTHER	25.00	63.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	88.90
	ADMIN/PERSONNEL	104.20	3.90	0.00	0.00	0.00	0.00	0.00	76.60	0.00	0.00	2.70	0.00	3.00	190.40
	ADMIN/RET&BENEFITS	230.10	706.60	0.00	0.00	0.00	0.00	0.00	2.20	0.00	0.00	28.40	0.00	8.40	975.70
	ADMIN/SENIOR SERVICE	4.40	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.60
	APOC	3.50	28.90	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	33.40
	CED/(formerly C&RA)	85.50	71.90	0.00	0.00	0.00	0.00	0.00	45.90	0.00	0.00	0.00	0.00	8.70	212.00
	CED/AIDEA	5.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.90
	CED/BK SEC & CORP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	1.10
	CED/OCC LICENSING	0.20	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.20
	CED/OTHER	27.30	8.50	0.00	0.00	0.00	0.00	0.00	1.80	0.00	0.00	0.00	0.00	0.00	37.60
	CED/SCIENCE&TECH FOU	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.30	16.30
	CFEC	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20
	CORRECTIONS	196.70	370.50	0.00	0.00	0.00	0.00	0.00	94.90	0.00	0.00	8.50	0.00	0.00	670.60
	COURT SYSTEM	2.80	19.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.60
	DNR/AGRICULTURE	0.50	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	1.50
	DNR/OTHER	13.70	13.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.30
	DOT/CENTRAL REGION	0.00	77.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	77.00
	DOT/INTERNATL AIRPOR	69.70	2.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	74.30
	DOT/MARINE HWY SYS	19.30	443.20	0.00	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00	0.00	0.00	464.00
	DOT/NORTHERN REGION	0.20	30.30	0.00	0.00	0.00	0.00	0.00	3.60	0.00	0.00	0.00	0.00	0.00	34.10
	DOT/SOUTHEAST REGION	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	DOT/STATEWIDE	43.80	0.00	0.00	0.00	0.00	0.00	0.00	16.70	0.00	0.00	0.00	0.00	0.00	60.50
	EDUC/ AK LIB, ARCH &	0.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30
	EDUC/ AK VOC TECHNIC	0.00	12.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.10
	EDUC/OTHER	1.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
	EDUC/SCHOOL FINANCE	0.00	8.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.90
	ENV CONS/HQ	7.80	0.00	0.00	0.00	0.00	0.00	0.00	0.70	0.00	0.00	0.00	0.00	0.00	8.50
	F&G/COMML FISH	15.70	1.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.90
	F&G/OTHER	7.90	54.50	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	65.40
	F&G/SPORT FISH	2.50	46.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49.00
	GOV/EXEC OFFICE	226.80	177.90	0.00	0.00	0.00	0.00	0.00	183.40	0.00	0.00	2.50	119.80	0.00	710.40
	GOV/GOV COORDINATION	4.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.20
	GOV/OMB	68.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	59.70	0.00	0.00	127.80
GOV/OTHER	8.10	0.00	0.00	0.00	0.00	0.00	0.00	14.50	0.00	0.00	0.00	6.20	25.40	54.20	
H&SS/ALC & DRUG	0.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	
H&SS/FAM & YOUTH SVC	1.20	150.60	0.00	187.20	0.00	0.00	0.00	50.50	0.00	0.00	0.00	0.00	0.00	389.50	
H&SS/MEDICAL ASSIST	0.00	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70	

	02	22	26	30	33	44	55	66	70	75	77	88	99	Total
Jun-Govt Affairs & H&SS/MENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.20	0.00	0.00	1.20
Contr H&SS/OTHER	80.30	112.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	192.80
H&SS/PUB ASSIST	2.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.10
H&SS/PUB HEALTH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	0.00	0.00	0.20
INS TENDERS/TORT	0.00	0.00	0.00	812.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	812.10
LABOR/ VOC REHABILI	3.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.20
LABOR/OTHER	4.20	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.20
LAW/CRIM DIV	0.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.70
LAW/EXEC ETHICS ACT	2.80	3.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.20
LAW/LEGIS DRAFTING	3.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.90
LAW/LEGIS REVIEW	29.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.00
LAW/OTHER	110.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	110.00
LAW/REGULATIONS	1.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.60
LEGISLATIVE AFFAIRS	0.50	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
LEGISLATURE	32.20	0.30	0.00	0.00	0.00	0.00	0.00	3.80	0.00	0.00	0.00	0.00	0.20	36.50
LT GOV/ELECTIONS	465.80	615.70	0.00	0.00	0.00	0.00	0.00	191.40	0.00	0.00	30.10	0.00	5.60	1,308.60
LT GOV/OTHER	7.60	21.50	0.00	0.00	0.00	0.00	0.00	4.10	0.00	0.00	0.00	0.00	0.80	34.00
MILITARY AFFAIRS	19.80	14.90	0.00	0.00	0.00	0.00	0.00	24.80	0.00	0.00	0.00	0.00	0.00	59.50
MILITARY AFFAIRS EME	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.30	0.00	0.00	0.00	0.00	0.00	10.30
POST SEC ED COMM	0.00	69.80	0.00	0.00	0.00	0.00	0.00	13.00	0.00	0.00	0.00	0.00	0.00	82.80
PROF TEACHING PRACTI	0.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.40
PUB SAF/OTHER	27.20	79.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	106.30
PUB SAF/TROOPERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.30	0.00	0.00	0.00	0.00	0.00	1.30
RCA	0.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.60
REV/ABC BD	0.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.90
REV/AHFC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00	0.00	1.20
REV/CSFD	0.00	3.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.80
REV/INCOME&EXCISE TA	0.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
REV/OTHER	10.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	0.00	0.00	19.30
REV/PERM FUND CORP	64.30	26.50	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	91.80
REV/PERM FUND DIVIDE	0.00	1.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.80
REV/TREASURY	13.00	0.00	0.00	0.00	0.00	0.00	0.00	386.30	0.00	0.00	0.00	0.00	0.00	399.30
Total	2,333.40	3,599.50	0.00	999.30	0.00	0.00	0.00	1,524.80	0.00	0.00	145.10	126.00	69.40	8,797.50
Jun-Human Services														
ADMIN/SENIOR SERVICE	0.00	49.60	0.00	0.00	0.00	0.00	0.00	18.00	0.00	0.00	0.00	0.00	0.00	67.60
CED/AIDEA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.00	0.00	0.00	0.00	0.00	0.00	6.00
CED/INVESTMENTS	9.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00
CED/OCC LICENSING	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	3.00
DNR/PIPELINE COORD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.10	0.00	0.00	0.00	0.00	0.00	1.10
EDUC/ AK LIB, ARCH &	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.20	0.00	0.00	0.00	0.00	30.40	74.60
EDUC/ADAK REG SCH D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	0.00	0.00	0.00	0.00	0.00	2.50
EDUC/AK ST COUNCIL O	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	0.00	0.00	0.00	0.00	0.00	7.00
EDUC/ALYESKA CENTRAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38.00	38.00
EDUC/EXECUTIVE ADMIN	0.00	410.30	0.00	0.00	0.00	0.00	0.00	665.40	0.00	0.00	0.00	0.00	28.80	1,104.50
EDUC/MT EDGE CUMBE BO	0.00	2.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.40
EDUC/OTHER	0.00	92.50	0.00	0.00	0.00	0.00	0.00	7.50	0.00	0.00	0.00	0.00	64.40	164.40
EDUC/SCHOOL FACILITI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	93.60	0.00	0.00	8.50	0.00	13.60	115.70
EDUC/SCHOOL FINANCE	0.00	571.80	0.00	0.00	0.00	0.00	0.00	226.00	0.00	0.00	0.00	0.00	44.30	842.10
EDUC/TEACHING&LEARNI	1.00	54.00	0.00	0.00	0.00	0.00	0.00	230.00	0.00	0.00	0.00	0.00	19.00	304.00

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and Delivery of Government Services

Co-Chairs:

Representative John Cowdery
Senator Jerry Ward

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

November 22, 1999

Dear General:

At the last meeting of the Commission on Privatization and Delivery of Government Services the Subcommittee on the Department of Law presented its recommendations for changes in that Department. The Commission expressed interest in getting reactions to the recommendations from former Attorneys General.

Enclosed is a copy of the recommendations. The Commission will deliberate on them at their December 1, 1999 meeting.

Should you care to offer your comments, your written response will be included in their meeting packet for that day. The email address on this letterhead, or the fax number, are the best ways to get information to us.

Yours truly,

Marco Pignalberi

Director,

Commission on Privatization and Delivery of Government Services

**COMMISSION ON PRIVATIZATION
AND
DELIVERY OF GOVERNMENT SERVICES**

SUBCOMMITTEE REPORT

ON THE

DEPARTMENT OF LAW

November 18, 1999

**Subcommittee Members: Mark Johnson, Chair; Scott Brandt-Erichsen, Blake Call,
John Cowdery, Pete Kinneen, Richard McVeigh, William Oberly, Betty Rollins,
Bill Satterberg, Bruce Weyhrauch**

November 3, 1999
13631 Windward Circle
Anchorage, Alaska 99516

Senator Jerry Ward
Representative John Cowdery
Co-Chairs
Commission of Privatization
and the Delivery of Government Services
Alaska State Legislature
Anchorage, Alaska 99501

Dear Senator Ward and Representative Cowdery:

This submission constitutes the final Report of the Subcommittee for the Department of Law.

The following individuals have contributed to the work of the Subcommittee:

Mark K. Johnson, Chair
Scott Brandt-Erichsen
William B. Oberly
Richard L. McVeigh
Blake Call
Bill Satterburg
Betty Rollins
Pete Kinneen
Bruce Weyrauch

While all have contributed, no particular point which has been made in this Report should be necessarily attributed to individual members.

APPROACH OF THE SUBCOMMITTEE

The Department of Law is fairly unique among state agencies in that it exclusively performs services for the State and agencies of the State. It does not provide services to the general public or to particular classes of the public. In addition, legal services in many, if not most, cases involve the exercise of considerable discretion on the part of the attorney assigned to the case, be it at the intake, trial or appeal level.

In recognition of these facts, the Subcommittee at the outset did not commence work from the standpoint of elimination of legal professional staff or the wholesale assignment of individual programs to the private sector. In the first instance, it seems clear that appropriation for legal staff will generally produce a commitment to litigation and prosecution at that level. If more funds are appropriated, more resources will be expended on those functions. If less funds are appropriated, less resources will be expended on those functions. In this regard, the Subcommittee is probably less able to address the question of the level of appropriation for the Department than the Finance Committees, as the Subcommittee has consisted of non-budgetary professionals working on a volunteer basis.

The Subcommittee has therefore focused upon those provisions of the Full Commission's authorizing legislation which permit examination of the Department of Law from the standpoint of efficiency and effectiveness. The Subcommittee has also examined contracting policy and procedures for the Department.

To a very considerable degree, each of the subjects inquired into on the part of the Subcommittee have, in one way or another, hinged on the exercise of discretion on the part of the leadership of the Department of Law. The Department of Law is also unique among the departments of state government in that with the exception of a handful of individuals, all of the professional employees of the Department are either exempt or partially exempt State employees who serve at the pleasure of the agency head, the Attorney General, and ultimately the Governor. There is clearly more discretion exercised in carrying out the functions assigned to the Department than in any other executive Department of State government.

This circumstance has led the Subcommittee into inquiring in various ways about how the Department exercises discretion and what legal and practical limitations exist on the exercise of discretion. If any change at all is going to be made to the functions and activities of the Department by the Legislature, sooner or later the issue of the exercise of discretion on the part of the Department will enter the equation.

In light of these circumstances, the Subcommittee has ventured probably a bit further from the pathway taken by some other subcommittees of the Commission and has examined the statutory underpinnings of the Department.

SUBCOMMITTEE MEETINGS AND PROCESS

The Subcommittee has met seven times, taken extensive testimony from the Department's leadership, posed two sets of written inquiries to the Department, and discussed and debated issues as a subcommittee on multiple occasions.

The written inquiries to the Department are attached to this Report, as are the responses of the Department.

The Department has been well represented by Deputy Attorney General Barbara Ritchie, Deputy Attorney General Cynthia Cooper, and Special Assistant to the Attorney General Joan Kasson. In all instances, these representatives have responded satisfactorily to the questions of the Subcommittee. Their cooperation is appreciated.

The Subcommittee at the outset adopted a policy that it would not discuss any particular matter currently in litigation. Discussion of cases by name has been extremely rare, if it has occurred at all.

Following the fact-finding segment, the Subcommittee has met to discuss and deliberate regarding the recommendations to be included in this Report. The chair has been of the view that it is the task of the Subcommittee to generate ideas to be passed along to the full Commission and ultimately the Legislature and that therefore it is not necessary or even desirable to seek a consensus or even majority support for any particular idea to be made part of this Report. Dissent from the points contained in this Report has been encouraged, and members may submit alternative viewpoints to any point to the full Commission. The Subcommittee stands behind the points contained in this Report as ideas meriting further examination by either the full Commission or the Legislature.

Sincerely,

Mark K. Johnson, Chair

Enclosures
Appendices

RECOMMENDATIONS OF THE SUBCOMMITTEE

Recommendation 1. The Legislative Finance committees should hold hearings to develop criteria and a process to assess the feasibility of contracting functions currently performed by the Office of Special Prosecutions and Appeals. In particular, the handling of appeals and the issuance of opinion letters should be examined.

The Office of Special Prosecutions and Appeals is a component of the Department of Law, Criminal Division. Its functions were described to the Subcommittee as handling all appeals in criminal cases, prosecuting special categories of criminal offenses and providing legal opinions to the clients regarding the legality of laws both existing and prospective. Some of these functions seemed particularly suited for privatization. However, the information provided to the Subcommittee was not sufficient to make a solid recommendation on the appropriateness of such privatization.

The Criminal Division of the Department of Law described the functions of the Office of Special Prosecutions and Appeals to the Subcommittee. In so doing, the Division took the position that OSPA, like all activities of the Criminal Division, was not appropriate for consideration for privatization. However, a number of the functions of OSPA seemed to the Subcommittee open to consideration for privatization. Foremost among those were the major function of OSPA, handling appeals, and its function as provider of opinion letters when requested.

Criminal appeals handled by the State are brought to OSPA after the State or, as more frequently happens, the Defendant, appeals the case. At that point the attorney who is assigned to the case is not the trial attorney but an attorney who is new to the case. That attorney has to familiarize themselves with the case by reviewing the record on appeal. After familiarizing themselves with the issues, facts and law in the case, the attorney would prepare the appeal paperwork and arguments. The fact that the OSPA attorney must familiarize themselves with each new case means that privatization of this function would not mean a different, or extra step for the private attorney involved. Like the OSPA attorney, a private attorney contracted to handle an appeal would have to familiarize themselves with the issues, facts and law in the case before preparing the appeal. If this could be contracted at a lower per hour rate than the cost of an OSPA attorney, the State could save considerable amounts money on criminal appeals.

The same situation exists in the area of opinion letters. The requesting agency presents a new set of issues and questions to the attorney in each request. Therefore, a private attorney and an OSPA attorney would be starting from the same place, with each having to review and understand the question and do the research before writing the opinion. Again, if the contract rate for a private attorney to handle this work could be set lower than the cost to of an OSPA attorney, the State would save money.

These seem particularly fertile areas for privatization in the Criminal Division because there are no issues of prosecutorial discretion. Assuming the Department of Law itself would make all decisions on when the State wished to file an appeal in a criminal case, the contract attorneys would have no discretion on whether to proceed with a case or not, and would be hired only to do the appeal. This is so because, other then when the State appeals a case, all other appeals are brought by the Defendant and the State must respond. The same is true in the opinion letter area, as it is the State agency making the request, and the contract attorney would merely be providing the information.

A possible drawback of privatization of this function would be loss of institutional memory of each individual OSPA attorney. Although this would occur, it would seem that this could be lessened by requiring the contractors to have a certain base knowledge of Alaska criminal law. It could also be controlled by providing the contractors with access to prior work done by the State criminal appeals attorneys, whether OSPA or contract. Again the same logic applies to the opinion letters area.

Concurring views of Scott Brandt-Erichsen: Concerning the handling of criminal appeals, I favor contracting out of appeals on an hourly rate which is equivalent to or less than the in-house rate. Because the appellate counsel currently begins fresh and is confined to the record, there does not appear to be any inherent advantage to in house services. Thus, with qualified counsel, the less expensive alternative would presumably be the preferred alternative.

I do not favor contracting out issuance of opinion orders as I feel that such letters are closely related to the prosecutorial decision-making function. The advice given to law enforcement personnel can impact the ability of the trial counsel to prepare and present the best case for the state.

Recommendation 2. The Legislative Finance committees should hold hearings to develop criteria and a process to assess the feasibility of contracting the misdemeanor prosecution function after intake screening.

Misdemeanor criminal prosecution involves, for the most part, simple fact patterns and simple statutory violations. The major characteristic of misdemeanor prosecution is the large number of cases. It seems, therefore, that contract attorneys could handle the prosecution of State misdemeanor charges more economically than the District Attorney's Office if the State could contract with private attorneys at a rate less than the rate of a District Attorney.

In the fiscal year ending July, 1999, the State of Alaska handled almost 20,000 misdemeanor prosecutions and felony probation revocations statewide. Historically the issues raised in misdemeanor cases are not complicated and often entail a small portion of the misdemeanor code. This work seems particularly appropriate for privatization if the private attorneys could be contracted at a lower rate than the hourly rate for a District Attorney.

Of concern in this area, as in privatization of any criminal prosecutions, is whether contract attorneys might choose to pursue or not pursue certain criminal cases for reasons other than the public interest. This concern could be addressed by having the screening function remain with the Department of Law, and the remainder of the case work be handled by contract attorneys.

Of additional concern is the availability of private attorneys in various parts of the State to contract for these services. However, both the Public Defenders Office and the Office of Public Advocacy have had to address these concerns and have successfully contracted the services of attorneys to handle criminal cases in remote locations. The example of these agencies could serve as a model.

Another concern is the amount of discretion which should be given to any attorney who handles misdemeanor prosecutions. Issues will undoubtedly come up after a case is screened in which might impact continuation of a prosecution. This concern might be addressed by having someone at the Department of Law be authorized as a contact person for the contracting attorneys. That person would have the power to make decisions on dismissing a prosecution if the facts and/or law dictated.

The Office of Public Advocacy contracts with private attorneys at a rate far below the prevailing rate in the private sector, and far below the hourly rate quoted by the Department of Law for the cost to the State of an attorney with the Department of Law. The work of the Criminal Division could, very well, be done as effectively, but more economically, if the private sector is allowed to participate in misdemeanor prosecutions after the screening stage. More information is necessary to determine just how much could be saved.

The Subcommittee discussed that privatization could pose problems with coordinating trial schedules with those of police. This matter would need to be considered in connection with this recommendation.

Recommendation 3. The Subcommittee recommends that the Legislature conduct specific hearings on the issue of the allocation of the costs and responsibilities for criminal prosecution between the State and local governments. Such hearings could and perhaps should be expanded to address the provision of police services. The Subcommittee believes that the goal of these hearings should be to develop a consistent statewide approach to the delivery of criminal justice functions which recognizes the varying level of resources available to local governments.

To the knowledge of the Subcommittee, no framework currently exists which allocates the powers and financial responsibility for criminal justice functions among State and local governments in Alaska. In some communities, local police are maintained, in many communities law enforcement responsibility is left to the Alaska State Troopers. Even where local police exist, those officers may charge offenders under State law, with the resulting prosecution carried out by the District Attorney's offices. In some communities, violations may be violations of local ordinances and the local government undertakes the prosecution function. Another very major component of this issue is the costs of incarceration. The statewide overall public safety costs are great. Public Safety costs (police, fire and prosecution) in Anchorage are probably the largest single item in the municipal budget.

The Subcommittee believes that one viable approach to the present situation would be to link classification of a local government for the purposes of Title 29 to the assumption of public safety functions. For example, a first class municipality would be given the statutory power to hire police, but would thereby assume responsibility for prosecution. At some threshold level, a community which desired to have certain local government powers would have to assume public safety responsibility.

The Subcommittee does not necessarily see this process as one intended to shift costs to local governments – but rather focused on providing some rationality and framework for the distribution of public safety powers and financial responsibilities.

Views of Scott Brandt-Erichsen: I oppose any increase in the burden on local governments through transfer of either policing or prosecution of functions to local governments. While I endorse the concept of equitable treatment as between municipalities, I do not believe that forcing municipalities to take on more law enforcement or prosecution functions is in the state's best interests where the effect is merely a shifting of costs from the state general fund to the local taxpayers.

Recommendation 4. The Subcommittee believes that it should be the policy of the Legislature that all privatization efforts which are undertaken regarding the Department of Law should result in commensurate reductions in staff.

As noted in the introduction to this Report, the Subcommittee did not engage in a component-by-component examination of the operating budget of the Department. With the exception of a small administrative group, each division of the Department renders either civil or criminal legal services to the State. In short, increased appropriations will permit the rendering of more legal services, reduced appropriations will require a reduced level of legal services. The Subcommittee sees little value in attempting to substitute the views of the Subcommittee for those of the Legislature on aggregate appropriations for the Department.

The Subcommittee does believe, however, that each change in the delivery of services should be evaluated from a budgetary standpoint. If the State is able to obtain legal services more efficiently from the use of outside counsel, corresponding reductions to the staff of the Department are necessary.

Recommendation 5. The Subcommittee recommends that the Legislature develop and enact additional measures to ensure that the selection of legal services contractors by the State is as objective as possible. The Subcommittee believes that the use of the of a pre-qualified list of potential providers would be a useful tool.

The Subcommittee received written material and oral descriptions from Department of Law staff regarding the existing practices for making decisions on whether to contract out for legal services and how to select a legal services provider. These materials and statements also included information regarding the practices of the Department of Law in monitoring existing legal services contracts.

In the course of Subcommittee discussion, several themes were addressed. Regarding the effectiveness and accountability of outside counsel, the comparison between in-house counsel and contracted counsel with respect to cost effectiveness or efficiency in achieving client objectives is difficult to evaluate without certain data. Regarding cost effectiveness, accurate data concerning the total cost of legal services both in-house and on a contract basis on a comparable indices is needed. This concern is also addressed in item 7 below.

Additionally, evaluation of the qualitative efficiency and effectiveness of legal representation (objectives versus outcome of specific cases) requires adequate information about those objectives and outcomes to determine the overall effectiveness of in-house versus contract counsel. The contracting procedures provided by the Department of Law include identification of the litigation plan and objective as part of the contract monitoring process. This definition of the litigation objective may be an appropriate requirement in each case (whether in-house or outside counsel) and would provide a measure which legislative audit or any other audit or oversight body might utilize to evaluate the effectiveness of both the department of law and contract counsel.

The fairness in contractor selection was an area of particular concern. Subcommittee members commented that the existing contractor selection process is largely subjective. With respect to legal services which are routine and could be adequately performed by a broad range of counsel in the relevant practice area (such as criminal appeals, collections, worker's compensation or other similar routine matters), committee members felt that a more objective contractor selection system from among a pool of qualified contractors would be more likely to serve the public interest in avoiding favoritism in the award of public contracts. One method suggested was the maintenance of pools or lists of qualified contractors for various categories of work. Contractor selection within the practice area of a particular pool would look to the name at the top of the list with new service providers being added to the bottom of the list and previously selected contractors rotating to the bottom of the list. Additionally, there was some discussion of utilizing a method whereby the state sets a maximum contract compensation rate for routine matters at or below the determined in-house rate for providing legal services. Subcommittee members commented that such a system could be used for specialized litigation needs as well.

The Subcommittee recognizes that in some instances there may be justifications for deviation from a pool type objective contractor selection system, and agrees that exceptions should be permissible. However, the Subcommittee feels that where exceptions to an objective award method are utilized, the justification for the exception should be documented in writing against a standard criteria to provide a basis for oversight and evaluation of the fairness of the selection process.

Recommendation 6. The Subcommittee recommends that the Legislature require the Department to develop in consultation with the Division of Legislative Audit a pilot project to test the feasibility of the use of a outside audit firm to assess the costs incurred in litigation. Such firms are presently utilized in the private sector. The Subcommittee believes that the pilot project may be best tested in tort cases.

During the course of meetings with the Department, Subcommittee members noted that it is becoming increasingly commonplace in the private sector for clients, particularly insurers, to utilize the services of an outside auditor to ascertain the reasonableness of charges for legal services rendered by attorneys to clients. The Department acknowledged that the Division of Risk Management had been approached by these types of service providers in the past.

Some Subcommittee members believe that this type of review could be of benefit to the State in lowering the costs of representation. Other Subcommittee members expressed strong doubt that the use of this type of review contractor would either improve litigation outcomes or lower costs.

The Subcommittee obtained from the Department a copy of a solicitation from one of these types of review services. On balance, the Subcommittee believes that it may be useful to test the feasibility of the use of these types of services on a limited, experimental basis and recommends that a pilot project be developed by the Department and

the Division of Legislative Audit. The Subcommittee does not endorse a particular outcome for this pilot project, but believes that it may be useful to explore whether the State should consider this matter further.

Recommendation 7. The Subcommittee recommends that the Legislature direct the Division of Legislative Audit to determine the full and fair value per billable hour of legal services rendered by the Department of Law and ensure that the rates are consistently applied in the budgeting process pertaining to the Department. Following completion of this task, the Subcommittee recommends to the Legislature that it examine whether legal services rendered by the Department should be billed at different rates for different services. The Subcommittee is generally of the view that the Department's costs of service should distinguish between routine and complicated legal services.

During the course of Subcommittee deliberations, a discrepancy was noted in the hourly rate charged by the Department of Law to client agencies and the rate that the Department utilizes when making presentations to the courts on the costs of litigation.

Any discussion on potential privatization of services will at some point consider and compare the cost of contracting representation out to private attorneys and the costs of retaining the matter in-house. The Subcommittee generally believes that fully comparable data regarding such costs is needed and further that the Division of Legislative Audit is best equipped to gather, analyze and compare this information.

There are widely differing views in the legal community, among Subcommittee members and the Department on the rates which are and should be paid for legal services. The Department sincerely believes that many types of cases are more economically handled in-house. Some Subcommittee members believe that the Departmental costs are understated and that quality private counsel is available for less than the rate utilized by the Department in assessing the feasibility of the use of outside counsel.

In addition to the above, the Subcommittee questions whether it is appropriate for the Department to charge client agencies the same uniform rate for all types of legal services. Clearly there is a wide disparity in the complexity of legal tasks. As a general proposition, the Subcommittee is of the view that the development of multiple rates for particular types of legal services could produce a savings for the State.

One Subcommittee member expressed before the Subcommittee that an audit could also determine the percentage of time and money the Department expends on assisting persons and agencies which are not part of the State. The same commenter noted that a difference may be arising between the "public interest", "State interest", and "bureaucratic interest." An audit could also determine how much public resources are expended defending the latter at the expense of the first. Finally the member noted that Department may be developing an in-house bureaucratic culture and that the use of private attorneys and other litigation support services can save Alaska money as well as diversify the departmental culture.

Recommendation 8. The Subcommittee recommends that the Legislature develop and enact measures to prohibit the linkage between contributions to political campaigns and selection to perform legal services on behalf of the State. The American Bar Association has engaged in several studies on this matter, which it refers to as the "pay to play" issue, and has drafted specific policies to address the matter. The Subcommittee believes that the centralized nature of the delivery of legal services for the State of Alaska justifies additional controls in this area.

There was broad support on the Subcommittee for action by the Legislature on the "pay-to-play" issue. The American Bar Association has appointed a task force to consider this issue and the task force has forward proposed amendments to the rules of professional responsibility to the ABA House of Delegates. These materials are included with this Report. The Department told the Subcommittee that it was aware of this issue but did not

elaborate as to what steps, if any, it may have taken to address the issue. In general, the Department has expressed confidence in the existing procurement rules and process.

The Subcommittee believes that the process for selection of outside counsel by the Department would be enhanced by the adoption of proposals comparable to the ABA task force proposal. In part, this view is based on the fact that in Alaska all outside legal service providers to the State, with the exception of conflict counsel by the Office of Public Advocacy, are selected by the Department of Law. In addition, the Subcommittee is mindful that virtually all professional employees of the Department of Law are either exempt or partially-exempt employees, and serve at the pleasure of the Governor. The centralization of procurement authority in the Department of Law and the subjective nature of outside counsel selection gives rise to the danger of favoritism in the selection process. Adoption of the "pay to play" rules could install additional safeguards into the process. At a minimum, the Legislature should hold hearings on this issue, which has attracted national attention.

Some members of the Subcommittee believe that the "pay to play" issue should involve broader considerations than simply the making of campaign contributions by attorneys and should encompass long-standing personal or professional relationships of attorneys to candidates.

Other Subcommittee members have commented that the Department of Law should be pro-active regarding this issue and develop protective measures for recommendation to the legislature using a "disclosure" approach rather than waiting for mandatory requirements to be imposed with the Department of Law in a reactive posture.

Recommendation 9. The Subcommittee recommends that the Legislature develop additional tools to review and provide advice to the Department for litigation where the potential for significant financial liability exists. As presently arranged the roles of client and attorney are blurred, with the Department being charged with conducting litigation and being viewed by agencies as having superior knowledge as to the goals of litigation. Additional oversight is needed to protect and enhance the wishes of the ultimate client.

While qualified and competent, the legal staff of the Department is by no means infallible and may, at times lack all the expertise which may be desirable for particular types of cases which pose the risk of significant financial liability to the State. At the same time those in supervisory roles are also advising or actually making decisions on litigation strategy including the decision to retain specialized counsel verses keeping the litigation "in house". The Subcommittee believes that it may be prudent to install mechanisms which permit and perhaps even require the Department to review cases with major liability exposure to assure the highest quality representation is considered in timely manner.

The Subcommittee lacked the time to further develop suggestions on how to accomplish this result. One idea was to establish a consultation process through the Division of Legislative Audit.

The contracting procedures provided by the Department of Law include identification of the litigation plan and objective as part of the contract monitoring process. This definition of the litigation objective may be an appropriate requirement in each case and would provide a measure which legislature audit or any other audit or oversight body might utilize to evaluate the effectiveness of both the department of law and contract counsel. Such a plan and objective may not be necessary or appropriate for routine cases.

Recommendation 10. The Subcommittee recommends that the Legislature review and consider changes to statutes setting forth the powers and duties of head of the Department, the Attorney General. The Attorney General is not specifically provided for in the Alaska Constitution, but rather is but one of the heads of executive departments. Present statutes provide, and the Supreme Court has thus held that the Attorney General may exercise the powers of an attorney general at common law. The Subcommittee believes that such an arrangement may be incompatible with the concept of limited, constitutional government and may be in need of amendment.

The Subcommittee posed a series of questions to the Department regarding the settlement process, and the Department responded in correspondence which is part of the Report. The Subcommittee urges that this response be examined closely by the Commission. Continued efficient delivery of government services by the Department of Law requires an ongoing appreciation of the limited resources available to the State of Alaska. The Subcommittee believes that the power to settle cases poses unique dangers since the Department of Law stands in a position to acquiesce to an incredible variety of claims and assertions that the Department would never make on behalf of the State. A restrictive view of the authority to settle cases is consistent with the notion of limited state resources. As a practical matter, attorneys with an expansive view of their authority to act on behalf of their client may be more inclined to agree to settlement terms which would not be available if the client alone was jealously guarding the checkbook. Such considerations are all the more important in the case of non-financial terms of settlement. If legal services are to be delivered effectively and efficiently by the Department, as an institution it should very carefully husband the exercise of those powers. It is in this spirit that the Subcommittee examined settlement practices and authority.

In the response to the Subcommittee, the Department, after a description of the internal process utilized in evaluating proposed settlements, stated that the local case assessment committee will

...forward a recommendation to the Attorney General, or his designee, as appropriate, for consideration and action. All settlement decisions include the input of the state agency implicated by the settlement decision.

Final settlement authority rests with the Attorney General, who may delegate final approval based on departmental policy. (Emphasis added)

Thus, unlike the typical situation in which the client decides whether to accept or reject a proposed settlement, it is the attorney who makes this judgment on behalf of the State of Alaska. The Subcommittee believes that this arrangement poses considerable danger for the State when it is combined with the Department's broad view of the powers of the Attorney General.

Status of the Attorney General

It is important to note that the Attorney General is not specifically provided for in the Alaska Constitution. Rather, the Attorney General by statute is but one of the heads of the departments of state government appointed by the Governor. At the Constitutional Convention, the following was said about the status of the Attorney General:

Now it is my thought on the basis of the bill that we have here that probably what we want to decide is whether we want a constitutional attorney general or not. It seems to me on the executive department, as we have outlined in here so far, that we probably don't want a constitutional attorney general at all; that the matter should be left to the legislature as to whether we do or don't and to what his powers are when the legislature decides to set up an attorney general, and accordingly it seems to me pointless to discuss as to how the attorney general is be selected.

Alaska Constitutional Convention Proceedings, Page 2221, comments of Delegate Davis. (Emphasis added)

In this respect, the Attorney General holds no greater status than that of the head of any other executive department. From a constitutional perspective, the Attorney General derives power from the Governor under Article III, Section 16, who is charged with the responsibility for the faithful execution of the laws. The Legislature has granted certain powers to the Attorney General by statute, AS 44.23.020.

The 1991 Opinion

The Department of Law has added to the above framework. In responding to the Subcommittee's inquiry regarding settlement authority, the Department provided what it apparently believes is the best statement of the powers of the Attorney General as stated in a 1991 memorandum opinion to the Legislative committees examining the Exxon Valdez settlement authored by then Attorney General Charles Cole. This Opinion is included with this report.

The Subcommittee recommends that the 1991 Opinion be examined by the Commission but with reference to the statement of Delegate Davis regarding the status of the Attorney General. In the hands of the Department, the office

of Attorney General is expanded from a statutorily created office into a broadly based¹ office with additional common law powers² which may not be limited.³ Fortunately, the 1991 Opinion cannot supercede the Alaska Constitution or rewrite the Alaska Statutes. The Alaska Supreme Court in *Public Defender Agency v. Superior Court*, 534 P.2d 947, 950-51 (Alaska 1975) notes that the basis for the Attorney Generals common law powers is statutory, AS 44.23.020 and that such common law powers exist "... except where they are limited by statute or conferred upon some other state official." *Id.*

As embodied in the 1991 Opinion, the views of the Department may be at odds with the Alaska Constitution and the intent of the founders. The Subcommittee recommends that Legislature hold hearings on potential amendments to AS 44.23.020. The purpose of these hearings and potential amendments would be to discover ways to restore the balanced view of the authority of the Department envisioned by the framers of the Alaska Constitution.

The Subcommittee subscribes to the proposition that the duties and powers of the Attorney General should derive solely from the Alaska Constitution and legislative enactments. In the view of the Subcommittee, the effective, efficient and responsive delivery of governmental legal services will be obtained by reemphasizing the legislative basis for the Department's acts and the limited nature of the State's resources.

The Subcommittee has drafted legislation to achieve this purpose, or, at a minimum, serve as the starting point for review. It is included with this report.

¹ See Opinion at page 13: "The Attorney General is the State officer charged with implementing the executive branch's policies with respect to execution of the law." The authority cited for this proposition is not particularly helpful in understanding the basis for the statement. The Subcommittee is unaware of any constitutional or statutory provision which vests more authority for implementing the law in the hands of the Attorney General than any other executive department.

² See Opinion at page 13-14: "In that respect, the Attorney General has broad common law powers and responsibilities;" and page 15: "Alaska takes a similarly expansive view of the Attorney General's common law powers." These statements appear to be flawed. To the extent that the Alaska Attorney General has common law powers, they are granted by the Legislature in AS 44.23.020 (b)(7).

³ See Opinion at page 24-25: "Given the absence of any such express prohibition it is unnecessary to speculate concerning the issue whether and to what extent the Legislature might prohibit the Attorney General from so settling the litigation. However, it is clear that the separation of powers doctrine would restrict any legislative attempt to intrude on the executive branch's discretionary authority to conduct litigation in the State's interest." Contrast this view with the limited view of the Attorney General expressed by Delegate Davis during the Constitutional Convention. The Opinion's statement might be correct if it is referring to the Governor's constitutional power, but the issue is the Attorney General's power, not the Governor's. The Subcommittee does not believe it is as "clear" as the Department suggests. See also page 26, footnote 27: "Some courts have held that the legislature may not restrict the attorney general's common law powers." The Opinion cites *Gust K. Newberg, Inc. v. Ill. St. Toll Hwy.*, 456 N.E.2d 50 (Ill. 1983) and *Murphy v. Yates*, 348 A.2d 837 (Md. 1975) for this last proposition. The Subcommittee read the cases and found the results revealing.

In the *Newberg* case, the Illinois courts found that the constitutionally created attorney general held common law powers. Unlike the Alaska Constitution, the Illinois Constitution has established the elected office of Attorney General and declared that he is "...the legal officer of the State...". Once again, compare the comments of Delegate Davis, set out above.

In the *Murphy* case, the appeals court in Maryland determined that the constitutionally established State's attorney could not have his powers restricted by the legislature. Interestingly enough, when the 1991 Opinion was written it failed to mention that the voters of Maryland in 1976 overturned the effect of the *Murphy* case by amending the Maryland Constitution. *Goldberg v. State*, 519 A.2d 779 (Md. App. 1987): "The likely effect of the 1976 amendment to Art. V, Sec. 9 was to make valid, once again, the proposition that the duties and powers of the State's Attorney derive solely from the constitution and legislative enactments. *Id.*, footnote 4, at 783. Under these circumstances, it is fair to say that the precedential value of the *Murphy* case is extremely limited.

Sec. 44.23.010. Attorney general.

The principal executive officer of the Department of Law is the attorney general.

Sec. 44.23.020. Duties; and powers; waiver of immunity.

(a) The attorney general is the legal advisor of the state, including the governor and other state officers.

(b) The attorney general shall

(1) bring, prosecute, and defend all necessary and proper actions in the name of the state for the collection of revenue;

(2) represent the state in all civil actions in which the state is a party;

(3) prosecute all cases involving violation of state law, and file informations and prosecute all offenses against the revenue laws and other state laws where there is no other provision for their prosecution;

(4) administer state legal services, including the furnishing of written legal opinions to the governor, the legislature, and all state officers and departments as the governor directs; and give legal advice on a law, proposed law, or proposed legislative measure upon request by the legislature or a member of the legislature;

(5) draft legal instruments for the state;

(6) make available a report to the legislature, through the governor, at each regular legislative session

(A) of the work and expenditures of the office; and

(B) on needed legislation or amendments to existing law;

(7) perform all other duties required by law [OR WHICH USUALLY PERTAIN TO THE OFFICE OF ATTORNEY GENERAL IN A STATE]; and

(8) prepare, publish, and revise as it becomes useful or necessary to do so an information pamphlet on landlord and tenant rights and the means of making complaints to appropriate public agencies concerning landlord and tenant rights; the contents of the pamphlet and any revision shall be approved by the Department of Law, division of consumer protection, before publication.

(c) The Attorney General may, subject to the power of the legislature to make appropriations, settle actions, matters and prosecutions under subsection (b) in which the Attorney General represents the state and in which the state is a party.

(d) Before January 1, 1999, the attorney general may, in a case that involves the state's title to submerged lands, or in any case in which the state seeks to allocate fault to the federal government or a federal employee under AS 09.17.080, waive the state's immunity from suit in federal court provided under the Eleventh Amendment to the Constitution of the United States. The expiration on January 1, 1999, of the attorney general's authority to waive the state's Eleventh Amendment immunity does not affect existing waivers in ongoing cases.

LAW OFFICES
GROSS & BURKE
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424 NORTH FRANKLIN STREET
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AVRUM M. GROSS
SUSAN A. BURKE

(907) 586-2777

November 29, 1999

Representative Cowdery
Senator Jerry Ward
Commission on Privatization
716 W 4th Avenue
Anchorage, AK 99501

Gentlemen:

Just a few days ago I received the sub-committee report on the Department of Law. Your Director, Mr. Pignalberi, offered me the opportunity to comment. I am more than pleased to do so. Since time is very short, I will not be able to discuss each recommendation that has been made but I can offer you some general comments that hopefully may assist you in your deliberations.

First of all, as a general matter, the problem of privatization is probably of less concern for the Department of Law than for nearly any other state department. As your sub-committee noted, unlike most state departments, the Department of Law provides services not to the general public but to state agencies. I have been associated with the Department in one capacity or another for a long time and I have never heard any consistent complaint by any of the agencies that they would be better served by private counsel. Sometimes, departments want their own public attorney within

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their own department, and occasionally departments need particular legal expertise from the private sector that is not found in the Department of Law, but generally the departments are satisfied with the present structure. There are a number of reasons for that acceptance of the present system. First, private counsel would be much more expensive. Second, there are very few lawyers in private practice who build up the kind of expertise developed in a government practice. The lawyers in the Department of Law, who work with Natural Resources or Health and Social Services build up a knowledge of the enormous regulatory framework that surround those agencies. It takes a long time to learn that -- money that would have to be paid over and over to private attorneys. Moreover, attorneys in the Department of Law carry institutional memories from one assistant Attorney General to another, which will be lost if different private firms are employed. Finally, and most important from a public standpoint, the Department of Law acts as one large law office, manifesting uniform legal policies of the State. The efforts of various assistant Attorney Generals are directed by their superiors in consistent directions. There are many ways that the State can be represented in legal disputes; many choices are involved about what positions to take and how they should be conveyed to a court or an agency. The policies of the department

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should be consistent and that is achieved by having the day to day work of the Assistants under the close supervision of the Attorney General and his or her deputies. It is a consistency that will inevitable be lost if the work is farmed out to private counsel.

Let me give a concrete example. One of your recommendations deals with OSPA, the Office of Special Prosecution and Appeals. This office was create by me when I was Attorney General. Prior to that office being created, the District Attorney's office, which was staffed with trial lawyers, had to handle appeals for which they had little time and no particular expertise. Second, to the extent appeals were handled out of the DA's office, the policies concerning the criminal law policies advanced in briefs by the State to the Supreme Court to lack consistency -- a problem made worse by the fact that the offices had little time to co-ordinate their efforts. As a result, in Fairbanks, assistant DA's were arguing one theory concerning search and seizures; in Juneau, different theories were used -- some which contradicted the arguments made in Fairbanks. Different offices had different standards for sentence appeals.

The whole effort during my tenure in the department was to establish uniform standards for the delivery of criminal justice services. That was very important for a department

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that has enormous discretion on such matters as screening, prosecution and sentencing. Privatization would tend to make policies less uniform and as previously noted, much more expensive. I know of no firms in Alaska that handle only criminal appeals. But if there were, I can assure you that their hourly rates would be substantially higher than those paid to state attorneys.

In a similar vein, I note that the Committee desires to have an outside firm audit the reasonableness of state litigation costs, particularly in reference to tort litigation. Few people can object to an audit, but I think the outcome is fairly obvious. When I became Attorney General, all tort defense was done by private firms under contract with the State. The costs were, in many instances, exorbitant. It was for that reason -- cost savings -- that we established "in-house" defense of tort cases. It is a system that has worked very well. The costs of litigation have clearly been reduced, and the Department of Law has developed a group of skilled litigators who deliver tort defense at reasonable rates.

Finally, I wanted to comment briefly on your concerns about the powers and duties of the Attorney General. Without attempting any extensive legal analysis let me just point out that the Attorney General has functioned as a cabinet officer

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appointed by the Governor ever since Statehood. Initially, when I was an assistant Attorney General in the early 60's, the legislature sought legal advice from the Department of Law, but legislative concern about the objectivity of the advice soon led to the legislature relying more and more on private counsel and Legislative Affairs. For years, legislators who have disagreed with particular actions on the Department have complained that the Attorney General acts for "political" reasons and that the department's powers should be curbed in some way. The most prevalent suggestion, of course, is that the Attorney General be elected -- certainly an interesting way to remove him from politics. The subcommittee expresses some similar concerns but suggests statutory curbs of different sorts -- more direct legislative control of the ability to settle cases.

I have had the opportunity to watch the actions of every single Attorney General that this State has ever had. Some have been very good and some have been terrible. All in all, no matter who was Attorney General, the Department generally has functioned with great integrity and has delivered competent legal services to the public and to state agencies at a very reasonable cost. I sincerely hope in the course of trying to improve the performance of all state agencies that this Committee does not fix something that is not broken. I

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know that there are people who can point to one case or another to back up their own personal view of what is wrong with the Department of Law, but the Department has handled thousands and thousands of matters over the years and has done well. I hope it will be allowed to continue without unwarranted interference.

Thank you for the opportunity to comment.

Yours very truly,

GROSS & BURKE

A handwritten signature in black ink, appearing to read 'Avrum M. Gross', with a long horizontal flourish extending to the right.

Avrum M. Gross

AMG:ddw

**FACSIMILE TRANSMISSION
COVER SHEET**

Office of the Attorney General
Dimond Courthouse, 123 Fourth Street, 4th Floor
P.O. Box 110300
Juneau, AK 99811-0300
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DATE: 11-15-99TO: Annette DealFAX: 907 469-0223for Comm. on PrivatizationFROM: Joan Kasson465-5370NUMBER OF PAGES INCLUDING THIS SHEET: 12MESSAGE: Attachments to Delaw response
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IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT KETCHIKAN

GREGORY A. SHAPLEY,

Plaintiff,

DAVID E. JOHNSON, and STATE OF
ALASKA, DEPARTMENT OF
HEALTH & SOCIAL SERVICES,
DIVISION OF FAMILY & YOUTH
SERVICES,

Defendants.

Filed in the Trial Courts
STATE OF ALASKA, FIRST DISTRICT
KETCHIKAN

DEC 21 1999

Clerk of the Trial Courts
B S M/K Deputy

Case no. 1KE-97-117 CI

ORDER GRANTING ATTORNEY'S FEES

THE COURT having considered the State of Alaska's Motion for Attorney's Fees, supporting documents, and any response thereto, and being fully advised in the premises,

HEREBY ORDERS that the motion is GRANTED. The court finds that the defendant State of Alaska, Department of Health & Social Services, Division of Family & Youth Services (the state) is a prevailing party in this case, and the state's attorney's and paralegal fees of \$12,443.40 are reasonable and were necessarily incurred. Under Civil Rule 82(b), the state shall be awarded \$ 2488.68 in fees from plaintiff Gregory A. Shapley.

DATED: 12/21/99

[Signature]
Judge Thomas M. Johnson
SEAL OF THE TRIAL COURTS
STATE OF ALASKA
FIRST JUDICIAL DISTRICT

This is to certify that on September 30, 1998, a copy of the foregoing was mailed to the attorney or party of record:

Gregory A. Shapley, Pro Se
PO Box 85
Craig, AK 99921

Michael Lessmeier, Esq.
Lessmeier & Winters
124 W. 5th Street
Juneau, AK 99801

(Attorney for Dr. Johnson)

Pamela Crodo-Hayes

CERTIFICATION

Copies Distributed

Date 12-21-99
To Gregory A. Shapley
Michael Lessmeier
State of Alaska
By S M/K

DATED: September 30, 1998

DEC 21 1999

ATTORNEY GENERAL, STATE OF ALASKA
DIAMOND COURTHOUSE
P.O. BOX 110300, JUNEAU, ALASKA 99811
PHONE: 465-3800

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT KETCHIKAN

GREGORY A. SHAPLEY,

Plaintiff,

vs.

DAVID E. JOHNSON, M.D. and
STATE OF ALASKA, DEPT. OF
HEALTH AND SOCIAL SERVICES,
DIVISION OF FAMILY AND YOUTH
SERVICES,

Defendants.

Filed in the Trial Courts
STATE OF ALASKA, FIRST DISTRICT
KETCHIKAN

SEP 14 1998

Clerk of the Trial Courts

By _____ Deputy

CASE NO. 1KE-97-117 CI

FINAL JUDGMENT

This case, having been dismissed with prejudice by granting summary judgment motion in favor of David E. Johnson, on August 10, 1998 and the court having examined the documents on file herein and otherwise being fully advised;

IT IS HEREBY ORDERED that final judgment is entered on the summary judgment motion in favor of David E. Johnson against Gregory A. Shapley. David E. Johnson shall receive after proper application an award of costs in the amount of \$1544.04 ^{plus 9/21/98} and attorney fees in the amount of \$457.60 ^{plus 12/21/98} plus interest accruing on said amounts at 10.5% per annum from August 10, 1998 until paid.

DATED this 11th day of Sept, 1998 at Ketchikan, Alaska.

SUPERIOR COURT JUDGE

Approved/Disapproved as to form:

Gregory A. Shapley, Pro Se

CERTIFICATION

Copies Distributed

Ent: 12-21-98
To: G. Shapley
M. Johnson
S. Johnson
By: C. N. H.

Final Judgment

LESSMEIER & WINTERS
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AUG 17 1998

Approved as to form:


Michael L. Lessmeier, Attorney for Defendant
ABA #7910082

The undersigned hereby certifies that on
the 12 of August, 1998, a copy of the
foregoing document was mailed to:

Susan D. Cox, Chief Asst. A.G.
Attorney General's Office
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Juneau, AK 99811-0300

Gregory A. Shapley, Pro Se
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CERTIFICATION

Copies Distributed

Date 9.21.98

By Gregory Shapley
Michael Lessmeier
Susan Cox

By [Signature]

Final Judgment

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT KETCHIKAN

GREGORY A. SHAPLEY,

Plaintiff,

DAVID E. JOHNSON, and STATE OF
ALASKA, DEPARTMENT OF
HEALTH & SOCIAL SERVICES,
DIVISION OF FAMILY & YOUTH
SERVICES,

Defendants.

Cas : no. 1KE-97-117 CI

STATE OF ALASKA'S MOTION FOR AWARD OF ATTORNEY'S FEES

Pursuant to Rule 82 of the Alaska Rules of Civil Procedure, the defendant State of Alaska, Department of Health & Social Services, Division of Family & Youth Services (the state), as prevailing party in the above captioned action, hereby moves for an award of attorney's and paralegal fees. The state requests an award of 20 percent of its fees, for a total award of \$2,488.68. Civ. R. 82(b)(2).

This motion is supported by the accompanying memorandum of law, affidavit of counsel, and the attached exhibit.

DATED: 9/30/98

BRUCE M. BOTELHO
ATTORNEY GENERAL

By: Susan D. Cox
Susan D. Cox
Assistant Attorney General

This is to certify that on September 30, 1998, a copy of the foregoing was mailed to the attorney or party of record: Gregory A. Shapley, Pro Se, PO Box 85, Craig, AK 99921; Michael Lesameier, Esq., Lesameier & Winters, 124 W. 5th Street, Juneau, AK 99801, (Attorney for Dr. Johnson)

Pamela Credo-Hayes
Pamela Credo-Hayes

DATED: September 30, 1998

ATTORNEY GENERAL, STATE OF ALASKA
DIAMOND COURTHOUSE
P.O. BOX 110300, JUNEAU, ALASKA 99811
PHONE: 465-3600

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT KETCHIKAN

GREGORY A. SHAPLEY,

Plaintiff,

DAVID E. JOHNSON, and STATE OF
ALASKA, DEPARTMENT OF
HEALTH & SOCIAL SERVICES,
DIVISION OF FAMILY & YOUTH
SERVICES,

Defendants.

Case no. 1KE-97-117 CI

**MEMORANDUM OF LAW IN SUPPORT OF STATE OF ALASKA'S
MOTION FOR AWARD OF ATTORNEY'S FEES**

On August 10, 1998, this court granted defendant State of Alaska's Motion for Summary Judgment, dismissing the above captioned case against the State of Alaska, Department of Health and Social Services, Division of Family and Youth Services (the state) with prejudice. The state is therefore the prevailing party in this action and, as such, moves for an award of attorney's fees pursuant to Civil Rule 82.¹

**I. THE STATE OF ALASKA IS ENTITLED TO AN AWARD OF 20 PERCENT
OF NECESSARILY INCURRED ATTORNEY FEES**

Alaska Civil Rule 82(b)(2) provides that defendants who are prevailing parties are automatically entitled to an award of 20 percent of their actual reasonable fees for judgment without trial, 30 percent with a trial.

In cases in which the prevailing party recovers no money judgment, the court shall award the prevailing party in a case . . . resolved without trial 20 percent of its actual attorney's fees which were necessarily incurred. The actual fees shall include fees for legal work customarily performed by an attorney but which was delegated to and performed by an investigator, paralegal or law clerk.

The purpose of Civil Rule 82 in providing for the allowance of attorney's fees is to partially compensate a prevailing party for the expense of litigation. City of Valdez v. Valdez Development Co., 523 P.2d 177, 184 (Alaska 1974).

Final Judgment in favor of the state was distributed by the clerk on September 21, 1998.

1
2 Although the Attorney General, as counsel for the state, bills client agencies
3 at a rate far below the market rate of attorneys in private practice, it is well settled that when
4 the state is the prevailing party, it may request reimbursement of attorney's fees at a
5 reasonable market rate. The Attorney General is not limited to recovering fees based on the
6 Department of Law's inter-agency billing rate.² There is clear authority for awarding
7 attorney's fees under Civil Rule 82 based on market rates instead of the department's
8 overhead rate. Atlantic Richfield Co. v. State, 723 P.2d 1249, 1251-52 (Alaska 1996)
9 (Alaska Supreme Court ruled it appropriate to use average of hourly billing rates charged
10 by private attorneys to calculate fee award for legal work performed by assistant attorneys
11 general); Amfac Hotels v. State, Dept. of Transportation, 659 P.2d 1189, 1194 (Alaska
12 1983) (approved fee award based on "the average private billing rate" -- \$75 per hour, 14
13 years ago); Morrison-Knudsen Co., Inc. v. State, 515 P.2d 834, 844 (Alaska 1974) (Alaska
14 Supreme Court specifically rejected argument that state could not recover attorney's fees
15 at a rate higher than hourly salary of highest paid assistant attorney general who worked on
16 the case).

17 The Attorney General has worked to identify a uniform reasonable market
18 rate upon which to base attorney fee requests that will more fairly reimburse the State of
19 Alaska for its fees as a prevailing party. See Affidavit of Counsel. This was necessary
20 because the department's historic rate formulae and the newer universal blended rate
21 formula all produce figures far below the market rate and value of the services rendered,
22 and because Civil Rule 82 provides for only 20 percent reimbursement of actual fees where
23 there is no trial or money judgment and 30 percent where the case goes to trial. Based on
24 the recommendations of a working group tasked with assessing the Department of Law's
25 policy on attorney fee requests, the Attorney General established in 1997 a policy to request
26 \$150 per hour as the market rate for journey level attorneys (Attorneys III and above). *Id.*
This decision was based on the working group's review of attorney billing rates statewide,
a similar policy in the U.S. Attorney's Office, and the fact that the average rate (typically
reflecting a discount for the state) that the Department pays experienced private

² The Department of Law has formulated a blended attorney "overhead rate" for any
assistant attorney general (regardless of years of practice), which was \$94.72 per hour for Fiscal
Year 1998. This is a uniform rate used to bill client agencies for legal services, regardless of the
experience level or salary range of the individual assistant attorney general who actually handled
the legal matter.

MEMORANDUM OF LAW IN SUPPORT
OF STATE OF ALASKA'S MOTION FOR
AWARD OF ATTORNEY'S FEES

1 practitioners to provide legal services to the state under contract exceeds \$150 per hour.
2 Id. The rate of \$125 per hour was approved for less experienced attorneys. Id.

3 In the case at bar, the court granted all defendants summary judgment,
4 dismissing the case with prejudice. In pursuing its defense, the state's attorney's fees,
5 calculated using the market rates described above, amount to \$8,325.00. Affid. Of Counsel.
6 A copy of the billing print-out detailing the work done and time spent relative to this case
7 is attached as Exhibit A. The state's counsel of record in this case, Susan Cox, holds an
8 Attorney VI position, and has been practicing law over 15 years. She consulted as needed
9 with Assistant Attorney General Shannon O'Fallon, who handled the guardianship
10 proceeding that was at issue in this case; her hours are also reflected in Exhibit A. The
11 attorney hours expended in defending this action total 56.1 hours: 52.5 for AAG Cox and
12 3.6 for AAG O'Fallon. The billing print-out reflects an attorney hourly billing rate of \$150
13 per hour for AAG Cox, and \$125 for AAG O'Fallon. The totals are 52.5 hours at
14 \$150/hour or \$7,875.00, and 3.6 hours at \$125/hour, or \$450.00, for the combined total of
15 \$8,325.00.

16 Also included in Exhibit A are the hours billed by paralegal assistants who
17 worked on this case. The paralegals performed tasks delegated to them by AAG Cox,
18 which would customarily be done by an attorney. The paralegals spent 57.2 hours
19 performing legal work necessary to this case, amounting to a cost of \$4,118.40, at the
20 overhead billing (non-market) rate of \$72 per hour.

21 Under Civil Rule 82(b)(2), prevailing defendants who do not recover a money
22 judgment are entitled to 20 percent of their reasonable attorney's fees, including fees for
23 legal work delegated to a paralegal. The State of Alaska prevailed in this case without trial.
24 Therefore, under Civil Rule 82 the state is entitled to recover 20 percent of its fees. As
25 indicated in Exhibit A, the state's legal (attorney and paralegal) fees incurred in this action,
26 at appropriate hourly rates, total \$12,443.40. The state is entitled to an award of 20 percent
of that amount, or \$2,488.68, in fees.

///

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MEMORANDUM OF LAW IN SUPPORT
OF STATE OF ALASKA'S MOTION FOR
AWARD OF ATTORNEY'S FEES

1
2 **II. CONCLUSION**

3 For the reasons set out above, the State of Alaska respectfully requests that
4 this court award it attorney's fees in the amount of \$2,488.68.

5 DATED: 9/30/986
7 **BRUCE M. BOTELHO**
ATTORNEY GENERAL8
9 By: Susan D. Cox
10 Susan D. Cox
Assistant Attorney General
Alaska Bar No. 861113611 This is to certify that on September 30, 1998, a copy of the foregoing was mailed to the attorney or party of record: Gregory A.
12 Shapley, Pro Se, PO Box 85, Craig, AK 99921; Michael Lesmeier, Esq., Lesmeier & Winters, 124 W. 5th Street, Juneau, AK
13 99801 (Attorney for Dr. Johnson)14 Pamla Credo-Hayes
Pamla Credo-Hayes

DATED: September 30, 1998

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ATTORNEY GENERAL, STATE OF ALASKA
DIAMOND COURTHOUSE
P.O. BOX 110300, JUNEAU, ALASKA 99811
PHONE: 465-3600

MEMORANDUM OF LAW IN SUPPORT
OF STATE OF ALASKA'S MOTION FOR
AWARD OF ATTORNEY'S FEES

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT KETCHIKAN

GREGORY A. SHAPLEY,

Plaintiff,

DAVID E. JOHNSON, and STATE OF
ALASKA, DEPARTMENT OF
HEALTH & SOCIAL SERVICES,
DIVISION OF FAMILY & YOUTH
SERVICES,

Defendants.

Case no. 1KE-97-117 CI

AFFIDAVIT OF COUNSEL

STATE OF ALASKA

FIRST JUDICIAL DISTRICT

ss.

I, Susan D. Cox, having been duly sworn, hereby state as follows:

1. I am an assistant attorney general employed by the Department of Law, and attorney of record in the above captioned action on behalf of the State of Alaska, Department of Health and Social Services, Division of Family and Youth Services (the state). I submit this affidavit in support of the state's motion, as prevailing party, for attorney's fees.

2. Legal fees (representing attorney and paralegal assistant time) in the amount of \$12,443.40 were incurred on behalf of the state through August 1998 in defense of this case. This amount represents a total of 56.1 hours of attorney time, and 57.20 hours of paralegal time, broken down as follows:

Susan D. Cox	52.5 hours @	\$150/hr = \$ 7875.00
Shannon O'Fallon	3.6 hours @	125/hr = \$ 450.00
Paralegals	<u>57.2 hours @</u>	<u>72/hr = \$ 4118.40</u>
TOTAL	113.3 hours	\$12,443.40

Exhibit A contains an itemized listing of the dates, descriptions of work accomplished and by whom, and the time expended. I have reviewed this report for accuracy and applicability.

AFFIDAVIT OF COUNSEL

1

ATTORNEY GENERAL, STATE OF ALASKA
DIAMOND COURTHOUSE
P.O. BOX 110300, JUNEAU, ALASKA 99811
PHONE: 465-3600

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2 3. I have determined both that the information presented in Exhibit A is
3 correct, and that the time listed was necessarily spent in defending this matter. I do not
4 believe that any of the work performed in this case was unnecessary or duplicative. I do
5 believe the total amount of time and money expended on behalf of the state is reasonable.

6 4. The attorney time set forth above was billed, for the purposes of this
7 motion, at market rates approved by the Attorney General. Although the state bills client
8 agencies at a rate far below the market rate of attorneys in private practice (the uniform
9 overhead billing rate was \$94.72 per hour in fiscal year 1998), the Attorney General
10 established in 1997 a policy which would more fairly reimburse the state for its fees as a
11 prevailing party. To that end the Attorney General approved the hourly rate of \$150 as the
12 market rate for journey level attorneys (Attorneys III and above). This rate was based on
13 the recommendations of a working group tasked with assessing the Department of Law's
14 policy on attorney fee requests. After reviewing attorney billing rates statewide, the policy
15 in place at the U.S. Attorney's Office, and the fees paid by the state to experienced private
16 practitioners who provide legal services to the state, the working group determined that
17 \$150 per hour was a reasonable rate which would more fairly reimburse the state for its
18 legal services. The rate of \$125 per hour was approved for less experienced attorneys.

19 5. While the purpose of the department's uniform overhead billing rate
20 is to track and recover the costs of legal services provided to the state's client agencies,
21 there is legal authority for awarding attorney's fees under Civil Rule 82 based on market
22 rates rather than the department's overhead billing rate. Atlantic Richfield Co. v. State, 723
23 P.2d 1249, 1251-52 (Alaska 1996); Amfac Hotels v. State, Dept. of Transportation, 659
24 P.2d 1189, 1194 (Alaska 1983); Morrison-Knudsen Co., Inc. v. State, 519 P.2d 834, 844
25 (Alaska 1974).

26 6. I was responsible for all facets of the defense of this case. I prepared
all of the written discovery on behalf of the state. I also consulted as needed with Assistant
Attorney General(AAG) Shannon O'Fallon, who had personally handled the underlying
guardianship matter that was at issue in this case.

7. I have been practicing law in Juneau for over 15 years and with the
Attorney General's office for more than 14 years; I am an Attorney VI. I have been aware
of rates charged by private practitioners over the years through state procurements for legal
services, attorney fee requests in cases, and personal conversations with private attorneys.
In my professional judgment, a request for reimbursement for my time spent on this case
at a rate of \$150 per hour is reasonable.

AFFIDAVIT OF COUNSEL

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1
2 8. The paralegal time is billed at the actual, non-market rate of \$72 per
3 hour. The paralegals worked on discovery, coordinating witness lists, and performing other
4 legal tasks that I delegated to them and that would customarily be done by an attorney.

5 Further your affiant sayeth naught.

6 DATED: 9/30/98

7
8 *Susan D. Cox*
9 Susan D. Cox

10 SUBSCRIBED AND SWORN to before me this 30th day of September 1998.



Susan D. Cox
Notary for the State of Alaska
My Commission expires: 2000

ATTORNEY GENERAL, STATE OF ALASKA
DIMOND COURTHOUSE
P.O. BOX 110300, JUNEAU, ALASKA 99811
PHONE: 465-3600

The Subcommittee received written material and oral descriptions from Department of Law staff regarding the existing practices for making decisions on whether to contract out for legal services and how to select a legal services provider. These materials and statements also included information regarding the practices of the Department of Law in monitoring existing legal services contracts.

In the course of Subcommittee discussion, several themes were addressed. Regarding the effectiveness and accountability of outside counsel, the comparison between in-house counsel and contracted counsel with respect to cost effectiveness or efficiency in achieving client objectives is difficult to evaluate without certain data. Regarding cost effectiveness, accurate data concerning the total cost of legal services both in-house and on a contract basis on a comparable indices is needed. This concern is also addressed in item 7 below.

Additionally, evaluation of the qualitative efficiency and effectiveness of legal representation (objectives versus outcome of specific cases) requires adequate information about those objectives and outcomes to determine the overall effectiveness of in-house versus contract counsel. The contracting procedures provided by the Department of Law include identification of the litigation plan and objective as part of the contract monitoring process. This definition of the litigation objective may be an appropriate requirement in each case (whether in-house or outside counsel) and would provide a measure which legislative audit or any other audit or oversight body might utilize to evaluate the effectiveness of both the department of law and contract counsel.

The fairness in contractor selection was an area of particular concern. Subcommittee members commented that the existing contractor selection process is largely subjective. With respect to legal services which are routine and could be adequately performed by a broad range of counsel in the relevant practice area (such as criminal appeals, collections, worker's compensation or other similar routine matters), committee members felt that a more objective contractor selection system from among a pool of qualified contractors would be more likely to serve the public interest in avoiding favoritism in the award of public contracts. One method suggested was the maintenance of pools or lists of qualified contractors for various categories of work. Contractor selection within the practice area of a particular pool would look to the name at the top of the list with new service providers being added to the bottom of the list and previously selected contractors rotating to the bottom of the list. Additionally, there was some discussion of utilizing a method whereby the state sets a maximum contract compensation rate for routine matters at or below the determined in-house rate for providing legal services. Subcommittee members commented that such a system could be used for specialized litigation needs as well.

The Subcommittee recognizes that in some instances there may be justifications for deviation from a pool type objective contractor selection system, and agrees that exceptions should be permissible. However, the Subcommittee feels that where exceptions to an objective award method are utilized, the justification for the exception should be documented in writing against a standard criteria to provide a basis for oversight and evaluation of the fairness of the selection process.

Recommendation 6. The Subcommittee recommends that the Legislature require the Department to develop in consultation with the Division of Legislative Audit a pilot project to test the feasibility of the use of an outside audit firm to assess the costs incurred in litigation. Such firms are presently utilized in the private sector. The Subcommittee believes that the pilot project may be best tested in tort cases.

During the course of meetings with the Department, Subcommittee members noted that it is becoming increasingly commonplace in the private sector for clients, particularly insurers, to utilize the services of an outside auditor to ascertain the reasonableness of charges for legal services rendered by attorneys to clients. The Department acknowledged that the Division of Risk Management had been approached by these types of service providers in the past.

Some Subcommittee members believe that this type of review could be of benefit to the State in lowering the costs of representation. Other Subcommittee members expressed strong doubt that the use of this type of review contractor would either improve litigation outcomes or lower costs.

The Subcommittee obtained from the Department a copy of a solicitation from one of these types of review services. On balance, the Subcommittee believes that it may be useful to test the feasibility of the use of these types of services on a limited, experimental basis and recommends that a pilot project be developed by the Department and the Division of Legislative Audit. The Subcommittee does not endorse a particular outcome for this pilot project, but believes that it may be useful to explore whether the State should consider this matter further.

Recommendation 7. The Subcommittee recommends that the Legislature direct the Division of Legislative Audit to determine the full and fair value per billable hour of legal services rendered by the Department of Law and ensure that the rates are consistently applied in the budgeting process pertaining to the Department. Following completion of this task, the Subcommittee recommends to the Legislature that it examine whether legal services rendered by the Department should be billed at different rates for different services. The Subcommittee is generally of the view that the Department's costs of service should distinguish between routine and complicated legal services.

During the course of Subcommittee deliberations, a discrepancy was noted in the hourly rate charged by the Department of Law to client agencies and the rate that the Department utilizes when making presentations to the courts on the costs of litigation.

Any discussion on potential privatization of services will at some point consider and compare the cost of contracting representation out to private attorneys and the costs of retaining the matter in-house. The Subcommittee generally believes that fully comparable data regarding such costs is

needed and further that the Division of Legislative Audit is best equipped to gather, analyze and compare this information.

There are widely differing views in the legal community, among Subcommittee members and the Department on the rates which are and should be paid for legal services. The Department sincerely believes that many types of cases are more economically handled in-house. Some Subcommittee members believe that the Departmental costs are understated and that quality private counsel is available for less than the rate utilized by the Department in assessing the feasibility of the use of outside counsel.

In addition to the above, the Subcommittee questions whether it is appropriate for the Department to charge client agencies the same uniform rate for all types of legal services. Clearly there is a wide disparity in the complexity of legal tasks. As a general proposition, the Subcommittee is of the view that the development of multiple rates for particular types of legal services could produce a savings for the State.

One Subcommittee member expressed before the Subcommittee that an audit could also determine the percentage of time and money the Department expends on assisting persons and agencies which are not part of the State. The same commenter noted that a difference may be arising between and the "public interest", "State interest", and "bureaucratic interest." An audit could also determine how much public resources are expended defending the latter at the expense of the first. Finally the member noted that Department may be developing an in-house bureaucratic culture and that the use of private attorneys and other litigation support services can save Alaska money as well as diversify the departmental culture.

Recommendation 8. The Subcommittee recommends that the Legislature develop and enact measures to prohibit the linkage between contributions to political campaigns and selection to perform legal services on behalf of the State. The American Bar Association has engaged in several studies on this matter, which it refers to as the "pay to play" issue, and has drafted specific policies to address the matter. The Subcommittee believes that the centralized nature of the delivery of legal services for the State of Alaska justifies additional controls in this area.

There was broad support on the Subcommittee for action by the Legislature on the "pay-to-play" issue. The American Bar Association has appointed a task force to consider this issue and the task force has forward proposed amendments to the rules of professional responsibility to the ABA House of Delegates. These materials are included with this Report. The Department told the Subcommittee that it was aware of this issue but did not elaborate as to what steps, if any, it may have taken to address the issue. In general, the Department has expressed confidence in the existing procurement rules and process.

The Subcommittee believes that the process for selection of outside counsel by the Department

would be enhanced by the adoption of proposals comparable to the ABA task force proposal. In part, this view is based on the fact that in Alaska all outside legal service providers to the State, with the exception of conflict counsel by the Office of Public Advocacy, are selected by the Department of Law. In addition, the Subcommittee is mindful that virtually all professional employees of the Department of Law are either exempt or partially-exempt employees, and serve at the pleasure of the Governor. The centralization of procurement authority in the Department of Law and the subjective nature of outside counsel selection gives rise to the danger of favoritism in the selection process. Adoption of the "pay to play" rules could install additional safeguards into the process. At a minimum, the Legislature should hold hearings on this issue, which has attracted national attention.

Some members of the Subcommittee believe that the "pay to play" issue should involve broader considerations than simply the making of campaign contributions by attorneys and should encompass long-standing personal or professional relationships of attorneys to candidates.

Other Subcommittee members have commented that the Department of Law should be pro-active regarding this issue and develop protective measures for recommendation to the legislature using a "disclosure" approach rather than waiting for mandatory requirements to be imposed with the Department of Law in a reactive posture.

Recommendation 9. The Subcommittee recommends that the Legislature develop additional tools to review and provide advice to the Department for litigation where the potential for significant financial liability exists. As presently arranged the roles of client and attorney are blurred, with the Department being charged with conducting litigation and being viewed by agencies as having superior knowledge as to the goals of litigation. Additional oversight is needed to protect and enhance the wishes of the ultimate client.

While qualified and competent, the legal staff of the Department is by no means infallible and may, at times lack all the expertise which may be desirable for particular types of cases which pose the risk of significant financial liability to the State. At the same time those in supervisory roles are also advising or actually making decisions on litigation strategy. The Subcommittee believes that it may be prudent to install mechanisms which permit and perhaps even require the Department to consult with known litigation experts for cases with major liability.

The Subcommittee lacked the time to further develop suggestions on how to accomplish this result. One idea was to establish a consultation process through the Division of Legislative Audit.

The contracting procedures provided by the Department of Law include identification of the litigation plan and objective as part of the contract monitoring process. This definition of the litigation objective may be an appropriate requirement in each case and would provide a measure which legislature audit or any other audit or oversight body might utilize to evaluate the effectiveness of both the department of law and contract counsel.

Recommendation 10. The Subcommittee recommends that the Legislature review and consider changes to statutes setting forth the powers and duties of head of the Department, the Attorney General. The Attorney General is not specifically provided for in the Alaska Constitution, but rather is but one of the heads of executive departments. Present statutes provide, and the Supreme Court has thus held that the Attorney General may exercise the powers of an attorney general at common law. The Subcommittee believes that such an arrangement may be incompatible with the concept of limited, constitutional government and may be in need of amendment.

The Subcommittee posed a series of questions to the Department regarding the settlement process, and the Department responded in correspondence which is part of the Report. The Subcommittee urges that this response be examined closely by the Commission. Continued efficient delivery of government services by the Department of Law requires an ongoing appreciation of the limited resources available to the State of Alaska. The Subcommittee believes that the power to settle cases poses unique dangers since the Department of Law stands in a position to acquiesce to an incredible variety of claims and assertions that the Department would never make on behalf of the State. A restrictive view of the authority to settle cases is consistent with the notion of limited state resources. As a practical matter, attorneys with an expansive view of their authority to act on behalf of their client may be more inclined to agree to settlement terms which would not be available if the client alone was jealously guarding the checkbook.. Such considerations are all the more important in the case of non-financial terms of settlement. If legal services are to be delivered effectively and efficiently by the Department, as an institution it should very carefully husband the exercise of those powers. It is in this spirit that the Subcommittee examined settlement practices and authority.

In the response to the Subcommittee, the Department, after a description of the internal process utilized in evaluating proposed settlements, stated that the local case assessment committee will

...forward a recommendation to the Attorney General, or his designee, as appropriate, for consideration and action. All settlement decisions include the input of the state agency implicated by the settlement decision.

Final settlement authority rests with the Attorney General, who may delegate final approval based on departmental policy. (Emphasis added)

Thus, unlike the typical situation in which the client decides whether to accept or reject a proposed settlement, it is the attorney who makes this judgment on behalf of the State of Alaska. The Subcommittee believes that this arrangement poses considerable danger for the State when it is combined with the Department's broad view of the powers of the Attorney General.

Status of the Attorney General

It is important to note that the Attorney General is not specifically provided for in the Alaska Constitution. Rather, the Attorney General by statute is but one of the heads of the departments

of state government appointed by the Governor. At the Constitutional Convention, the following was said about the status of the Attorney General:

Now it is my thought on the basis of the bill that we have here that probably what we want to decide is whether we want a constitutional attorney general or not. It seems to me on the executive department, as we have outlined in here so far, that we probably don't want a constitutional attorney general at all; that the matter should be left to the legislature as to whether we do or don't and to what his powers are when the legislature decides to set up an attorney general, and accordingly it seems to me pointless to discuss as to how the attorney general is be selected.

Alaska Constitutional Convention Proceedings, Page 2221, comments of Delegate Davis. (Emphasis added)

In this respect, the Attorney General holds no greater status than that of the head of any other executive department. From a constitutional perspective, the Attorney General derives power from the Governor under Article III, Section 16, who is charged with the responsibility for the faithful execution of the laws. The Legislature has granted certain powers to the Attorney General by statute, AS 44.23.020.

The 1991 Opinion

The Department of Law has added to the above framework. In responding to the Subcommittee's inquiry regarding settlement authority, the Department provided what it apparently believes is the best statement of the powers of the Attorney General as stated in a 1991 memorandum opinion to the Legislative committees examining the Exxon Valdez settlement authored by then Attorney General Charles Cole. This Opinion is included with this report.

The Subcommittee recommends that the 1991 Opinion be examined by the Commission but with reference to the statement of Delegate Davis regarding the status of the Attorney General. In the hands of the Department, the office of Attorney General is expanded from a statutorily created office into a broadly based¹ office with additional common law powers² which may not be

¹ See Opinion at page 13: "The Attorney General is the State officer charged with implementing the executive branch's policies with respect to execution of the law." The authority cited for this proposition is not particularly helpful in understanding the basis for the statement. The Subcommittee is unaware of any constitutional or statutory provision which vests more authority for implementing the law in the hands of the Attorney General than any other executive department.

² See Opinion at page 13-14: "In that respect, the Attorney General has broad common law powers and responsibilities;" and page 15: "Alaska takes a similarly expansive view of the Attorney General's common law powers." These statements appear to be flawed. To the extent

limited.³ Fortunately, the 1991 Opinion cannot supercede the Alaska Constitution or rewrite the Alaska Statutes. The Alaska Supreme Court in *Public Defender Agency v. Superior Court*, 534 P.2d 947, 950-51 (Alaska 1975) notes that the basis for the Attorney Generals common law powers is statutory, AS 44.23.020 and that such common law powers exist "... except where they are limited by statute or conferred upon some other state official." *Id.*

As embodied in the 1991 Opinion, the views of the Department may be at odds with the Alaska Constitution and the intent of the founders. The Subcommittee recommends that Legislature hold hearings on potential amendments to AS 44.23.020. The purpose of these hearings and potential amendments would be to discover ways to restore the balanced view of the authority of the Department envisioned by the framers of the Alaska Constitution.

The Subcommittee subscribes to the proposition that the duties and powers of the Attorney General should derive solely from the Alaska Constitution and legislative enactments. In the view of the Subcommittee, the effective, efficient and responsive delivery of governmental legal

that the Alaska Attorney General has common law powers, they are granted by the Legislature in AS 44.23.020 (b)(7).

³ See Opinion at page 24-25: "Given the absence of any such express prohibition it is unnecessary to speculate concerning the issue whether and to what extent the Legislature might prohibit the Attorney General from so settling the litigation. However, it is clear that the separation of powers doctrine would restrict any legislative attempt to intrude on the executive branch's discretionary authority to conduct litigation in the State's interest." Contrast this view with the limited view of the Attorney General expressed by Delegate Davis during the Constitutional Convention. The Opinion's statement might be correct if it is referring to the Governor's constitutional power, but the issue is the Attorney General's power, not the Governor's. The Subcommittee does not believe it is as "clear" as the Department suggests.

See also page 26, footnote 27: "Some courts have held that the legislature may not restrict the attorney general's common law powers." The Opinion cites *Gust K. Newberg, Inc. v. Ill. St. Toll Hwy.*, 456 N.E.2d 50 (Ill. 1983) and *Murphy v. Yates*, 348 A.2d 837 (Md. 1975) for this last proposition. The Subcommittee read the cases and found the results revealing.

In the *Newberg* case, the Illinois courts found that the constitutionally created attorney general held common law powers. Unlike the Alaska Constitution, the Illinois Constitution has established the elected office of Attorney General and declared that he is "...the legal officer of the State...". Once again, compare the comments of Delegate Davis, set out above.

In the *Murphy* case, the appeals court in Maryland determined that the constitutionally established State's attorney could not have his powers restricted by the legislature. Interestingly enough, when the 1991 Opinion was written it failed to mention that the voters of Maryland in 1976 overturned the effect of the *Murphy* case by amending the Maryland Constitution. *Goldberg v. State*, 519 A.2d 779 (Md. App. 1987): "The likely effect of the 1976 amendment to Art. V, Sec. 9 was to make valid, once again, the proposition that the duties and powers of the State's Attorney derive solely from the constitution and legislative enactments. *Id.*, footnote 4, at 783. Under these circumstances, it is fair to say that the precedential value of the *Murphy* case is extremely limited.

services will be obtained by reemphasizing the legislative basis for the Department's acts and the limited nature of the State's resources.

The Subcommittee has drafted legislation to achieve this purpose, or, at a minimum, serve as the starting point for review. It is included with this report.

Sec. 44.23.010. Attorney general.

The principal executive officer of the Department of Law is the attorney general.

Sec. 44.23.020. Duties; and powers; waiver of immunity.

(a) The attorney general is the legal advisor of the state, including the governor and other state officers.

(b) The attorney general shall

(1) bring, prosecute, and defend all necessary and proper actions in the name of the state for the collection of revenue;

(2) represent the state in all civil actions in which the state is a party;

(3) prosecute all cases involving violation of state law, and file informations and prosecute all offenses against the revenue laws and other state laws where there is no other provision for their prosecution;

(4) administer state legal services, including the furnishing of written legal opinions to the governor, the legislature, and all state officers and departments as the governor directs; and give legal advice on a law, proposed law, or proposed legislative measure upon request by the legislature or a member of the legislature;

(5) draft legal instruments for the state;

(6) make available a report to the legislature, through the governor, at each regular legislative session

(A) of the work and expenditures of the office; and

(B) on needed legislation or amendments to existing law;

(7) perform all other duties required by law [OR WHICH USUALLY PERTAIN TO THE OFFICE OF ATTORNEY GENERAL IN A STATE]; and

(8) prepare, publish, and revise as it becomes useful or necessary to do so an information pamphlet on landlord and tenant rights and the means of making complaints to appropriate public agencies concerning landlord and tenant rights; the contents of the pamphlet and any revision shall be approved by the Department of Law, division of consumer protection, before publication.

(c) The Attorney General may, subject to the power of the legislature to make appropriations, settle actions, matters and prosecutions under subsection (b) in which the Attorney General represents the state and in which the state is a party.

(d) Before January 1, 1999, the attorney general may, in a case that involves the state's title to submerged lands, or in any case in which the state seeks to allocate fault to the federal government or a federal employee under AS 09.17.080, waive the state's immunity from suit in federal court provided under the Eleventh Amendment to the Constitution of the United States. The expiration on January 1, 1999, of the attorney general's authority to waive the state's Eleventh Amendment immunity does not affect existing waivers in ongoing cases.

Approach of the Subcommittee

The Department of Law is fairly unique among state agencies in that it exclusively performs services for the State and agencies of the State. It does not provide services to the general public or to particular classes of the public. In addition, legal services in many, if not most, cases involve the exercise of considerable discretion on the part of the attorney assigned to the case, be it at the intake, trial or appeal level.

In recognition of these facts, the Subcommittee at the outset did not commence work from the standpoint of elimination of legal professional staff or the wholesale assignment of individual programs to the private sector. In the first instance, it seems clear that appropriation for legal staff will generally produce a commitment to litigation and prosecution at that level. If more funds are appropriated, more resources will be expended on those functions. If less funds are appropriated, less resources will be expended on those functions. In this regard, the Subcommittee is probably less able to address the question of the level of appropriation for the Department than the Finance Committees, as the Subcommittee has consisted of non-budgetary professionals working on a volunteer basis.

The Subcommittee has therefore focused upon those provisions of the Full Commission's authorizing legislation which permit examination of the Department of Law from the standpoint of efficiency and effectiveness. The Subcommittee has also examined contracting policy and procedures for the Department.

To a very considerable degree, each of the subjects inquired into on the part of the Subcommittee have, in one way or another, hinged on the exercise of discretion on the part of the leadership of the Department of Law. The Department of Law is also unique among the departments of state government in that with the exception of a handful of individuals, all of the professional employees of the Department are either exempt or partially exempt State employees who serve at the pleasure of the agency head, the Attorney General, and ultimately the Governor. There is clearly more discretion exercised in carrying out the functions assigned to the Department than in any other executive Department of State government. Any of a number of expressions may describe the situation: "Beauty lies in the eyes of the beholder;" "The glass may be half-empty or half-full;" "Where you stand depends on where you sit."

This circumstance has led the Subcommittee into inquiring in various ways about how the Department exercises discretion and what legal and practical limitations exist on the exercise of discretion. If any change at all is going to be made to the functions and activities of the Department by the Legislature, sooner or later the issue of the exercise of discretion on the part of the Department will enter the equation.

In light of this fact, the Subcommittee has ventured probably a bit further from the pathway taken by some other subcommittees of the Commission and has examined the statutory underpinnings of the Department.

Subcommittee meetings and process

The Subcommittee has met seven times, taken extensive testimony from the Department's leadership, posed two sets of written inquiries to the Department, and discussed and debated issues as a subcommittee on multiple occasions.

The written inquiries to the Department are attached to this Report, as are the responses of the Department.

The Department has been well represented by Deputy Attorney General Barbara Ritchie, Deputy Attorney General Cynthia Cooper, and Special Assistant to the Attorney General Joan Kasson. In all instances, these representatives have responded satisfactorily to the questions of the Subcommittee. Their cooperation is appreciated.

The Subcommittee at the outset adopted a policy that it would not discuss any particular matter currently in litigation. Discussion of cases by name has been extremely rare.

Following the fact-finding segment, the Subcommittee has met to discuss and deliberate regarding the recommendations to be included in this report. The chair has been of the view that it is the task of the Subcommittee to generate ideas to be passed along to the full Commission and ultimately the Legislature and that therefore it is not necessary or even desirable to seek a consensus or even majority support for any particular idea to be made part of this Report. Dissent from the points contained in this Report has been encouraged, and members may submit alternative viewpoints to any point to the full Commission. The Subcommittee stands behind the points contained in this Report as ideas meriting further examination by either the full Commission or the Legislature.

1. The Legislative Finance committees should hold hearings to develop criteria and a process to assess the feasibility of contracting functions currently performed by the Office of Special Prosecutions and Appeals. In particular, the handling of appeals and the issuance of opinion letters should be examined.
2. The Legislative Finance committees should hold hearings to develop criteria and a process to assess the feasibility of contracting the misdemeanor prosecution function after intake screening.
3. The Subcommittee recommends that the Legislature conduct specific hearings on the issue of the allocation of the costs and responsibilities for criminal prosecution between the State and local governments. Such hearings could and perhaps should be expanded to address the provision of police services. The Subcommittee believes that the goal of these hearings should be to develop a consistent statewide approach to the delivery of criminal justice functions which recognizes the varying level of resources available to local governments.
4. The Subcommittee believes that it should be the policy of the Legislature that all privatization efforts which are undertaken regarding the Department of Law should result in commensurate reductions in staff.
5. The Subcommittee recommends that the Legislature develop and enact additional measures to ensure that the selection of legal services contractors by the State is as objective as possible. The Subcommittee believes that the use of the of a pre-qualified list of potential providers would be a useful tool.
6. The Subcommittee recommends that the Legislature require the Department to develop in consultation with the Division of Legislative Audit a pilot project to test the feasibility of the use of a outside audit firm to assess the costs incurred in litigation. Such firms are presently utilized in the private sector. The Subcommittee believes that the pilot project may be best tested in tort cases.
7. The Subcommittee recommends that the Legislature direct the Division of Legislative Audit to determine the full and fair value per billable hour of legal services rendered by the Department of Law and ensure that the rates are consistently applied in the budgeting process pertaining to the Department. Following completion of this task, the Subcommittee recommend to the Legislature that it examine whether legal services rendered by the Department should be billed at different rates for different services. The Subcommittee is generally of the view that the Department's

costs of service should distinguish between routine and complicated legal services.

8. The Subcommittee recommends that the Legislature develop and enact measures to prohibit the linkage between contributions to political campaigns and selection to perform legal services on behalf of the State. The American Bar Association has engaged in several studies on this matter, which it refers to as the "pay to play" issue, and has drafted specific policies to address the matter. The Subcommittee believes that the centralized nature of the delivery of legal services for the State of Alaska justifies additional controls in this area.

9. The Subcommittee recommends that the Legislature develop additional tools to review and provide advice to the Department for litigation where the potential for significant financial liability exists. As presently arranged the roles of client and attorney are blurred, with the Department being charged with conducting litigation and being viewed by agencies as having superior knowledge as to the goals of litigation. Additional oversight is needed to protect and enhance the wishes of the ultimate client.

10. The Subcommittee recommends that the Legislature review and consider changes to statutes setting forth the powers and duties of head of the Department, the Attorney General. The Attorney General is not specifically provided for in the Alaska Constitution, but rather is but one of the heads of executive departments. Present statutes provide, and the Supreme Court has thus held that the Attorney General may exercise the powers of an attorney general at common law. The Subcommittee believes that such an arrangement may be incompatible with the concept of limited, constitutional government and may be in need of amendment.

Sec. 44.23.010. Attorney general.

The principal executive officer of the Department of Law is the attorney general.

Sec. 44.23.020. Duties; and powers; waiver of immunity.

(a) The attorney general is the legal advisor of the state, including the governor and other state officers.

(b) The attorney general shall

(1) bring, prosecute, and defend all necessary and proper actions in the name of the state for the collection of revenue;

(2) represent the state in all civil actions in which the state is a party;

(3) prosecute all cases involving violation of state law, and file informations and prosecute all offenses against the revenue laws and other state laws where there is no other provision for their prosecution;

(4) administer state legal services, including the furnishing of written legal opinions to the governor, the legislature, and all state officers and departments as the governor directs; and give legal advice on a law, proposed law, or proposed legislative measure upon request by the legislature or a member of the legislature;

(5) draft legal instruments for the state;

(6) make available a report to the legislature, through the governor, at each regular legislative session

(A) of the work and expenditures of the office; and

(B) on needed legislation or amendments to existing law;

(7) perform all other duties required by law [OR WHICH USUALLY PERTAIN TO THE OFFICE OF ATTORNEY GENERAL IN A STATE; AND]

(8) subject to the power of the legislature to make appropriations, settle cases for the collection of revenue, in which the state is a party and which involve a violation of state law; and

(9) prepare, publish, and revise as it becomes useful or necessary to do so an information pamphlet on landlord and tenant rights and the means of making complaints to appropriate public agencies concerning landlord and tenant rights; the contents of the pamphlet and any revision shall be approved by the Department of Law, division of consumer protection, before publication.

(c) Before January 1, 1999, the attorney general may, in a case that involves the state's title to submerged lands, or in any case in which the state seeks to allocate fault to the federal government or a federal employee under AS 09.17.080, waive the state's immunity from suit in federal court provided under the Eleventh Amendment to the Constitution of the United States. The expiration on January 1, 1999, of the attorney general's authority to waive the state's Eleventh Amendment immunity does not affect existing waivers in ongoing cases.

The Subcommittee posed a series of questions to the Department regarding the settlement process, and the Department responded in correspondence which is part of the Report. The Subcommittee urges that this response be examined closely by the Commission.

After a description of the internal process utilized by the Department in evaluating proposed settlements, the Department states the local case assessment committee will

...forward a recommendation to the Attorney General, or his designee, as appropriate, for consideration and action. All settlement decisions include the input of the state agency implicated by the settlement decision.

Final settlement authority rests with the Attorney General, who may delegate final approval based on departmental policy. (Emphasis added)

Thus, unlike the typical situation in which the client decides whether to accept or reject a proposed settlement, it is the attorney who makes this judgment on behalf of the State of Alaska. The Subcommittee believes that this arrangement poses considerable danger for the State when it is combined with the Department's sweeping view of the powers of the Attorney General.

It is important to note that the Attorney General is not specifically provided for in the Alaska Constitution. Rather, the Attorney General by statute is but one of the heads of the departments of state government appointed by the Governor. In this respect, the Attorney General holds no greater status than that of the heads of any other executive department. From a constitutional perspective, the Attorney General derives power from the Governor under Article III, Section 16, who is charged with the responsibility for the faithful execution of the laws. The Legislature has extended to the Attorney General by statute, AS 44.23.020, certain powers.

The Department of Law has added to the above framework

In responding to the Subcommittee, the Department described the legal authority of the Attorney General to enter into settlements and cites the case of *Public Defender Agency v. Superior Court*, 534 P.2d 947, 950-51 (Alaska 1975) and AS 44.23.020. In the *Public Defender Agency* case, the Alaska Supreme Court stated that



FACSIMILE TRANSMISSION COVER SHEET

Office of the Attorney General
Diamond Courthouse, 123 Fourth Street, 4th Floor
P.O. Box 110300
Juneau, AK 99811-0300
PHONE: (907) 465-5370 FAX: (907) 465-2075

DATE: September 30, 1999

FROM: JOAN KASSON
SPECIAL ASSISTANT
Joan_Kasson@law.state.ak.us

Total number of pages including this cover sheet: 1;

Please deliver the following pages to: **SCOTT BRANNEN-ERICHSEN** c/o Ketchikan LIO; **BLAKE CALL, REP. JOHN COWDERY, MARK JOHNSON, RICHARD MCVEIGH, WILLIAM O'BRIEN, c/o Rep. Cowdery's Office; BETTY ROLLINS, BILL SATTEMBERG, c/o Fairbanks LIO**

FAX NO: (907) 225-8546
(907) 269-0223
(907) 456-3346

MESSAGE: Addressees are members of the Commission on Privatization and Government Services Subcommittee on the Department of Law. They will be attending the teleconferenced meeting of the subcommittee scheduled for 11:30 a.m., September 30, 1999. I would appreciate if you could provide copies of this transmission to them when they arrive at the meeting. A copy will be hand-delivered to Juneau member, Bruce Weyhrauch. Thank you for your help.

**Please inform us immediately
if you do not receive this transmission in full
(907) 465-2133 Ask for: Kathy**

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

TONY KNOWLES, GOVERNOR

P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-2075

September 30, 1999

Mark K. Johnson
Attorney at Law
13631 Windward Circle
Anchorage, Alaska 99516

Dear Mr. Johnson:

This is in response to your letter which we received on September 17th requesting information about settlement authority and practices in the Department of Law and legal services provided to boards and commissions.

1. Settlement Authority and Practices

- You have asked what internal process the department has for review of potential settlement of litigation.

The department has an internal policy that establishes levels of authority to enter into settlement of litigation depending upon the monetary value of the case and/or policy implications raised by a settlement. Generally, if the amount in controversy exceeds a certain internally established threshold or if the case implicates a major policy issue (regardless of the amount in controversy), the case is reviewed by a case assessment committee in the office where the case is being handled i.e., Anchorage, Fairbanks, or Juneau). The local case assessment committee carefully reviews the case with the assistant attorney general who is handling the matter and will forward a recommendation to the Attorney General, or his designee, as appropriate, for consideration and action. All settlement decisions include the input of the state agency implicated by the settlement decision.

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Attorney at Law

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Final settlement authority rests with the Attorney General, who may delegate final approval based on departmental policy. AS 09.50.300; AS 44.23.020. In those instances where the litigation is being handled by outside counsel through a contract with the Department of Law, the assistant attorney general assigned as the contract manager coordinates with the Attorney General, or his designee, in considering settlement recommendations and giving final approval for a settlement.

In considering whether to settle litigation, we carefully and fully consider all relevant factors, including: the facts; the legal issues; the applicable law; the posture of the case; the court rulings to date; the views of the agency involved; the public interest; any public policy issues; and, if money is at stake, the reasonableness of the amount sought in settlement considering the factors set out above.

- You have asked what practical and legal constraints exist with regard to the settlement of litigation.

Probably the most common practical constraint is the availability of money to fund a financial settlement. Most cases will require a legislative appropriation to fund a settlement. Agencies, including Law, do not have funds available to pay for settlements of litigation. This can impact settlement if, for instance, the opposing party for some reason wants payment immediately. That is not generally something the state can accommodate. The item must be submitted to the Legislature for its consideration and appropriation. Therefore, settlements will generally be contingent on appropriation of the funds; if funds are not appropriated, the litigation will continue.

Turning to the issue of legal constraints with regard to settlement, this issue has been examined in detail in the past. Specifically, the question of the authority of the Attorney General to settle litigation arose in the course of the EXXON VALDEZ litigation. Then Attorney General Charlie Cole issued a comprehensive legal opinion on the authority of the Attorney General to settle litigation. 1991 Inf. Op. Att'y Gen. (April 2). (The opinion is lengthy, and we are mailing a copy to each member of the subcommittee.)

The opinion discusses that the Attorney General is the state officer charged with implementing the executive branch's policies with respect to execution of the law. "In that respect, the Attorney General has broad common law powers and responsibilities." Op. at 13-14. See, AS 44.23.020; *Public Defender Agency v. Superior Court*, 534P.2d 947, 950-51 (Alaska 1975).

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Attorney at Law

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The opinion concludes (regarding this issue), at 16:

"It is thus entirely clear that, as an incident of both common law and statutory powers, the Attorney General has the discretionary authority to settle the State's litigation."

- You have asked to what extent are the financial terms of settlements subject to appropriation of funds by the Legislature.

Settlements and judgments on tort claims are funded through the state's property/casualty self-insurance program administered by the Division of Risk Management, Department of Administration. Settlement of other litigation (or tort claims in the event the self-insurance program lacks sufficient funds for the judgment/settlement of a particular claim) is funded through the legislative budget bill process. Such appropriations are usually included in the supplemental budget bill which is submitted to the Legislature each session. (The section of the supplemental budget bill that includes funds for settlements and judgments is often referred to as "the judgment bill.") AS 09.50.270 provides for the payment of judgment against the state and for the submission of judgments to the Legislature for appropriation.

In short, the financial terms of a settlement (or judgment) in other than tort cases are almost always submitted to the Legislature for appropriation. State agencies do not typically have funds in their budgets to pay for such claims. The review process for the payment of settlements and judgments is thorough and involves both the executive and legislative branches. I have enclosed a copy of the form which must be completed by the assistant attorney general who handled the case.

Our process is as follows: first, the attorney who handled the case is required to complete the form, attach the pertinent backup materials, and submit it to our administrative services director for review and calculation of interest owed through June 30 (the latest projected date of payment). The director also periodically sends out information to all of the lawyers in the department on the interest rate as it changes.¹ Then, the civil or criminal deputy general, depending on which division handled the case, reviews the information to make sure it is complete and clearly articulated. We prepare the forms throughout the year. At the appropriate time, we transmit the forms to the

¹ Under AS 09.30.070(a), the interest rate on judgments entered on causes of action accruing after August 7, 1997, is tied to the discount rate in the 2nd Federal Reserve in effect on January 2 of the year the judgment is entered. Thus, the interest rate changes each year and the director makes sure the lawyers know the applicable dates for the interest rates and the correct percentages.

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Office of Management and Budget for review and inclusion in an appropriate legislative budget bill, generally the supplemental budget bill. The forms and attachments are then transmitted by OMB to both the House and Senate Finance Committees as backup to the budget bill that includes the judgments and claims at issue.

The House and Senate Finance Committee each carefully review the settlement and judgment items submitted in the budget bill(s) during the committee hearing process. We testify at the committee hearings on the requests, often item by item, in front of both committees. Through that process questions are asked of the Department of Law and sometimes the agency involved as well. We will also provide any additional information requested.

Most settlements are entered into contingent upon appropriation. Thus, if the Legislature decides not to appropriate funds for the settlement, the matter will go back into the litigation process.

- You have asked what circumstances, if any, would trigger consultation with the Legislature or legislative leaders prior to settlement of litigation.

We work to keep the Legislature and legislative leaders informed on significant developments in cases in litigation. For instance, each year, during the legislative session, we provide a comprehensive confidential briefing on the status of all oil and gas related litigation -- all members of the Legislature are invited to attend the briefing.

A circumstance that would probably trigger consultation with the Legislature prior to settlement of litigation would be if a proposed settlement were presented to the Legislature for appropriation and the Legislature did not approve the settlement. This circumstance came up in 1995 with regard to the settlement of litigation concerning environmental contamination and cleanup at Toksook Bay, *City of Toksook Bay v. Lower Kuskokwim School District*. The settlement of the litigation was submitted to the Legislature for funding. The appropriation was not approved and the case went back into litigation. A settlement proposal reached later was discussed with legislators, which enabled the parties to know that the new proposal would likely pass legislative scrutiny. The appropriation for the settlement was approved by the Legislature in 1996.

We also prepare a quarterly update on all significant natural resources litigation. This report is provided to the Legislature and is now also available on our web page, along with our monthly report. In addition, we provide updates and information to legislators frequently on cases of special interest. Examples would be the *Evans v. State*

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Attorney at Law

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litigation, a constitutional challenge to the 1997 Tort Reform Act, the *Irby Construction v. State* litigation challenging the constitutionality of the local hire statutes, the *ACLU v. State* case challenging the constitutionality of the campaign finance reform legislation, and the several cases we have now in the courts concerning abortion rights.

2. Legal assistance and support to administrative and adjudicative boards and commissions.

You requested budgetary data on legal services provided to administrative boards and commissions. A list of FY99 actual expenditures by individual board and commission is attached. While this is not a comprehensive list of all boards and commissions, it is what we have readily available through our timekeeping and billing system. If there is a board or commission not on the list that you are particularly interested in, we can work on getting the budgetary data on legal services for that entity. I have also indicated on the spreadsheet whether the legal services are provided in-house, or by outside counsel, and whether they are funded within the Department of Law's budget or by reimbursable services agreement with the board or commission.

In response to the second part of question 2, whether the board or commission is empowered by statute to make policy decisions and its members are confirmed by the Legislature has no bearing on whether legal services are provided by the Attorney General or private counsel. Only a very limited number of agencies (such as the Alaska Railroad Corporation and the University of Alaska) are exempted from AS 36.30.015(d), which provides, "[a]n agency may not contract for the services of legal counsel without the approval of the attorney general." As was discussed at the September 16th subcommittee meeting, these legal services could perhaps be privatized, but at a significant cost, both monetary and institutional.

You have also asked to what extent has privatization of these services been considered. The department has not systematically examined legal services to boards and commissions for privatization. As was discussed at the September 16th meeting, the department procures private counsel to supplement our in-house attorneys and resources when such additional services are in the best interests of the state. The boards and commissions serve fundamental governmental functions, such as the regulation of fish and game resources in the state, the enforcement of campaign finance disclosure laws, the regulation of professional licensing, the regulation of public utilities, and deciding state personnel and executive branch ethics issues. Similarly, the legal services we provide on these issues involve core governmental issues. Thus, we believe it is most appropriate for these legal services to be provided by the Attorney General.

Mark K. Johnson
Attorney at Law

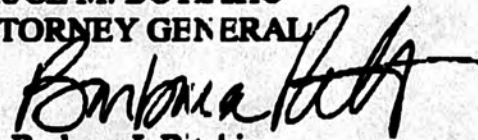
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We have also enclosed with this letter follow up information requested at the last meeting concerning tort litigation and areas of law worked on by contract counsel. We look forward to our next meeting with the subcommittee.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:



Barbara J. Ritchie
Deputy Attorney General

Enclosures

cc: All members
Subcommittee on the Department of Law
Commission on Privatization and Delivery of
Government Services

LEGAL SERVICES PROVIDED FOR BOARDS AND COMMISSIONS*
FY99 ACTUAL EXPENDITURE :

Board or Commission	FY 99 Actual Expenditures	In-house or (Outside Counsel)	Agency Reimburses Law (RSA) or Dept of Law Funds
Occupational Licensing	\$379,873	In-house	RSA
APUC Legal Services (now ARC)	\$298,000	In-house	RSA
Postsecondary Education Commission	\$231,597	In-house	RSA
Alaska Public Offices Commission	\$189,560	In-house	Law
Oil & Gas Conservation Commission	\$90,477	In-house	Law
Human Rights Commission	\$89,313	In-house	Law
Alcohol Beverage Control Board	\$81,716	In-house	Law
Board of Fish	\$69,778	In-house	Law
Commercial Fisheries Entry Commission	\$61,054	In-house	Law
Board of Game	\$53,489	In-house	Law
Alaska State Pension Investment Board	\$44,144	(Outside Counsel)	RSA
Professional Teaching Practices Commission	\$20,023	In-house	RSA
Personnel Board			
Board of Education	<u>\$19,332</u>	In-house	RSA
	\$1,628,354		

* The list is not comprehensive. It represents the boards and commissions for which information is readily available through the department's timekeeping and billing system.

Department of Law

JUDGMENTS/CLAIMS/SETTLEMENTS FOR PAYMENT

(Please Type)

****This form will be used for the purpose of standardizing the submission of claims to the Legislature. Complete and accurate information will expedite payment to the claimants, thereby reducing the amount of interest required to be paid by the state. If any of the information changes, please immediately advise the Director, Administrative Services Division, P.O. Box 110300, Juneau, AK 99811, or call (907) 465-3673.**

PART ONE

1. Case Name:
2. Case Number:
3. Judge/Justices:
4. Date Judgment entered:
5. Did the date of the cause of action accrue on or after August 7, 1997?
6. Amount to be paid:
7. Interest Rate: Effective Date:
8. Requested hourly rate and total compensation of attorneys to be paid:
9. Court approved/ordered hourly rate and total compensation of attorneys to be paid:
10. Payable to:
11. EIN: or SSN:
12. Send check to: _____ above address Departmental contact: _____
Departmental attorney contact: Departmental Approval:

Name_____
Deputy Attorney General_____
Telephone Number_____
Date

Department of Law**JUDGMENT/SETTLEMENT FUNDING REQUEST
QUESTIONNAIRE****PART TWO**

The following information needs to be provided on all judgment awards and/or settlements made against the State.

Case Name:

Case No.:

1. Describe the circumstances or events resulting in this case and ultimately this judgment/settlement against the State.

2. Describe issues of State policy or law involved in this case, if they are relevant to and resulted in substantial effort and expense for the department to bring or defend this case.

3. Did the State prevail on any issues? If so, describe.

4. Did we challenge plaintiffs' request for costs and fees or in other ways seek to reduce the costs to the State? If so, describe to what extent we were successful.

5. What was the source of the State's liability in this case?
6. What, if any, preventative action has been taken by the involved agency to prevent or reduce the potential for such liability in the future?
7. If the information is available to you, has the agency involved taken any corrective action as a result of this case? If the information is not protected from publication by statute, privilege, or right to privacy, indicate what the corrective action was.
8. Any recommendations concerning cases of this type in the future?
9. Any recommendations for changes in statutes, regulations or policy? Cite any applicable statutes or regulations.

Attorney completing form:

Date:

Title

Phone Number

DEPARTMENT OF LAW
Response to Subcommittee Questions Concerning Tort Litigation

The subcommittee has asked if the department retrospectively reviews the performance of in-house counsel after a trial to consider whether outside counsel might have achieved a better outcome. Essentially the question is whether the department's use of less costly in-house counsel instead of private attorneys in litigation could be "penny-wise and pound foolish."

The department's torts section and the Division of Risk Management always reflect on the outcome of the few cases the section defends through trial and how the case or issues might be handled differently. We have not evaluated what might have happened if different attorneys had been assigned to the defense. Such an exercise is highly speculative and pure conjecture.

Moreover, we believe that our torts section attorneys are on a par with, or in some cases better than, private attorneys at representing the state's interests. The director of risk management, Brad Thompson, who is very familiar with the work of the torts section and outside counsel for nearly two decades, can attest that our tort litigators rival their private sector counterparts. And in many tort cases, our assistant attorneys general have superior expertise to litigate issues unique to government, such as discretionary immunity defenses.¹

Moreover, there is an economy of scale when in-house attorneys deal with recurring issues and agencies with which they have a continuous working relationship.

We have previously explained to the subcommittee that it is difficult to make a direct comparison between tort cases handled in-house and those done by outside counsel, as every case is unique. There have been three trials in the past few years that provide anecdotal information.

¹ In the past few years, the torts section has successfully litigated a number of important cases all the way through the Alaska Supreme Court which have resulted in very useful precedents: Mesiar v. Heckman, 964 P.2d 445 (Alaska 1998); Koily v. State, 958 P.2d 1106 (Alaska 1998); Karen L. v. Dep't of Health and Human Services, 953 P.2d 871 (Alaska 1998); Hawks v. State, 908 P.2d 1013 (Alaska 1995); Arrowwood v. State, 894 P.2d 642 (Alaska 1995). In addition, the section frequently wins summary judgment motions on issues of duty and immunity, such as the recent victories in the Miller's Reach fire class action cases filed in the Palmer and Anchorage Superior Courts.

- Last year private counsel defended the state in the Walden case, in which the plaintiff's son's catastrophic injuries incurred in a single vehicle accident were blamed on the state's allegedly defective highway maintenance and signing. An Anchorage jury trial lasted over seven weeks and resulted in a verdict of no liability for the state. (The boy's father, who was the driver in the accident, was found 100% liable for damages of \$8.1 million; the state had brought the father into the case as a third-party defendant for equitable apportionment purposes). The state's defense, including expert witnesses, other related costs, and attorney's fees, exceeded \$850,000, not counting costs of the appeal now underway.
- A few years earlier an assistant attorney general took the Arrowwood case to jury trial, in which the plaintiff's son's death was also attributed to the state's allegedly negligent highway maintenance. The two- to three-week trial resulted in a verdict for the state of no liability, which was affirmed on appeal by the Alaska Supreme Court. Total costs at the trial court level were \$101,902, again excluding appeal costs.
- Another case handled by in-house counsel presented different legal issues, but the length of trial and use of experts more closely parallel the Walden case. In Kerr, the state Department of Corrections was sued for not preventing inmates from directing the creation and delivery of a mail bomb, which resulted in the death of David Kerr and significant injury to his spouse. After a five-week Anchorage jury trial, the state was found responsible for only 12% of the \$12.4 million damages awarded, which we viewed as a favorable outcome in a difficult and emotional case. Defense costs in that case amounted to \$326,000.

While every case presents its challenges and not every ruling goes our way, we are confident that the state is well represented by our in-house staff. A testimony to the capability of our tort litigators is the fact that the state's excess insurers approve of their work. Even where plaintiffs approach excess insurers directly to pressure settlement of high-exposure cases, the insurers have declined to second-guess our defense.

The subcommittee also requested additional detail on the 16 tort litigation outside counsel contracts for which expenditures were made between FY94 and FY99. The contracts are categorized by reason for entering into them below:

- Resources (caseload of in-house tort section too high when case filed): 5
- Resources and expertise (caseload consideration, and special expertise required): 3
- Limited extra help needed, but case handled in-house: 2
- AHFC tort case (agency not a participant in state's self-insurance program): 2
- Conflict in representation: 2
- Excess insurers paid cost directly: 2

DEPARTMENT OF LAW
Contractors by Type of Legal Services

FIRM	AREA OF LAW
Alfred J. Hendron	miscoded expenditure; expert witness
Ashburn and Mason	Employment; Oil & Gas
Atkinson, Conway & Gagnon	Tort Litigation
Baker & Hostetler	Administrative Law (federal)
Baxter, Bruce, Brand & Douglas	Employment
Bernd C. Guetschow, P.C.	Bankruptcy
Birch Horton et al.	Civil Rights; State's Rights; Tort Litigation
Biss & Holmes	Construction Claims; Investment Contract Litigation
Camey, Badley, Smith & Spellman	Construction Claims
Charles E. Cole	State's Rights
Charlson, Marben & Jorgenson	Collections
Computer Forensics, Inc.	miscoded expenditure; expert witness
Constantino & Associates	Employment
Covington & Burling	Administrative Law (federal)
Crowell & Moring	Administrative Law (federal)
Delaney, Wiles, Hayes	Employment
Dillon & Findley	Regulations
Donelan, Cleary, Wood & Maier	Oil & Gas; State's Rights
Douglas K. Mertz	Regulations
Foreman, Arch, Dodge, Volyn & Zimpo	Collections
Foster, Pepper & Shafelman	Bond/Investment Counsel
G. Thomas Koester	Mental Health Lands; Natural Resources; Oil & Gas; State's Rights
Gmh. Enders & Price	(See Gruis, Eggers, LLC - firm name change)
Groh, Eggers, LLC	Employment
Heller, Ehrman, White & McAuliffe	Environmental; Investment Contract Litigation; Real Estate; State's Rights
Hogan & Hartson	State's Rights
Hosle, Frost & Large	Consumer Protection/Antitrust; Oil & Gas
Hosle, Wes, Sacks & Breisford	(See Hosle, Frost & Large - firm name change)
Ikon Office Solutions	miscoded; printing charge
Jeff Kilip	Child Protection
Jensen, Harris, Roth	Construction Claims
Jermaln, Durnagan & Owens, P.C.	Bankruptcy
Johnston & Savage	Criminal Prosecution
Kaye, Scholer, Fierman, Hays & Handler	Oil & Gas
Kuntz, Keenan & Laughlin	Collections

DEPARTMENT OF LAW
Contractors by Type of Legal Services

L.C.M.F. Limited
 Marvin S.C. Dang, Law Offices
 Michael A.D. Stanley
 Milton B. Barker
 Mooers & Associates
 Morrison & Foerster
 Mot, Inc.
 National Association of Attorneys General
 Owens & Turner, P.C.
 Pachulski, Stang, Ziehl et al
 Partnow, Sharrock & Tindall
 Partnow, Sharrock & Tindall (c/o trust account)
 Perkins Cole
 Preston, Gates & Ellis
 Price & Price
 Price & Swan
 Reid & Riege, P.C.
 Ringert Clark Chartered
 Robertson, Monagle & Eastaugh
 Ruddy, Bradley & Kolkhorst
 Sarah E. Gay
 Savage & Associates
 Simpson, Tillinghast, Sorensen et al
 Stephan H. Williams
 Susan M. Reiter
 Washburn, Briscoe & McCarthy
 Welborn, Sullivan, Meck & Tooley
 William Brian Prince
 Williams, Kastner & Gibbs, LLP
 Wilson-Espee Printing Co.
 Wohlforth, Argatsinger, Johnson et al.
 Wohlforth, Vassar, Johnson, et al.

miscoded; expert witness
 Collections
 State's Rights
 Commercial (paralegal services)
 Collections (investigator/paralegal services)
 Bond/Investment Counsel; Oil & Gas
 miscoded; expert witness
 miscoded; dues
 Employment; Technology/Patent
 Investment Contract Litigation
 Oil & Gas
 Oil & Gas
 (See Hsieh, Frost & Large - firm name change)
 Bankruptcy; Bond/Investment Counsel; Environmental; Oil & Gas; Consumer Protection/Antitrust; Employment
 Real Estate
 (See Price & Price - firm name change)
 Commercial
 Collections
 Criminal Prosecution; Environmental
 Environmental
 Regulations
 Collections
 Constitutional; Regulations
 Oil & Gas
 Collections
 Oil & Gas; State's Rights
 Oil & Gas
 miscoded; can't identify older vouchers
 Real Estate
 miscoded; printing charge
 (See Wohlforth, Vassar, Johnson, et al. - firm name change)
 Real Estate



and Delivery of Government Services

www.privatizealaska.org

NOTICE OF SUBCOMMITTEE MEETINGS

Subcommittee Name: **DEPARTMENT OF LAW**
Chairperson: Mark Johnson
Phone: 345-3850

Committee Members:

Mark Johnson	Scott Brant-Erichsen
John Cowdery	William Oberly
Betty Rollins	Bruce Weyrauch
Bill Satterburg	Joan Kasson
Richard McVeigh	Blake Call
Pete Kinneen	

Date: **THURSDAY, October 7, 11:30 AM**

Place: Legislative Information Office
716 W. 4th Avenue
Second Floor Conference Room
Juneau, Mat-Su, Ketchikan, Fairbanks & Anchorage
LIO Teleconference On-line

If you have any questions please call Representative John Cowdery's office at 269-0222 or Senator Wards office at 269-0106.

The web site has a current list of members and schedule of meetings posted daily!

www.privatizealaska.org

6 total pages

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709 FOURTH AVENUE
FAIRBANKS, ALASKA 99701
(907) 452-4454

October 4, 1999

Mark Johnson, Chairperson
Legislative Subcommittee
13631 Windwood Circle
Anchorage, AK 99516

Dear Mr. Johnson:

This letter is being written due to the fact that I may not be available for the meeting which is scheduled to take place on October 7, 1999. Might you please circulate this letter to the other committee members?

I wish to memorialize some thoughts and concerns which I currently have.

I believe that procurement is a major issue to be considered by the Privatization Subcommittee. Issues involving procurement should include not only the "pay for play" issues regarding campaign donations, but expanding that concept to include non-economic payment by various individuals or firms to members of administrations. For example, one may find that close personal friendships exist. One may also find that political support was given in the form of endorsement ads or activity to an individual's campaign. Other types of support which did not show up in the economic arena may also exist. All of these matters should be disclosed during any procurement process.

A second issue to be considered, as discussed on September 30, 1999, is that there is a natural friction between having the Department of Law monitor outside contractors, cost control, and selection of contractors. Needless to say, there are concerns which I have expressed that State employees, for bureaucratic reasons, may wish to make outside contractors look non-economically beneficial in order to justify continuing in-house work. One can accomplish this objective by allowing large bills to go through unchallenged, thus justifying the argument that it is cheaper to do litigation internally. This is why an outside bill review company is necessary - to provide impartiality of billing review.

An outside audit company also removes much of the possibility of any political patronage being utilized to secure payment of the bills in the event that a law firm has received an assignment from the Department of Law. For example, if Attorney

Mark Johnson, Chairperson
October 4, 1999
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A has been a strong supporter of the governor, or is a close personal friend of a member of the Department of Law, Attorney A may play upon that "connection" to secure payment of an inordinately large bill.

I understand that insurance company USAA currently is utilizing a company to evaluate billings on the basis of a legal audit. Hopefully, the Department of Law will furnish us in the near future with companies which have approached the Department of Law on the issue. I cannot understand why such companies will agree to only perform these services in large cases. In point of fact, it would appear to me that there should be many companies out there that would be happy to have the business. Two such companies, I understand, are LAS (Law Audit Services) and Examen.

I believe that privatization is a good concept, but controls need to be established to avoid excess overpayments, political patronage, and selection of contractors on the basis of considerations other than quality of work, and objective standards.

I should also suggest to the committee that we consider the possibilities of cost cutting with respect to the Department of Law by requiring various municipalities which have prosecutors' offices in place to handle those cases which are a misdemeanor level and referred for prosecution by the police arms of those municipalities. Although I recognize that not all municipalities have prosecuting authority, or the mechanisms in place to do prosecution, the fact of the matter is that significant crimes could be prosecuted in cities such as Anchorage and Fairbanks (and probably Juneau), by the municipal prosecutors, thus resulting in a significant cost savings to the State of Alaska in what proposes to be an increasingly tight budget situation. Although this is not privatization in the absolute sense, it nevertheless is a significant step of divesting the State of Alaska of significant expenses in criminal prosecution.

Otherwise, I concur with the Department of Law that criminal prosecution should remain with the government as opposed to the private sector. Special exceptions could, of course, always exist. One of the primary concerns would again be the runaway prosecutor, and the ability to litigate someone into submission.

Economics are a sad fact of life. To the same degree that many criminal defendants must curtail their defense due to economic sanctions, so, should the State of Alaska be held to the

Mark Johnson, Chairperson
October 4, 1999
Page 3

same considerations and burden. Although discussion was had of this matter on September 30, discussion does not necessarily mean that a practice of controlling cost of prosecution actually is in place.

With respect to cost control measures, it is my personal opinion that the only way that one can successfully cut a budget is to establish a spending limit first, rather than afterwards. In short, the Department of Law is told how much money it has available in its budget, and is limited to that amount of money. The Department then has to make the appropriate adjustments with respect to what cases it does or does not handle, and to what degree. It is called "triage." The private sector is no different. If a law firm has only \$1,000 available to purchase various supplies, decisions have to be made with respect to what supplies will or will not be purchased.

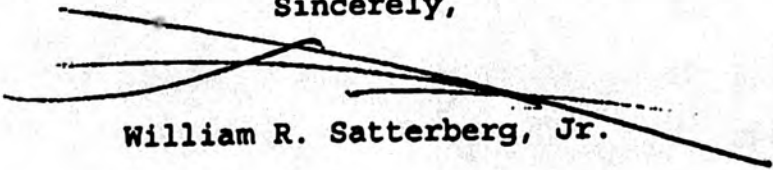
One suggestion which was made during the September 30, 1999, meeting was that private contractors should be told how much the State of Alaska is willing to pay for a particular service, and then allow themselves to bid into that service, as opposed to simply taking a request for proposals in issuing contracts. A similar consideration would be a "do not exceed" limit, which some insurance companies are now considering whereby outside fee counsel must agree that the legal services in a case cannot exceed a particular set amount of funds, computed at an hourly rate. Once again, controls are established.

To wrap it up, I believe that privatization generally is a good concept, and is even more compelling given the budget crunch. Controls should be established in privatization, however, to insure not only quality of service, but propriety of the contracting process with respect to "pay for play" and political patronage. Limitations must be set on the amount of money which can be spent by either the Department of Law, internally, or outside contractors. Consideration should also be given to utilizing municipalities to engage in prosecution of criminal cases, where dual authority exists, and where municipal police agencies are performing the arrests. Finally, establishing contractual limits on the amounts that an outside contract legal firm can spend in a case would do much to restrict unlimited, "blank-check" types of litigation, which, it is

Mark Johnson, Chairperson
October 4, 1999
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submitted, has occurred in the past, and will most likely
continue to occur.

Sincerely,


William R. Satterberg, Jr.

WRS/ml

Mark K. Johnson
Attorney at Law
13631 Windward Circle
Anchorage, Alaska 99516
907-345-3850

August 6, 1999

Mr. Bruce Botello
Attorney General
State of Alaska
Juneau, Alaska 99811

Dear Attorney General Botello:

As you know, Governor Knowles recently signed into law Chapter 61, SLA 1999, which establishes the Commission on Privatization and Delivery of Government Services. Public and legislative members of the Commission have been appointed and the Commission has conducted an initial organizational meeting.

The legislation requires that the Commission examine a number of aspects of the delivery of services to the public and make recommendations designed to provide for the more efficient and effective delivery of those services, including the transfer of functions to entities outside of government. The legislation also calls for a review state contracting policy and procedures, including competitive bidding procedures;

Chapter 61 SLA 1999 also provides for the formation of advisory councils to assist the Commission in carrying out the tasks assigned by law. I have been appointed by the Commission to chair the Subcommittee to examine the Department of Law.

The Department of Law is somewhat unique among State agencies insofar as a significant number of matters have been assigned to outside counsel over the years.

To assist the Subcommittee in making a quick start on our tasks, we would appreciate a summary of the following information for the past six years:

Matters Assigned to Outside Counsel

Subject	Number of matters	Fees paid
Bankruptcy		
Debt Collection		
Liability		
Natural Resources		
Oil & Gas Taxation		
Other Civil (categorize as appropriate)		
Other		

In order to ease the Department's workload, the Subcommittee would be amenable to reviewing previously produced reports that contain the above data.

In addition to the above, the Subcommittee would like to request the Department's responses to the following questions:

1. What non-legal services does the Department acquire from outside sources?
2. Does the Department have a written selection process for outside counsel? If so, please provide copies.
3. As to legal matters, what criteria are used to determine if civil matters are to be handled by outside counsel?
4. Does the department have written policies setting out those criteria? If so, please provide copies.
5. What safeguards exist to ensure an objective selection process for selection of outside counsel?
6. Has the Department (or reviewing agencies such as OMB) conducted studies on effectiveness of inside and outside counsel?
7. Has the Department analyzed and compared damage awards in cases handled by outside counsel and compared those awards to matters handled in-house?
8. As philosophical matter, Is there any room for the selection of outside counsel for certain criminal matters? If so, would statutes have to be amended?

9. What procedures exist for monitoring work of outside counsel?
(A) As to matters of substance? (B) Financial administration of outside cases.
10. Very significant amounts of money have been expended in past years for the retention of outside counsel for oil and gas taxation matters. What is the approach of this Administration to such matters?
11. Is the Department aware of the "pay to play" issue which has been the subject of an ABA task force?
12. Does the Department perform any functions which would not be considered the rendering of legal services to the State — that is are there any functions which could be viewed as "general government" services?

The Subcommittee would like to obtain the Department's responses to the above inquiries by the end of August. We may have additional and follow-up questions. We would also invite the Department to submit any other information which it believes may be of assistance to Subcommittee during this process.

The Subcommittee plans on meeting four or five times before issuance of recommendations to the Commission in mid-October. We anticipate two sessions for the taking of testimony. We would appreciate an appearance by a representative of the Department at one or possibly both of those sessions. We have been informed that the State's teleconference network will be available for this purpose and two members of the Subcommittee are from Juneau.

At this writing, most if not all of the members of the Subcommittee are members of the Alaska Bar and I would anticipate that all of our work will reflect the time demands of our membership as well as those of the Department. We expect to spend little, if any, time on specific matters which are the subject of active litigation. Our focus is legislative — that is most concerned with policy. Your cooperation in making this process both expeditious and smooth will be appreciated.

An organizational meeting of the Subcommittee will occur before the end of August. We look forward to working with the Department in the weeks ahead.

Sincerely,

Mark K. Johnson
Chairman
Subcommittee on the Department of Law



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Suggested Outline for Subcommittee Reports

I. Agency & Department Name

II.. BRU and Component Names as listed in state budget

III Total Budget, all funds

- Identify fund sources

IV. Total Revenue derived

- Net cost/income to state

V. Identify Constitutional and Statutory Provisions Governing Agency Operation

VI. Agency Mission, Goals and Objectives

- Do reality check

VII. Number of Employees

- Identify Specialized Expertise Needed for Mission

VIII. Describe Technology Used to Perform Mission

- Identify Specialized Equipment Needed for Mission

IX. List Existing Agency Contracts including amount, contractor, purpose, term, and procurement method

X. Identify Existing Privatization Practices, if any. Evaluate them for effectiveness and public accountability

XI. Make Recommendations per Section 5 in SB 33, including suggestions for new legislation.

XII. Explain rationale for each recommendation, the number of votes for and against it.

XIII. List problems or barriers to implementing proposed privatization.

| | | | | | |

The Commission on Privatization and Delivery of Government Services.

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716 W. 4th Ave. Anchorage, AK 99501



PRACTICE AREAS

SECURITIES LAW

Compromise Pay-to-Play Rule Adopted

ABA Delegates Request New Ethics Restriction

New York Law Journal

August 5, 1998

BY DOMINIC BENCIVENGA

TORONTO -- The American Bar Association's House of Delegates yesterday took the first steps toward prohibiting attorneys from giving political contributions to obtain work by overwhelmingly adopting a resolution calling for a new ethics rule, but shifting a key battle on how to limit contributions to the states.

The compromise resolution to eliminate the contributions-for-work arrangements known as "pay to play," closely followed recommendations put forward last month by the ABA Task Force on Lawyers' Political Contributions.

TEXT OF RESOLUTION -- PAGE 3

The measure urges state and local bar associations to condemn pay to play and directed the Ethics and Professional Responsibility committee to develop a new ABA model rule -- which will be considered at next year's annual meeting -- making clear that lawyers and law firms shall not contribute or solicit for political campaigns to obtain legal work. It recommended that state and local governments, or local bar groups, establish "full and effective" disclosure of lawyers' contributions, and encourages governments to use competitive selection processes for legal work.

No Outright Ban

The resolution, 301A, is weaker than the task force proposal in one important respect: it stopped short of adopting an outright ban on lawyers who donate more than \$500 or raise more than \$3,000 for candidates from working for those municipalities for two years. The task force proposal presumed that any donation above those limits is made for the purpose of obtaining work, and shifted the burden to the attorneys to explain the contributions.

Instead, the ABA resolution calls on state groups governing attorneys to consider their own rules to prohibit lawyers from contributing to obtain work.

Proponents of the rule noted that any recommendations from the ABA would have to be approved by the states, and that the compromise was essential for the measure's approval.

"It's a major step," said Harvey J. Goldschmid, who was a task force member before becoming general counsel of the Securities and Exchange Commission. "There is more to do ... but this was a very important step."

City Bar Reaction

Representatives of the Association of the Bar of the City of New York, who have been working on a pay to play ban since 1995, hailed the vote, even without the proscriptive rule. They pointed out that a new Model Rule would establish that giving contributions to obtain work is unethical. The City Bar presented its own plan to end pay to play at last year's annual meeting, working with the Securities and Exchange Commission, which prompted the ABA to condemn the practice and appoint the task force.

"I'm elated," said Michael A. Cardozo, former City Bar president and a partner at Proskauer Rose LLP. "We're going to have an ethical rule. That's critical."

The compromise, which was completed Monday, capped a week of intense negotiations over the task force report. ABA Immediate Past President Jerome J. Shestack, the task force members, and representatives of the Association of the Bar of the City of New York, supported a stricter standard. Opponents included members of the ABA's State and Local Government Section, which proposed amending existing model rules to address pay to play, and representatives of the Administrative Law and Natural Resources sections.

Critics of the proposal tried unsuccessfully several times during the 90-minute debate to amend the resolution, arguing that there is little solid evidence that attorneys give donations to obtain work. Attorneys should not have to carry the burden of proof on giving donations, nor should they have to explain why they choose to donate to a candidate, they said.

Alternative Defeated

Incoming Ethics Chairman Peter M. Moser argued that the Ethics Committee should not be directed to create a rule until it was clear one is needed. Task Force member David E. Cardwell, a partner at Holland & Knight in Orlando, sought to give the Ethics Committee the option of rewriting existing Model Rules, a measure that was narrowly defeated, 158-151.

But the resolution's supporters, including Mr. Shestack, Mr. Goldschmid, Mr. Cardozo and John W. Martin Jr., the task force chairman, repeatedly and forcefully urged the delegates to end the debate and approve the resolution.

"How long should we consider this?" Mr. Shestack said. "The word 'consider' here is a cop-out ... We need a rule here."

The resolution will be sent to the ABA Ethics Committee, which will draft a model rule. The House of Delegates must approve the rule before it is sent to the states for adoption. Consideration of task force recommendations to limit lawyer contributions to judicial races was postponed until February.

Debate Continues

The loss on the immediate adoption of the rule does not mean the end of the debate over pay to play. Any proscriptive rule would have to be adopted by states, and City Bar officials contend that most of the problem will be resolved if large states including New York, California, Illinois, Texas or Florida agree to some type of rule.

"If we get any major state, the others will be hard-pressed not to fall in line," Mr. Cardozo said. "If the changes have to be approved by a legislature, though, it will be much harder than in New York, where the

Administrative Board can do it with the stroke of a pen."

The New York State Bar Association appointed its own task force to study pay to play, which is scheduled to report in November and is closely monitoring the ABA debate, said task force chairman A. Thomas Levin, a partner at Meyer, Suozzi, English & Klein P.C. The state Administrative Board of the Courts is awaiting the results of the State Bar study before it takes action on the City Bar's pay to play proposal, he said.

City Bar officials have not decided whether to leave their proposal with the Administrative Board, or submit the ABA rule for consideration.

Following is the text of the resolution:

Text of Resolution

RESOLVED, That the American Bar Association urges the following actions be taken to address any conduct by lawyers making or soliciting campaign contributions to public officials for the purpose of being considered or retained for government legal engagements:

1) All state, territorial and local bar associations should unequivocally condemn any arrangement under which the selection or consideration of lawyers to be retained for government legal engagements depends, in whole or in part, on whether the lawyer had made or solicited campaign contributions.

2) States, territories and local government entities should create, establish and maintain full and effective systems for the reporting and disclosure of campaign contributions to candidates for elective public office so that the public may have reasonable notice of contributions made by lawyers or law firms, and where they have not, bar and disciplinary authorities should adopt rules that require disclosure of campaign contributions by lawyers and law firms to government officials in a position to influence the award of legal engagements to the contributor.

3) Merit procurement processes should be adopted for the selection of lawyers performing legal services for government agencies as a means of ensuring that no political contribution or solicitation has influenced the selection.

4) The Standing Committee on Ethics and Professional Responsibility is directed to report to the House of Delegates by its 1999 Annual Meeting a proposed Model Rule that declares that a lawyer or law firms shall not make a political contribution or solicitation for the purpose of obtaining or being considered for a legal engagement.

BE IT FURTHER RESOLVED, That where local circumstances warrant, the American Bar Association urges that a rule be considered for adoption that would limit or prevent a lawyer from accepting a legal engagement to perform professional services after making or soliciting a political contribution to a public official for the purpose of being retained, or being considered eligible for retention, by public agencies if the official is involved in selecting the lawyer to be retained.

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Center for Professional Responsibility

AMERICAN BAR ASSOCIATION
STANDING COMMITTEE ON ETHICS
AND PROFESSIONAL RESPONSIBILITY
SECTION OF BUSINESS LAW
SECTION OF STATE AND LOCAL GOVERNMENT LAW

REPORT WITH RECOMMENDATIONS
TO THE HOUSE OF DELEGATES

Recommendation

RESOLVED, that the ABA Model Rules of Professional Conduct, as amended 1998, be further amended to add a new Rule 7.6, "Political Contributions to Obtain Government Legal Engagements or Appointments by Judges", as follows:

**RULE 7.6. POLITICAL CONTRIBUTIONS TO OBTAIN
GOVERNMENT LEGAL ENGAGEMENTS OR
APPOINTMENTS BY JUDGES.**

A lawyer or law firm shall not accept a government legal engagement or an appointment by a judge if the lawyer or law firm makes a political contribution or solicits political contributions for the purpose of obtaining or being considered for that type of legal engagement or appointment.

Comment

[1] Lawyers have a right to participate fully in the political process, which includes making and soliciting political contributions to candidates for judicial and other public office. Nevertheless, when lawyers make or solicit political contributions in order to obtain an engagement for legal work awarded by a government agency, or to obtain an appointment by a judge, the public may legitimately question whether the lawyers engaged to perform the work are selected on the basis of competence and merit. In such a circumstance, the integrity of the profession is undermined.

[2] The term "political contribution" denotes any gift, subscription, loan, advance or deposit of anything of value made directly or indirectly to a candidate,

incumbent, political party or campaign committee to influence or provide financial support for election to or retention in judicial or other government office. Political contributions in initiative and referendum elections are not included. For purposes of this Rule, the term "political contribution" does not include uncompensated services.

[3] Subject to the exceptions below, (i) the term "government legal engagement" denotes any engagement to provide legal services that a public official has the direct or indirect power to award; and (ii) the term "appointment by a judge" denotes an appointment to a position such as referee, commissioner, special master, receiver, guardian or other similar position that is made by a judge. Those terms do not, however, include (a) substantially uncompensated services; (b) engagements or appointments made on the basis of experience, expertise, professional qualifications and cost following a request for

proposal process that is free from influence based upon political contributions; and (c) engagements or appointments made on a rotational basis from a list compiled without regard to political contributions.

[4] The term "lawyer or law firm" includes a political action committee or other entity owned or controlled by a lawyer or law firm.

[5] Political contributions are for the purpose of obtaining or being considered for a government legal engagement or appointment by a judge if, but for the desire to be considered for the legal engagement or appointment, the lawyer or law firm would not have made or solicited the contributions. The purpose may be determined by an examination of the circumstances in which the contributions occur. For example, one or more contributions that in the aggregate are substantial in relation to other contributions by lawyers or law firms, made for the benefit of an official in a position to influence award of a government legal engagement, and followed by an award of the legal engagement to the contributing or soliciting lawyer or the lawyer's firm would support an inference that the purpose of the contributions was to obtain the engagement, absent other factors that weigh against existence of the proscribed purpose. Those factors may include among others that the contribution or solicitation was made to further a political, social, or economic interest or because of an existing personal, family, or professional relationship with a candidate.

[6] If a lawyer makes or solicits a political contribution under circumstances that constitute bribery or another crime, Rule 8.4(b) is implicated.

Report

Background

The House of Delegates last August decided that the Model Rules should expressly prohibit "Pay to Play" by lawyers as recommended by the Task Force on Lawyers' Political Contributions (the Task Force). *See* Amended Recommendation 301A. The Standing Committee on Ethics and Professional Responsibility (the Committee) submits the new Model Rule 7.6 and accompanying Comment set forth above to accomplish this goal. The Rule also includes provisions governing lawyers' campaign contributions to judicial candidates that are similar to a recommendation in the Task Force's Part Two Report dealing with judicial campaign financing. **A detailed description of the submitted Rule begins at page 10.**

The practice commonly known as "pay-to-play" addressed by the Rule is a system whereby lawyers and law firms are considered for or awarded either government legal engagements or appointments by a judge only upon their making or soliciting contributions for the political campaigns of officials who are in a position to "steer" such business their way. As discussed further in this Report, the Rule's prophylactic effect inheres in its subjecting lawyers to possible disciplinary action when they knowingly participate in such a system.

The Committee notes at the outset, however, that although lawyers and their political contributions are an important component of the pay-to-play system, lawyers are not the most important players in such a system. The primary actor in any pay-to-play situation is the public official who, depending upon the style of his or her participation in the system, may be acting in dereliction of official duties. For this reason, the rules of professional conduct governing lawyer behavior should not be relied upon as the primary

method of preventing the practice of pay-to-play. Rather, consistent and diligent enforcement of statutory provisions governing fair campaign finance practices and the conduct of public officials is the most fundamental method of addressing the problem of pay-to-play. The fundamental harm done by a pay-to-play system is the harm that befalls the public when a government official, motivated by campaign contributions, chooses lawyers or law firms that may not be the best qualified to perform legal services on the public's behalf. Thus it is the integrity of a basic governmental process, and not just the integrity of the legal profession, that is undermined when such action by a public official is tolerated.

The Committee also notes that a second method of protecting against the evils of a pay-to-play system exists, and it also lies outside the scope of rules governing lawyer conduct: the use of uniform procurement or acquisition procedures for the placement of legal services engagements by government entities and the granting of appointments by judges. The Association has strongly supported the use by government agencies of such procurement procedures. As recently as August, 1998 it approved a recommendation proposed by the Section of Public Contract Law and the Section of State and Local Government Law supporting fundamental principles of competition in public acquisitions. That recommendation had as its aims both the promotion of the public interest in the integrity and honesty of the public acquisition process and the promotion of competition itself. As such, it is a model to be recommended for use in the area of government legal engagements and appointments by judges.

The Standing Committee therefore notes emphatically that where there is aggressive enforcement of prohibitions against pay-to-play conduct by public officials, and where there is reliance on uniform procurement codes and procedures in the placement of legal engagements and in appointments by judges, the need to focus on lawyer conduct will be diminished. The Committee therefore restates the Association's support for each of these concepts, even as it submits parallel measures of regulation within the Model Rules of Professional Conduct.

BACKGROUND FOR DEVELOPING A MODEL RULE

The Rule proposed by the Committee is the end result of three initiatives this Association has taken since 1997 to resolve the problem of pay-to-play. Following proposals made to the House of Delegates in 1996 and 1997 by the Association of the Bar of the City of New York, at the 1997 Annual Meeting, the House approved Report 10D, condemning the pay-to-play practice. The Report also called for the creation of a task force that would study the problems created by a pay-to-play system and develop appropriate professional standards or rules on the subject.

The second initiative began with the appointment by former President Shestack of the Task Force on Lawyers' Political Contributions. The Task Force collected and reviewed empirical data and extensive media reporting on pay-to-play practices as it considered possible approaches the Association might take to discourage or prevent them. In carrying out its charge, the Task Force expanded the scope of its investigation in two important ways. Initial concerns had focused on the existence of the phenomenon in the area of municipal finance engagements. The Task Force's review revealed at least some evidence that the practice occurs in a wider range of practice areas. Early proposals for a Model Rule limited in application to lawyers engaged in municipal finance work were therefore put aside and the Task Force focused on developing a Rule of wider

application.

The Task Force also discovered that a similar system was sometimes in evidence as well in the context of appointments of lawyers made by judges following the making or soliciting of substantial contributions to the judges' election campaigns.

This second stage of study was concluded when the Task Force presented a two-part Report to the House in August 1998 (filed as Reports 301A and 301B). Part One made recommendations with respect to lawyers' political contributions to public officials who were in a position to influence the award of legal engagements by government agencies. House action on Part One resulted in the Standing Committee on Ethics being directed to prepare and submit to the House in 1999 a Model Rule that would "prohibit lawyers from making or soliciting political contributions for the purpose of obtaining government legal engagements." A Rule formulated strictly according to the language proposed in Paragraph (4) of Amended Recommendation 301A has been drafted by the Standing Committee and is presented following this Report as Appendix A. The Committee does not propose its adoption.

Part Two of the Task Force Report, which contained recommendations for improving judicial campaign finance activities, was not acted upon at that time; instead, those recommendations were referred by President Anderson to an Ad Hoc Committee on Judicial Campaign Finance for further study. The Ad Hoc Committee on Judicial Campaign Finance has submitted a separate Report With Recommendations calling for amendments to the ABA Model Code of Judicial Conduct with respect to fundraising in support of election campaigns for judicial office. It has deferred to the Standing Committee, however, on the subject of an appropriate Model Rule of Professional Conduct governing lawyer contributions to judicial campaigns and their relationship to appointments by judges.

DEVELOPMENT OF THE PROPOSED RULE

The third stage of Association review of pay-to-play occurred this year as the Standing Committee and the Ad Hoc Committee, beginning with the resolutions of the House of Delegates and the two part Task Force Report, studied the many issues necessarily considered when enforceable rules of professional or judicial conduct are to be promulgated. These included separate (although frequently intersecting) review of three types of information: 1) the constitutional implications of such regulations, both with respect to their potential for abridging first amendment freedoms and with respect to their narrowness or breadth and their clarity; 2) regulations, either proposed or currently in existence, dealing with pay-to-play type practices; and most importantly, 3) an analysis of whether and how different proposals might operate effectively -- i.e., how each proposal might provide fair notice to lawyers of what is expected of them and how each would be enforced by disciplinary agency personnel -- to achieve the objective of prohibiting pay-to-play.

The Committee used the Task Force Report, Part One, and additional information it obtained to develop two possible "trial" rules addressing lawyers' roles in the pay-to-play system. One was almost verbatim the recommendation that had been made by the Task Force, prohibiting political contributions when the purpose of such contributions was the obtaining of legal business. Because the Committee questioned the wisdom of basing the restriction solely on a lawyer's purpose for making political contributions, and

recognized the difficulty of proving "purpose," it developed a second rule that approached the pay-to-play problem from a different perspective, prohibiting lawyers from accepting legal engagements where the awarding of the engagements was based upon lawyers' political contributions. Each draft rule was accompanied by extensive commentary that was intended, among other things, to establish criteria whereby a contributing lawyer's "purpose" could be proven.

The Committee circulated these trial drafts widely for comment and answered questions about them at a public hearing in February 1999. Many Association entities, individual members, and a variety of interested organizations outside the Association presented written or oral comments. The Committee also sought comment from the community of constitutional scholars (in particular Prof. William Van Alstyne of Duke University School of Law) in order to become thoroughly familiar with the constitutional implications of any possible Model Rule. Finally, the Committee sought formal and informal input from the community of disciplinary counsel as to the likelihood of either of the trial rules being favorably considered in the jurisdictions and effectively enforced through disciplinary agency proceedings. The following summary of the Committee's findings in each of these areas explains the Committee's ultimate decision to advance the proposed Model Rule presented here, which represents a combination of its two initial alternative proposals with refinements.

Constitutional Issues

Although the Standing Committee has on several past occasions written model rules that implicated First Amendment freedoms (e.g., rules regarding advertising and solicitation, or a rule governing trial publicity), it has not previously directly addressed lawyers' participation in the political process. Directed by the House to develop a Model Rule that involved lawyers' political "speech" in the form of making or soliciting campaign contributions, the Committee undertook a review of recent First Amendment jurisprudence treating legislatively-enacted campaign contribution limits. It found, not surprisingly, that limitations on the making and solicitation of political contributions must be predicated on the need to protect a valid state interest; that they must be narrowly drawn; and that their language must be sufficiently clear as to provide fair notice of when and how they operate, thereby satisfying the requirements of due process.

Although most of the comments received by the Committee concerning the constitutionality of its first two draft proposals suggested that those proposals probably would survive a First Amendment attack, the Committee was advised that its proposals differed from the regulations cited by the commentators as examples of constitutionally permissible restrictions on campaign contributions. Moreover, a lengthy analysis of the proposals by Professor Van Alstyne confirmed that "there are nontrivial First Amendment issues that could be – and indeed have been – raised with respect to both of the draft proposals." He and other constitutional experts agreed, nevertheless, that a narrowly limited rule should pass First Amendment scrutiny.

Enacted or Proposed Regulations

The Committee examined numerous regulations that have been either adopted or proposed in different forums to regulate lawyers' contributions to political campaigns in connection with "pay-to-play"-type problems. They ranged from federal criminal statutes (18 U.S.C. Sec. 201) relating to the most egregious violations (bribery or the giving of illegal gratuities) to a considerably more narrowly-drawn Association of the Bar of the City of New York proposal which, like Municipal Securities Rulemaking Board Rule

GS-37, applicable to municipal finance professionals, would prohibit a lawyer or law firm from undertaking a municipal finance engagement within a certain period of time after having made a contribution in excess of a de minimis amount to a public official capable of influencing the public finance engagement.

The Committee recognizes that in some circumstances, the Model Rules of Professional Conduct already apply to lawyers' participation in pay-to-play. For example, the prophylactic effect of criminal statutes potentially applicable to pay-to-play participation by lawyers already has a parallel in the Model Rules of Professional Conduct: a lawyer whose style of participation in pay-to-play is so egregious as to result in conviction of bribery or a similar serious crime would also violate Model Rule 8.4 ("Misconduct"). Model Rule 7.2 (c), which prohibits a lawyer from giving anything of value to another for recommending the lawyer for employment, may in some pay-to-play circumstances also be applicable, although that provision has traditionally been interpreted to apply to the use of "runners" and similar techniques for obtaining business.

The House has, however, adopted the Task Force's position that the Association should adopt more stringent restrictions on pay-to-play than these Model Rules would afford. The Rule submitted herewith accords with that position.

Enforcement Issues

The Committee received oral comments from officers and members of the National Organization of Bar Counsel with respect to the two draft rules the Committee had circulated. A common and understandable concern of the bar counsel was the number of elements that would need to be proven in order to find that a lawyer's conduct in making political contributions constituted a violation of either draft rule. In this regard, bar counsel comment echoed that of other commentators, both proponents and opponents of either draft rule.

The successful enforcement of each of the draft proposals was considered to depend on the ability of disciplinary counsel to prove an element of purpose, whether it were the purpose of the lawyer making the contribution, or the purpose of the official or judge in giving the engagement or appointment to reward the lawyer's contribution.

It was also noted that any rule that prohibited a lawyer from accepting a legal engagement – no matter what other provisions it contained – would not, as a practical matter, be enforced against those participants in pay-to-play who might have an improper purpose in making contributions, but who do not obtain a legal engagement. The proposed Rule therefore combines the elements of proof of purpose and proof that a lawyer has accepted a legal engagement that the political contributions were intended to influence.

The lawyer's purpose in making or soliciting political contributions was deemed by many commentators to be the most significant test in determining if a Rule violation exists. Hence, it has been retained in the submitted Rule along with carefully crafted standards in the Comments designed to explain how "purpose" will be identified.

Disciplinary counsel who provided comment on the draft proposals also appeared generally unpersuaded that pay-to-play exists as a significant problem. Hence self-enforcement of this Rule to stem pay-to-play practices by lawyers and law firms is an

even more important consideration than it is in enforcement of certain other Model Rules.

The Proposed Model Rule

As a consequence of these considerations and extensive debate within the Standing Committee, we propose the Model Rule presented in the Recommendation. The Committee believes that the Rule and explanatory Comments come as close to achieving the goals described above as a rule of professional conduct on pay-to-play could be expected to come.

The new Model Rule would provide:

A lawyer or law firm shall not accept a government legal engagement or an appointment by a judge if the lawyer or law firm makes a political contribution or solicits political contributions for the purpose of obtaining or being considered for that type of legal engagement or appointment.

Although the purpose of making or soliciting contributions is an element under the proposed Rule, it is not implicated until a government legal engagement or appointment by a judge is offered. The inquiry to determine if the Rule would be violated by accepting the work then becomes whether the purpose in making or soliciting contributions is *to obtain or be considered for an appointment by a judge or a government legal engagement of the type that is offered to the lawyer or law firm.*

The rationale for proscribing this conduct appears in Comment [1]: "when lawyers make or solicit political contributions in order to obtain [the engagement or appointment], the public may legitimately question whether the lawyers engaged to perform the work are selected on the basis of competence and merit," and the integrity of the profession is thereby undermined.

A rule designed to limit political contributions and solicitations must, however, be carefully crafted in order to assure, as Comment [1] also says, that lawyers are free "to participate fully in the political process, which includes making and soliciting political contributions...." Accordingly, the Standing Committee strongly urges that guidelines must be provided to assist in identifying the purpose of contributions. This has been done in the Comments to the proposed Rule, particularly Comments [3] and [5].

Two safe harbors are established within the definitions in Comment [3]. The first excludes from government legal engagements and appointments by judges those awarded based on merit in a request-for-proposal ("RFP") process "that is free from influence based upon political contributions." The second excludes awards made on a rotational basis from lists compiled "without regard to political contributions." Also excluded under both definitions are "substantially uncompensated services."

In addition, Comment [5] seeks to explain when the proscribed purpose is or is not present. In formulating this Comment, the Committee became convinced that language was essential that would permit lawyers to make political contributions to personal

friends or clients or to candidates whose causes they support while remaining eligible to accept government legal engagements or appointments by judges. Accordingly, for the proscribed purpose to be found, it must be shown that, "but for the desire to be considered for the legal engagement or appointment, the lawyer or law firm would not have made or solicited the contributions."

Comment [5] also provides an example of facts from which, absent other factors to the contrary, it may be fairly inferred that the proscribed purpose is present: substantial contributions for a candidate who can influence the selection of the lawyer to perform the work, followed by selection of the contributor. Factors weighing against the inference (taken from the Report of the Task Force, Part One pages 26-28) set forth in Comment [5] include the existence of a prior family or professional relationship or the desire to further a political or social cause. Unlike awards made in the circumstances described in Comment [3] that are excluded from the Rule's prohibition, the circumstances in Comment [5] are merely examples of factors that should be taken into account, among all others that are relevant, in order to determine if the proscribed purpose is present.

Comments [2] and [4] contain definitions that are necessary to apply the Rule properly. For the most part, these are the same definitions as appear in the Task Force Report and in the Discussion Drafts the Standing Committee circulated in January for comment. In Comment [2], defining "political contribution," those made to political parties now are specifically included. Comment [4] makes it clear that contributions made through a controlled PAC or other controlled entity used as a conduit to an official's campaign are to be treated the same as if the lawyer or law firm had made them directly. Lastly, Comment [6] notes that when bribery or another serious crime is involved, a violation of Model Rule 8.4(b) occurs.

Respectfully submitted,

M. Peter Moser, Chair

August, 1999

APPENDIX A

RULE 7.6. POLITICAL CONTRIBUTIONS TO OBTAIN GOVERNMENT LEGAL ENGAGEMENTS OR APPOINTMENTS BY JUDGES

A lawyer or law firm shall not make a political contribution or solicit political contributions for the purpose of obtaining or being considered for a government legal engagement or an appointment by a judge.

COMMENT

[1] Lawyers have a right to participate fully in the political process, which includes making and soliciting political contributions to candidates for judicial and other public office. Nevertheless, when lawyers make or solicit political contributions in order to obtain an engagement for legal work awarded by a government official or entity, or to obtain an appointment by a judge, the public may legitimately question whether the lawyers engaged to perform the work are selected on the basis of competence and merit.

In such a circumstance, the integrity of the profession is undermined.

[2] The term "political contribution" denotes any gift, subscription, loan, advance or deposit of anything of value made directly or indirectly to a candidate, incumbent, political party or campaign committee to influence or provide financial support for election to or retention in judicial or other government office. Political contributions in initiative and referendum elections are not included. For purposes of this Rule, the term "political contribution" does not include uncompensated services.

[3] Subject to the exceptions below, (i) the term "government legal engagement" denotes any engagement to provide legal services that a public official has the direct or indirect power to award; and (ii) the term "appointment by a judge" denotes an appointment to a position such as referee, commissioner, special master, receiver, guardian or other similar position that is made by a judge. Those terms do not, however, include (a) substantially uncompensated services; (b) engagements or appointments made on the basis of experience, expertise, professional qualifications and cost following a request for proposal process that is free from influence based upon political contributions; and (c) engagements or appointments made on a rotational basis from a list compiled without regard to political contributions.

[4] The term "lawyer or law firm" includes a political action committee or other entity owned or controlled by a lawyer or law firm.

[5] Political contributions are for the purpose of obtaining or being considered for a government legal engagement or appointment by a judge if, but for the desire to be considered for the legal engagement or appointment, the lawyer or law firm would not have made or solicited the contributions. The purpose may be determined by an examination of the circumstances in which the contributions occur. For example, one or more contributions that in the aggregate are substantial in relation to other contributions by lawyers or law firms, made for the benefit of an official in a position to influence award of a government legal engagement, and followed by an award of the legal engagement to the contributing or soliciting lawyer or the lawyer's firm would support an inference that the purpose of the contributions was to obtain the engagement, absent other factors that weigh against existence of the proscribed purpose. Those factors may include among others that the contribution or solicitation was made to further a political, social, or economic interest or because of an existing personal, family, or professional relationship with a candidate

[6] If a lawyer makes or solicits a political contribution under circumstances that constitute bribery or another crime, Rule 8.4(b) is implicated.

GENERAL INFORMATION FORM

Submitting Entity: Standing Committee on Ethics and Professional Responsibility

Submitted By: M. Peter Moser, Chair

1. Summary of Recommendation(s).

The Model Rules of Professional Conduct (as amended, 1998) should be further amended to include a new Model Rule 7.6, "Political Contributions to Obtain

2. Approval by Submitting Entity.

The Standing Committee on Ethics and Professional Responsibility voted final approval of the proposed Model Rule at a teleconference meeting convened on May 12, 1999.

3. Has this or a similar recommendation been submitted to the House or Board previously?

At the 1998 Annual Meeting, the House of Delegates adopted amended Report 301A, originally submitted by the Task Force on Lawyers' Political Contributions. That report directed the Standing Committee on Ethics to report to the House at the 1999 Annual Meeting a proposed new Model Rule of Professional Conduct declaring that a lawyer shall not make a political contribution to a public official for the purpose of obtaining a government legal engagement.

4. What existing Association policies are relevant to this recommendation and how would they be affected by its adoption?

The House of Delegates in August 1997 approved Report 10D, which condemned the practice known as "pay-to-play," a practice whereby lawyers or law firms are selected for government legal engagements based upon their making or having made political contributions to the government officials responsible for selecting counsel for those engagements.

Model Rule 7.2(c), which prohibits a lawyer from giving anything of value to a person to recommend the lawyer for employment, has been deemed to be related, but not directly applicable, to the problem of "pay-to-play" as it will be addressed by the new Model Rule.

Including a new Model Rule in the Model Rules of Professional Conduct specifically to address the phenomenon of "pay-to-play" gives expression to the Association's condemnation of the practice in the single document that traditionally has served as the model for state professional conduct rules throughout the country.

5. What urgency exists which requires action at this meeting of the House?

During the last several years the legal media have focused their attention on the practice of "pay-to-play." Action by the American Bar Association House of Delegates that will assist state courts and state lawyer discipline agencies with adoption of an effective means to combat the "pay-to-play" practice will help insure the integrity of public acquisition processes in which lawyers and law firms are chosen for government engagements, and bolster respect for and confidence in the legal profession.

6. Status of Legislation. (If applicable.)

Not applicable.

7. Cost to the Association. (Both direct and indirect costs.)

None.

8. Disclosure of Interest. (If applicable.)

None.

9. Referrals.

The Standing Committee's Report With Recommendations will be posted on the website at www.abanet.org/cprP2PFINIS.html and mailed to the Chairs and Staff Liaisons of ABA Sections, Divisions, Task Forces, Committees, and Commissions, and to state disciplinary agencies and supreme courts.

10. Contact Person. (Prior to the meeting.)

George A. Kuhlman, Ethics Committee Counsel, at 312-988-5300 or gkuhlman@staff.abanet.org or Center for Professional Responsibility, 541 N. Fairbanks Court, Chicago, Illinois 60611.

11. Contact Person. (Who will present the report to the House.)

M. Peter Moser, Chair, Standing Committee on Ethics and Professional Responsibility, 541 N. Fairbanks Court, Chicago, Illinois 60611 or mmoser@pipermar.com.

EXECUTIVE SUMMARY

A. Summary of Recommendation.

The ABA Model Rules of Professional Conduct (as amended, 1998) would be further amended to add a new Model Rule 7.6 ("Political Contributions to Obtain Government Legal Engagements or Appointments by Judges").

Issue Addressed.

The practice of "pay-to-play", whereby lawyers and law firms are considered for or awarded government legal engagements or appointments by judges based upon their making or having made political contributions to the campaigns of elected officials who are in a position to influence such awards, was condemned by the House of Delegates in August 1997 in House Report 10D. In August 1998 the House of Delegates, in amended House Report 301A, instructed the Standing Committee on Ethics and Professional Responsibility to submit at the 1999 Annual Meeting for House consideration a Model Rule of Professional Conduct that would prohibit lawyers from making or soliciting political contributions for the purpose of obtaining a government legal engagement.

How the Policy Position Will Address the Issue

The proposed Model Rule of Professional Conduct, which is intended to serve as a model for all state jurisdictions in their formulation of rules of conduct, will have the prophylactic effect of subjecting to possible disciplinary action lawyers who make or solicit political contributions for the purpose of obtaining government legal engagements or appointments by judges and accept such engagements or appointments. The Model

Rules are already adopted in forty-five jurisdictions; the substance of the Model Rules underlies most of the professional conduct rules of the jurisdictions that have not formally adopted the Model Rules. This demonstrated respect for the recommendations of the Association on the subject of acceptable lawyer conduct is evidence that ABA policy on this important subject is likely to be accorded favorable consideration on a nationwide basis.

The black-letter of the Model Rule identifies the two elements that will be required to find a violation of the Rule: making a contribution for the purpose of obtaining work of the type to be awarded, and accepting such work when it is offered. The Comment to the Rule, consistent with the style of the Model Rules, provides illustrative text that explains for the benefit of lawyers and disciplinary agencies how those elements are to be assessed, thereby providing clear and fair notice to lawyers of what conduct is expected of them and assisting discipline counsel with investigation of claims that the Rule has been violated.

Minority Views or Opposition

Although the Standing Committee is hopeful that the Recommendation to adopt the proposed Model Rule will be cosponsored by the Section of Business Law and the Section of State and Local Government Law, it is aware that within each of those two sections there are at this time some individuals who advocate a somewhat different Model Rule. The difference between their formulation and the Model Rule recommended in the Ethics Committee's Report is that the former would prohibit any contribution made for the purpose of obtaining a government legal engagement, whereas the Ethics Committee rule prohibits acceptance of legal engagements or appointments when contributions have been made in order to obtain them.



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**STANDING COMMITTEE ON ETHICS AND PROFESSIONAL
RESPONSIBILITY
JANUARY, 1999 DISCUSSION DRAFT
REPORT ACCOMPANYING PROPOSED**

NEW MODEL RULE ON LAWYERS' POLITICAL CONTRIBUTIONS

INTRODUCTION

The Standing Committee on Ethics and Professional Responsibility ("Ethics Committee") submits with this report discussion drafts of two alternative versions of a possible new Model Rule of Professional Conduct. Both versions are based on the Recommendations of the Task Force on Lawyers' Political Contributions (the "Task Force") that were adopted by the House of Delegates in August 1998. Proposed new Model Rule A and proposed new Model Rule B, along with Comments, are appended to this Report as Attachments A and B. A summary of constitutional issues and cases potentially applicable to rules of professional conduct directed at lawyers' political contributions is appended as Attachment C. Endnotes appear at the end of the Report, preceding these attachments.

Proposed new Model Rule A generally prohibits a lawyer from making or soliciting political contributions for the purpose of obtaining government legal engagements. Proposed new Model Rule B, on the other hand, generally prohibits a lawyer from accepting a legal engagement if its award is based on the lawyer's making or soliciting political contributions. Other important distinctions between the two proposals are noted elsewhere in this Report.

Please analyze the two proposals carefully. Both are sent as discussion drafts only. Please provide us with your personal comments and suggested changes, and those of the organization that you represent. Written comments should be directed to the Committee's Counsel, George Kuhlman by mail (541 N. Fairbanks Ct., Chicago, IL 60611), e-mail (gkuhlman@staff.abanet.org) or by FAX (312-988-5491), and must be received by March 31, 1999, in order that they may be considered in our formulation of Recommendation to the House of Delegates due in May 1999. You also may express your views orally to the Committee during the Midyear Meeting in Los Angeles on Saturday, February 6, 1999, from 11:00 a.m. to 1:00 p.m. in Room 208 of the Doubletree Hotel. If you wish to request a time to present oral comments, please contact Mr. Kuhlman at the locations noted above by Friday, January 22, 1999.

BACKGROUND

In 1995, the Association of the Bar of the City of New York ("ABCNY") proposed that a disciplinary rule be adopted in New York State prohibiting a lawyer or law firm doing business in New York from accepting public finance engagements for two years if the lawyer or anyone in the law firm makes a political contribution to a public official who has a direct or indirect influence on the awarding of the legal engagement, subject to the right of individuals to make a contribution of \$250 each to someone for whom they can vote.

In June 1996, the ABCNY put on the ABA House of Delegates agenda for the Annual Meeting in Orlando, Florida, a resolution recommending that each jurisdiction enact the ABCNY-proposed disciplinary rule. The resolution was withdrawn by ABCNY in order to provide a period of comment by interested persons as well as further study. When a revised

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ABCNY proposal was submitted for the 1997 Annual Meeting, a substitute recommendation was proposed by a Section Officers' Conference Committee, submitted to the House by ABCNY as Resolution 10D, and adopted. It condemned the practice of "pay to play" and called for creation of a task force to determine the need for additional professional standards, laws or procedures relating to the subject.¹

Pursuant to that House action, President Jerome J. Shestack appointed the Task Force on Lawyers' Political Contributions ("Task Force") to review issues related to campaign contributions by lawyers; and to determine whether additional lawyer standards, laws or procedures relating to practices condemned in Resolution 10D were necessary or desirable. Among those concepts to be considered were additional rules of professional conduct, new aspirational ethical standards or other measures.

At the 1998 Annual Meeting the Task Force presented its recommendations to the House of Delegates as Report 301A. The Report was supplemented by a lengthy booklet. An Amended Recommendation was adopted by the House.

DISCUSSION DRAFT A

In Discussion Draft A, the Committee has complied with the directive contained in the fourth section of the first Resolution in the Amended Recommendation by preparing a Model Rule that declares:

A lawyer or law firm shall not make a political contribution or solicit political contributions for the purpose of obtaining or being considered for a legal engagement.²

The text of Discussion Draft A deviates from the language of the House resolution only for grammatical purposes or for the sake of clarity.

In preparing Comments³ to Discussion Draft A, the Ethics Committee carefully considered the Report and supplemental material accompanying the Task Force Recommendation. The Comments differ from material in the Task Force Report only in non-substantive respects. Some observations about the Comments are appropriate.

Definition of Political Contribution

In describing what is meant by the term "political contribution," the proposed Comment excludes uncompensated services, as the Task Force had recommended. In general, prevailing campaign contribution limitation laws take this approach, excluding uncompensated services from contribution reporting requirements. *See, e.g.,* Title 15, Tennessee Election Code Ann. § 254.033. On this point, the Ethics Committee has adopted the position implicit in the Task Force Report, that lawyers' willingness and ability to exercise their freedom of political expression, for example, by assisting public officials with the drafting of legislation, supervising election processes, or serving on commissions, task forces, and similar bodies would be diminished seriously if the proposed rule could be employed to call into question their motives in donating such important uncompensated services. Although the definition of "political contribution" specifically excludes uncompensated services for purposes of this Rule, such services may be "anything of value" for purposes of Rule 7.2.

The proposed Comment definition differs in form but not substance from the definition supplied in the Task Force Report, in order to avoid the implication that uncompensated services were not, by definition, things of value. Uncompensated services may be things of value for purposes of Rule 7.2(c). By altering the Task Force Report definition, the Committee has preserved the substance of the exclusion of uncompensated services as a political contribution and avoided a clear conflict between rule 7.X and Rule 7.2(c).

Factors to be Considered

The five factors listed in Comment [5] virtually are identical to the factors described in the Task Force Report as among those to be considered by a disciplinary body in determining whether a political contribution has been made for the purpose of obtaining or being considered for a legal engagement.⁴ The Task Force acknowledges that the list is not, and could not be, exhaustive; the Ethics Committee shares this belief. The factors listed are examples only; many other factors could be relevant in making a determination of the purpose for which a contribution has been made.

No one of these factors is intended necessarily to create a "safe harbor" for a particular political contribution. The existence of a fact that might tend to suggest that a contributor purpose was other than to seek an engagement would not necessarily keep the Rule's prohibition from taking effect. For example, although the fact that the recipient of significant political contributions is a close relative of the lawyer may weigh against a determination that the purpose of the contribution was to obtain business, such wrongful purpose could still be otherwise proven. Similarly a record of a lawyer's having made political contributions to a candidate or elected official over a series of elections without seeking or being rewarded with a legal engagement nevertheless may have to be weighed against other circumstances suggesting that a present political contribution was made for prohibited purpose.

De minimis Contributions

The ABCNY proposed rule and the Task Force's proposed rule make exception for *de minimis* contributions: no disqualification lies if contributions are under specified dollar limitations, set separately for an individual and a law firm or political action committee. Discussion Draft A endorses a *de minimis* standard in Comment [5] when it speaks of a contribution being "substantial under all the circumstances." The Committee also is convinced by the evidence compiled in the Task Force's Report that a specific dollar-amount limitation cannot uniformly be applied to all elections in all jurisdictions. The cost of political campaigns varies dramatically from jurisdiction to jurisdiction and office to office; for that reason, the determination of what constitutes a "substantial" contribution (one that is likely to influence the consideration for or award of legal service) also will vary.

ENFORCEABILITY

The Ethics Committee notes with some concern that a rule such as Discussion Draft "A", requiring as it does that the purpose of a contributor or solicitor be identified (and, indeed proven) poses considerable problems in enforcement, except in the most egregious circumstances. We also note that under the draft rule every political contribution could be subject to review for the giver's intent, regardless of any nexus between a contribution and a subsequent legal engagement, or even if no engagement ever occurs. Finally, we are obliged to note that the Task Force's original proposal and our draft "A" are rules that rely in great part, both in interpretation and application, upon an "appearance of impropriety"

standard. See Task Force Report at 7. That standard was specifically rejected by the House in 1983 when the Model Rules were adopted because it had been amply demonstrated that it could not be enforced uniformly or objectively. See ABA Formal Opinion 342, n.17 (1975).

CONSTITUTIONALITY

The Ethics Committee further notes that proposed Discussion Draft A raises concerns under the First and Fourteenth Amendments of the United States Constitution, and comparable state constitutional provisions. See Attachment C, ABA Ethics Counsel memorandum to Committee reviewing precedent in free speech issues pertaining to political expression.

Government restraints on free speech typically are subject to the strictest scrutiny. See *Buckley v. Valeo*, 424 U.S. 1, 25 (1976). Contributions to political campaigns are equated with pure speech and are accorded the highest level of First Amendment protection. *Id.* at 21-22. To survive the application of a strict scrutiny test, a rule must be necessary to serve a compelling state interest and must be narrowly tailored to achieve that end. Research has uncovered no case that supports or even considers a rule such as that proposed. The Ethics Committee is concerned that Discussion Draft A would invite attack on constitutional grounds because of its wholesale restriction on clearly protected conduct.⁵

In part due to the enforceability and constitutionality issues presented by Discussion Draft A, the Ethics Committee presents below for consideration and discussion a Discussion Draft B, an alternative rule arguably more narrowly tailored to achieve the goal of controlling the award of legal engagements based upon political contributions, and more readily enforceable.

ALTERNATIVE DISCUSSION DRAFT B

Discussion Draft B, like the Further Resolved portion of Amended Recommendation 301A, focuses on accepting the legal engagement. It states that a lawyer "shall not accept government legal engagement if the lawyer knows that the legal engagement has been awarded based upon the lawyer's having made or solicited a political contribution for the benefit of a public official who has the power to influence the award."

ENFORCEABILITY

Discussion Draft B is an effort to accomplish the objectives of the rule proposed by the Task Force without hinging the prohibition on an examination of the purpose of a political contribution, and without placing such a direct prohibition on political expression. Draft states that a lawyer "shall not accept a government legal engagement if the lawyer knows that the legal engagement has been awarded based upon the lawyer's having made or solicited a political contribution for the benefit of a public official who has the power to influence the award." Rather than looking to the purpose for which the lawyer makes a solicitation or contribution, the alternative draft looks to whether the lawyer knows that his or her solicitation or contribution was a reason that the engagement was awarded. The Terminology section of the Model Rules states that the term "knows" denotes actual knowledge of the fact in question, adding that "[a] person's knowledge may be inferred from the circumstances." Comment [3] to Discussion Draft B provides guidance as to the circumstances that may support an inference of actual knowledge.⁶

CONSTITUTIONALITY

Because Discussion Draft B would avoid passing directly on the propriety of constitutionally protected expression, it is more likely to pass constitutional muster than Discussion Draft A. Although we are unaware of any case addressing a statute or rule that prohibits or punishes political contributions based upon a condemned purpose of the contribution, the Supreme Court's decision in *McCormick v. United States*, 500 U.S. 257 (1991), may be instructive. The Court there reversed a conviction of a state legislator under the Hobbs Act, 18 U.S.C. § 1951, for extortion "under color of official right," where the legislator claimed that the payments were political contributions. As summarized in Justice Scalia's concurring opinion, 500 U.S. at 276, the Court held that the Hobbs Act should not "be interpreted to cover campaign contributions with anticipation of favorable future action, as opposed to campaign contributions in exchange for an explicit promise of favorable future action." While the ruling was one of statutory interpretation rather than constitutional law, the Court's reasons for requiring a special burden of proof in cases involving campaign contributions would seem to apply with equal force to a rule of legal ethics that would punish campaign contributions based upon their "purpose".

A prohibition of only those political contributions by lawyers that are made in exchange for explicit promises of future awards of work would not fully accomplish the goals of the Task Force in recommending Resolution 301A. Discussion Draft B would, however, accomplish those purposes without running afoul of the considerations that led the Court to rule as it did in *McCormick*.

ENDNOTES

1. Resolution 10D stated:

RESOLVED, that the American Bar Association:

condemns the practice of lawyers making campaign contributions to, and soliciting campaign contributions from public officials in order to be retained by public agencies to perform professional services;

condemns the practice of public officials who require campaign contributions from those seeking to be retained by public agencies to perform professional services;

calls upon lawyer disciplinary agencies to enforce existing Rules of Professional Conduct insofar as they prohibit this practice, such as Model Rule 7.2(c) prohibiting a lawyer from giving "anything of value to a person for recommending the lawyer's services"; and

calls upon legislative bodies and regulatory agencies to enact and enforce appropriate laws that will discourage the practices of public officials condemned in these resolutions.

FURTHER RESOLVED, that the House of Delegates requests the President to appoint a task force:

to review issues related to campaign contributions by lawyers, including the issues raised by The Association of the Bar of the City of New York and the proposed New York Court Rule;

to determine whether additional lawyer standards, laws or procedures relating to the practices condemned in these resolutions are necessary and desirable, including the practice of lawyers making significant campaign contributions to judicial candidates before whom the lawyers appear; and

to submit for consideration by the House of Delegates at its meeting in August 1998 recommendations as to any additional professional standards, laws or procedures found to be necessary and desirable in the form of amendments to the Model Rules of Professional Conduct, aspirational ethical standards or other measures.

Targeted in Resolution 10D were contributions made as a condition of being retained, and those solicited for the purpose of being qualified to be retained, situations of a return for the contribution, or *quid pro quo*.

The Resolution proposed by the ABCNY read as follows:

RESOLVED, that the American Bar Association:

encourages bar associations, judicial rule-making authorities and other relevant entities to consider adopting appropriate policies to prevent lawyers who make and solicit (other than de minimis) political contributions to public officials who can influence issuers of municipal securities, from accepting municipal finance engagements from such issuers for a two-year period commencing with the political contribution or solicitation; and

commends to the attention of bar associations, judicial rule-making authorities and other relevant entities the draft New York Court Rule dated August, 1997.

The ABCNY proposal was generally patterned after Securities and Exchange Commission ("SEC") G-37, which prohibits dealers from engaging in municipal securities business with an issuer within two years after making a contribution to an official of such issuer who has a direct or indirect influence on the award of such business. Both can be classified as disqualifying rules, which provide that the consequence of a political contribution made to an official in a position to influence the award of legal business from a governmental entity is disqualification from acceptance of business from that entity for a period of time thereafter

2. RESOLVED, that the American Bar Association urges the following actions be taken to address any conduct by lawyers making or soliciting campaign contributions to public officials for the purpose of being considered or retained for government legal engagements:

(4) A The Standing Committee on Ethics and Professional Responsibility is directed to report to the House of Delegates by its 1999 Annual Meeting a proposed Model Rule ~~should be adopted~~ that declares that a lawyer law firm shall not make a political contribution or solicitation for the purpose of obtaining or being considered for a legal engagement.

BE IT FURTHER RESOLVED, That, where local circumstances warrant, the American Bar Association ~~urg~~ the adoption of a prescriptive rule, as set forth in Attachment One, ~~Proposed Rule on Political Contributions- Lawyers Accepting Government Legal Engagements, dated August 1998, that a rule be considered for adoption~~ that would limit or prevents a lawyer from accepting a legal engagement to perform professional services after making or soliciting a political contribution to a public official for the purpose of being retained, or being considered eligible for retention, by public agencies if the official is involved in selecting the lawyer to be retained; ~~and requests that the Standing Committee on Ethics and Professional Responsibility take the appropriate action.~~

[additions are underlined, deletions struck through]

3. As noted in the "Scope" section of the current Model Rules of Professional Conduct, the Comments accompanying each Rule explain and illustrate the meaning and purpose of the Rule. The Comments are intended as guides to interpretation, but the text of each Rule is authoritative.

4. Report accompanying Task Force Recommendation 301A, at 16.

5. The Task Force Report argues that the suggested rule is constitutional, but the sole precedent for that position relates to limited disqualification from receiving work following the exercise of "free speech," rather than to prohibition of the conduct. *Id.* at 2.

6. One of the five factors suggested by the Task Force to help determine whether a political contribution was given for the purpose of obtaining legal business is whether prior contributions had been made by the lawyer law firm without achieving the result of legal business. If the *quid pro quo* factor were irrelevant to the prohibited purpose of the Task Force recommendation, then the absence of a previous award of legal engagement would not be an ameliorating factor.

ATTACHMENT A

VERSION A (January 1999)

Rule 7.X. POLITICAL CONTRIBUTIONS TO OBTAIN GOVERNMENT LEGAL ENGAGEMENT

a lawyer or law firm shall not make a political contribution or solicit political contribution for the purpose of obtaining or being considered for a government legal engagement.

Comment

[1] This Rule is intended to maintain high standards of integrity in the legal profession and to instill in the public confidence that lawyers hired or appointed to perform work on their behalf are selected on a proper basis. If a lawyer makes or solicits a contribution as a prerequisite for obtaining or being considered for a legal engagement, then the lawyer may violate Rule 7.2 (c) because a contribution or a solicitation may reasonably be considered something of value as referred to in that provision. Moreover, if the contribution constitutes a crime, Rule 8.4 (b) also is implicated.

[2] The term "political contribution" denotes any gift, subscription, loan, advance or deposit of anything of value made directly or indirectly to a candidate or incumbent or campaign committee to influence or provide financial support for election to or retention in office. Political contributions in initiative and referendum elections are not included. For purposes of this Rule, the term "political contribution" does not include uncompensated services.

[3] The term "government legal engagement" denotes any engagement to provide legal services that a public official has the direct or indirect power to award, but does not include substantially uncompensated legal services.

[4] The term "law firm" includes a political action committee or other entity owned or controlled by a lawyer or law firm.

[5] The purpose of making or soliciting political contributions in order to obtain or be considered for a government legal engagement may be determined by an examination of circumstances in which they occur. The following factors, among others, should be considered: (a) whether large contributions to the campaign of an official in a position to recommend or award work are shortly thereafter followed by an award of substantial legal work; (b) whether legal work was awarded to the contributor or solicitor pursuant to a request for proposal process that was insulated from political influence or on the basis of experience, expertise, professional qualifications and cost; (c) whether the amount of the contribution made or the amount of the contributions resulting from a solicitation was substantial under all the circumstances; (d) whether the contribution or solicitation was made to further a political, social, or economic belief or interest; (e) whether the

contribution or solicitation was made because of an existing personal, family, or professional relationship with the government official; and (f) whether, prior to the contribution or solicitation in question, the contributor or solicitor had made comparable contributions or had engaged in comparable solicitations on behalf of government official from whom the lawyer neither sought nor received legal work.

ATTACHMENT B

VERSION B (JANUARY 1999)

RULE 7.X. ACCEPTING GOVERNMENT LEGAL ENGAGEMENT BASED UPON POLITICAL CONTRIBUTION

A lawyer shall not accept a government legal engagement if the lawyer knows that the legal engagement has been awarded based upon the lawyer's having made or solicited a political contribution for the benefit of a public official who has the power to influence the award.

Comment

[1] Lawyers have a right to participate fully in the political process, which includes making and soliciting political contributions to candidates for office. Nevertheless, when lawyers make or solicit political contributions in order to obtain an engagement for legal work awarded by a government official or entity, the public may legitimately question whether the lawyers engaged to perform government work are selected on the basis of competence and merit. In such a circumstance, the integrity of the profession is undermined.

[2] The term "political contribution" denotes any gift, subscription, loan, advance or deposit of anything of value made directly or indirectly to a candidate or incumbent or campaign committee to influence or provide financial support for an individual's election to or retention in office. Political contributions in initiative and referendum elections are not included. For purposes of this Rule, the term "political contribution" does not include uncompensated services. The term "lawyer" includes a law firm and a political action committee or other entity owned or controlled by a lawyer or law firm. "Government legal engagement" denotes any engagement to provide legal services that a public official has the direct or indirect power to award, but does not include substantially uncompensated legal services.

[3] An award of legal work is based upon a political contribution when the contribution is a determining factor, even if not the only determining factor, in the award. A lawyer's knowledge that an award is based upon making or contributing one or more political contributions may be inferred from the circumstances. *See Terminology.* The circumstances include the size of the contribution in relation to the cost of the campaign, the timing of the award, the role of the relevant public official in influencing the award, the

prior history of similar awards to political contributors, and the presence or absence of other factors that reasonably explain the award. Among such other factors are the unique experience or expertise of the lawyer in the type of representation that is the subject of the award; the existence and use of a process for award of the type of legal work in question based upon experience, expertise, and cost; or a lawyer's prior professional relationship, if any, with a governmental entity that is the client.

ATTACHMENT C

MEMORANDUM

TO: Standing Committee on Ethics and Professional Responsibility

FROM: Eileen B. Libby, Associate Ethics Counsel

DATE: January 20, 1999

RE: First Amendment Issues Regarding Proposed Pay-to-Play Rule - Executive Summary

Based upon Recommendations of the Task Force on Lawyers' Political Contributions that were adopted by the ABA House of Delegates in August 1998, *see* final amended 301A (Report and Recommendation), the Standing Committee on Ethics and Professional Responsibility prepared discussion drafts of two alternative versions of a possible new Model Rule of Professional Conduct regarding lawyers' political contributions. Discussion Draft A generally prohibits a lawyer from making or soliciting political contributions for the purpose of obtaining government legal engagements. Discussion Draft B generally prohibits a lawyer from accepting a legal engagement if its award is based on the lawyer's making or soliciting political contributions. The purpose of this memorandum is to examine whether the rules proposed in the discussion drafts are overbroad and an impermissible infringement on the First Amendment right of political expression and association.

To date, only one court has reviewed a rule or regulation prohibiting a contributor to an elected public official from performing governmental work if the official has the influence to award such work. In *Blount v. SEC*, 61 F.3d 938 (D.C. Cir. 1995), *cert. denied*, 517 U.S. 1119 (1996), the court upheld a First Amendment challenge against Rule G-37 approved by the Securities and Exchange Commission (SEC) through its Municipal Securities Rulemaking Board. The purpose of the challenged rule was to address the issue of broker and dealers engaging in ethically questionable practices in order to secure underwriting contracts in the municipal securities market. *Id.* at 939. The rule prevents a municipal securities firm from performing government work if, in the last two years, the firm, the firm's political action committee or any member of the firm contributed to an elected official who can directly or indirectly influence hiring decisions. The rule also requires such firms to disclose all direct and indirect contributions to any such elected official.

Applying strict scrutiny, the court concluded that the SEC had a compelling governmental interest in protecting investors from fraud and shielding underwriters from corrupt market practices. *Id.* at 944. The court concluded that Rule G-37 would advance these interests by fostering fair contracting processes and removing "artificial barriers to competition for those firms that either cannot afford or decide not to make political contributions." *Id.* at 945. Once the court determined that the government's interest was compelling, it concluded that the law was sufficiently narrowly tailored and that disclosure requirements

alone would not adequately serve the SEC's interest in deterring so-called "pay-to-play practices." *Id.* at 947-48. In this regard, it should be noted that one of the problems with mandatory disclosure of campaign contributions is that the First Amendment guarantees the right to engage in a wide range of political activities without risking public disclosure, see, e.g., *McIntyre v. Ohio Elections Comm'n*, 514 U.S. 334 (1995); *Shelton v. Tucker*, 364 U.S. 479 (1960); *Bates v. Little Rock*, 361 U.S. 516 (1960). Only if the state can demonstrate a compelling governmental interest in preventing corruption and assuring an informed electorate can there be justification for compelled public disclosure of the sources and amounts of campaign spending and lobbying expenses. See *Buckley v. Valeo*, 424 U.S. 1, 66-68 (1976) (*per curiam*).

Several court decisions since *Blount* call its holding into question. Restrictions on political campaign contributions are analyzed under the framework established in *Buckley*, which recognized that campaign contribution limits that infringe First Amendment freedoms of speech and association nevertheless may be constitutionally permissible if enacted or adopted to prevent corruption and if narrowly tailored to advance the government's interest in preventing actual or perceived corruption. Restrictions on protected speech in this context are narrowly tailored if they limit the *quid pro quo* corruption that may follow from political contributions without concomitantly retarding the ability of the affected parties to engage directly in political speech to the extent they would be able to do so through their own efforts absent the regulation. *Toledo Area AFL-CIO Council et al. v. Pizza*, 154 F.3d 307, 318 (6th Cir. 1998). The Supreme Court has cautioned that "broad prophylactic rules in the area of free expression are suspect. Precision of regulation must be the touchstone in an area so closely touching our most precious freedoms." *NAACP v. Button*, 371 U.S. 415 438 (1963) (internal citations omitted).

Nor is there reported authority that prohibits or punishes political contributions based upon a condemned purpose of the contribution. In *McCormick v. U.S.*, 500 U.S. 257 (1991), the Court held that under the Hobbs Act, 18 U.S.C. § 1951, which punishes officials who solicit or accept something of value with the knowledge that it is being given to them in an effort to influence their official exercise of discretion, legislators who accept campaign contributions commit official extortion only if they explicitly promise an official favor in return for the campaign contribution. *Id.* at 273-74. The Court held that where a public official solicits or accepts campaign contributions in return for an official favor, the government must prove the existence of an explicit *quid pro quo*. *Id.* at 274. The Court's holding was a very narrow one, applicable only to campaign contributions, which have historically been given special First Amendment status. See, e.g., *Buckley v. Valeo*, 424 U.S. at 21. The Court explained that it would make no sense "to hold that legislators commit the federal crime of extortion when they act for the benefit of constituents or support legislation furthering the interests of some of their constituents, shortly before or after campaign contributions are solicited and received from those beneficiaries," since such conduct "has long been thought to be well within the law" and "in a very real sense is unavoidable so long as election campaigns are financed by private contributions or expenditures." *Id.* 500 at 285.

Further, if a limitation is so restrictive as to prevent candidates and political committees from amassing the resources necessary for effective advocacy, then it would have a direct and substantial impact on a contributor's freedom of political association. *Id.* at 21. In such cases, the limits are subject to much closer scrutiny so that the state is required to make a greater showing that they serve an important state interest. *Id.* at 24-25; *Carver v. Nixon*, 72 F.3d 633 (8th Cir. 1995), *cert. denied*, 518 U.S. 1033 (1996). Contrary to *Blount*, in *Shrink Missouri Government PAC v. Adams et al.*, 161 F.3d 519, 521 (8th Cir. 1998), the court rejected the argument that the state had a compelling interest in avoiding the

corruption or the perception of corruption brought about when candidates for elective office accept large campaign contributions. Also unavailing is the argument that the state has a compelling interest in preventing the appearance of impropriety created by public officials' supporting of legislation favored by contributors. *Russell v. Burris*, 146 F.3d 56 (8th Cir.), *cert. denied*, ___ U.S. ___, 119 S. Ct. 510, 571 (1998). Nor may the state set a *de minimis* contribution level if it is so low as to prevent meaningful participation in the political process and significantly impairs a candidate's ability to collect the necessary funds to run an effective campaign. *Arkansas Right to Life State Political Action Committee et al. v. Butler et al.*, 983 F. Supp. 1209, 1225 (W.D. Ark. 1997), *aff'd*, 146 F.3d 558 (8th Cir. 1998) (campaign contribution limit too low to allow); *Day v. Holahan*, 34 F.3d 1356 (8th Cir. 1994), *cert. denied*, 517 U.S. 1119 (1995) (same). Aside from specific monetary contributions, prohibiting the volunteering of unpaid personal services to candidates for elective office violates contributors' First Amendment rights of association and expression. *Barker v. Wis. Ethics Bd.*, 841 F. Supp. 255, 262-63 (W.D. Wis. 1993).

By prohibiting lawyers or law firms from making political contributions or soliciting political contributions for the purpose of obtaining or being considered for a government legal engagement, Discussion Draft A furthers the state's interest in preventing the appearance of impropriety created by the awarding of legal work to large campaign contributors, as well as preventing any actual *quid pro quo* arrangement between lawyers and elected officials. However, Discussion Draft A might be deemed overly broad in that it has a chilling effect upon lawyers' exercise of the full measure of their constitutional right and their ability to wield political influence. *See Federal Election Comm'n v. National Conservative Political Action Committee, et al.*, 470 U.S. 480 (1985). It arguably curtails speech more than necessary to deal with any purported pay-to-play problem.

Discussion Draft B, on the other hand, does not suffer this constitutional infirmity because it does prohibit or punish political contributions based upon a condemned purpose of the contribution. Instead of stating that lawyers or law firms are prohibited from making political contributions or soliciting political contributions for the purpose of obtaining or being considered for a government legal engagement, Discussion Draft B states that "[a] lawyer shall not accept a government legal engagement if the lawyer knows that the legal engagement has been awarded based upon the lawyer's having made or solicited a political contribution for the benefit of a public official who has the power to influence the award." (Emphasis supplied). The term "knows" already is defined in the Terminology section of the Model Rules. The requirement of a special burden of proof in cases involving campaign contributions seems to apply with equal force to a rule of legal ethics that punishes campaign contributions based upon their "purpose." Discussion Draft B thus comes closer to accomplishing the goals of the Task Force by eradicating corrupt pay-to-play practices without placing an impermissible restraint on lawyers' right of expression and association.



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STATE OF ALASKA

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August 31, 1999

Mr. Mark K. Johnson
Attorney at Law
13631 Windward Circle
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Dear Mr. Johnson:

The Attorney General has asked me to respond to your information request of August 6, 1999. The following information has been compiled by a number of people in the department¹, and I hope it will assist you and the subcommittee in your work.

Joan Kasson is the Attorney General's appointment as Department of Law contact for the subcommittee. She will be attending all meetings to provide what assistance she can. Depending on the nature of the testimony the subcommittee desires, other representatives of the department may be necessary. Cindy Cooper, the Deputy Attorney General for the Criminal Division, and I look forward to providing the subcommittee with an initial overview of the Department of Law, its organization, and functions, at your September 9th meeting.

I would also like to suggest that the members of the subcommittee take the time to look at some of the department's monthly newsletters, posted on our web site at www.law.state.ak.us. They provide snapshots about the kinds of issues we deal with on a daily basis in both the civil and criminal divisions.

The responses to your questions are listed in the same order as your letter posed them. However the first item you requested was a summary of matters assigned to outside counsel by subject, with the total amount of fees paid, for the past six years. A summary is attached which lists, by subject, the number of outside counsel contracts the department entered into between July 1, 1993, and June 30, 1999, and the total amount paid. Contracts are further subdivided by how many are still active and whether the

¹ Cindy Cooper, Deputy Attorney General for the Criminal Division; Barbara Ritchie, Deputy Attorney General for the Civil Division; Dean Guaneli, Chief Assistant Attorney General, Criminal Division; Kathryn Daughette, Director, Division of Administrative Services; Bob Meiners, Deputy Director, Administrative Services Division; and Joan Kasson, Special Assistant to the Attorney General.

contract was for a single matter, or for multiple cases in a specified legal area (e.g., pipeline tariff cases, or state corporation bond or investment general counsel).

The department's administrative division does not segregate outside counsel payments by fees and costs. Only the total monthly payment to the prime contractor is recorded. A six-year summary of just fees paid would require examining each monthly bill for every contractor, many of which are stored off-premises in archives. This would be a major project, entailing a significant amount of staff time and cost.

In most contract subject areas listed, the amounts paid reflect only legal fees and costs to the law firm directly. Any expert costs, for example, are incidental. In the oil and gas litigation contract issue area, however, services such as expert consultants and witnesses, court reporting, and document handling were subcontracted through the primary law firm managing the case. The amounts paid for those contracts include those costs, which were quite significant, particularly in the early part of the six-year period you asked be covered.

1. What non-legal services does the Department acquire from outside sources?

With only a few exceptions, almost the entire body of non-legal professional services procured by the Department of Law are related to the procurement, installation, and support of the department's computer systems. These include the Javelan Practice Management System (civil case management, timekeeping and billing); CRIMES (adult criminal case tracking system); oil and gas litigation imaging system; and the collections unit database.

- 2. Does the department have a written selection process for outside counsel? If so, please provide copies.**
- 3. As to legal matters, what criteria are used to determine if civil matters are to be handled by outside counsel?**
- 4. Does the department have written policies setting out those criteria? If so, please provide copies.**
- 5. What safeguards exist to ensure an objective selection process for selection of outside counsel?**

In answering questions 2 - 5 above, we will first discuss the issues related to the decision to use outside counsel and then address the process of selecting such counsel.²

It has long been the stated policy of the Department of Law that legal services provided on behalf of the executive branch will *primarily* be provided by the department's own staff attorneys. The use of outside counsel to provide legal services is only considered after it has been determined by the Attorney General that the department's resources are insufficient to meet the need, that it would be inappropriate for the department to provide the services, or that it would not be cost effective.

There are generally five circumstances in which the Department of Law may decide to seek the assistance of outside counsel. Any given matter may actually entail one or more of these circumstances (and quite possibly all five). Under each of the five "circumstances," there are listed some examples of the types of services, the typical areas of legal expertise, and the remote venues that would cause the department to seriously consider calling upon outside counsel.

- A. Staff Limitations Due to Current Workloads (i.e., rush short-term projects or massive long-term projects where in-house resources are insufficient)
 - a) Major Oil & Gas Tax/Royalty/Tariff Disputes
 - b) Regulations Editing and Review
 - c) Tort Defense (i.e., personal injury claims, etc.)
 - d) Workers' Compensation
- B. Conflicts in Representation (i.e., cases where the interests of the state and that of the named defendant may conflict and affect all or part of the representation)
 - a) Special Prosecutors
 - b) Special Assistant Attorneys General
- C. Specialized Expertise
 - a) Investment Counsel
 - b) Bond Counsel
 - c) Constitutional Law (and other areas of academic specialization)
 - d) Technology/Patent Law

² This discussion applies primarily to the Civil Division. Outside counsel has been hired to prosecute criminal cases in a handful of cases where the Attorney General has had a conflict of interest. If an individual prosecutor has a conflict, the case is assigned to another prosecutor in another office, generally, an attorney in the Office of Special Prosecutions and Appeals. *See also* the answer to question number 8.

- e) Professional Malpractice
- f) Environmental Law

D. Jurisdictions Outside of Alaska

- a) State/Federal Relations Matters Requiring a Washington, D.C., Presence
- b) Multi-State or Multi-Party Coalitions
- c) Bankruptcy and Other Collections Efforts
- d) Other State Courts and Federal District Courts
- e) Federal Appeals Court and U.S. Court of Claims
- f) U.S. Supreme Court

E. Private Bar Efficiencies (i.e., those types of matters routinely handled by private attorneys but rarely or only occasionally by state government attorneys)

- a) Real Estate Transactions
- b) Banking and Other Commercial Business Transactions
- c) Complex Insurance Matters
- d) Large-Scale Collections Efforts
- e) Federal Tax Code

Due in part to its small size, the department has a highly centralized management structure. The Attorney General himself or one of the two Deputy Attorneys General approves all requests regarding the retention of outside counsel on substantive matters (i.e., where the costs of legal services will likely exceed \$2,500). The scope and purpose of the retention as well as the procurement method to be employed are also approved at this level. The entire procurement and contracting process is directed and supervised by the department's contracting officer within the Administrative Services Division. In securing the services of outside counsel, the department adheres to the requirements spelled out in the State Procurement Code (AS 36.30) and the corresponding administrative regulations (2 AAC 12). Because of the centralization referred to above, there is no need for additional or duplicative departmental policies and procedures in this area.

Whether or not a particular matter is handled in-house or by outside counsel, it is always the department's overall objective to seek the best possible resolution of legal matters at the lowest practicable cost. Balancing the need for results against cost is at the heart of the selection process when outside counsel is considered. In any competitive solicitation, the factors that are used in evaluating the suitability of counsel to represent the state in a given situation *must be* established in advance of the solicitation effort. In the case of formal RFP solicitation, the evaluation factors that will be used must be listed in the RFP along with the weight that is to be given to each factor in the evaluation process.

In undertaking a solicitation for the services of outside counsel, the department will almost always consider the following criteria in the selection of legal counsel: the firm's understanding, knowledge, and experience in matters similar to those at issue; the firm's proposed organization of responsibilities, work plan, and approach; the experience and capabilities of the individual attorneys who would be providing services under the contract; the firm's proposed fees; and the presence of any potential conflicts of representation.

In further defining these factors and contemplating others, the following areas may also be considered:

- A. The experience of the attorney/law firm in the type of legal work required or expected to be performed: what type of cases does attorney/firm currently handle; what type of cases does attorney/firm have expertise to handle; what type of work does the State expect to direct to the firm; does the attorney/firm practice in state and/or federal court; does the firm have the specialists that may be needed; and does the firm have appellate experience?
- B. The ability of the attorney/firm to handle the volume of work: how large a firm is it; what is the ratio of partners to associates; is the firm departmentalized; how do they coordinate; what are the number and type of support staff available and the policy on their utilization; and what library facilities and legal computer research capabilities does the firm possess?
- C. The reputation of the attorney/firm in the legal profession and in the locality served: the rating in the Martindale Hubbell Directory; the past experience of major clients of the attorney/firm.
- D. Geographic location of attorney/firm: is location pertinent to performance; what are the locations of branch offices?
- E. Are the rates to be charged by the attorney/firm reasonable: is the work routine in nature or more specialized; if the state will be a major client, is it being given a favorable rate structure; will the firm consider and propose alternative billing arrangements; and will the firm prepare a budget on identified matters; and is the firm conscious of overall costs?
- F. Can the attorney/firm make available an adequate number of attorneys to handle related matters of a routine or less important nature at a lower fee rate: identify who will work on particular matters; and who will work on routine or repetitive matters?

G. Can a high degree of cooperation be expected to exist between the Attorney General's office and the attorney/firm? Will the firm participate in a cooperative or joint effort approach to litigation; will they call upon the state for existing briefs and memoranda as a basis for research; will they supply meaningful status reports; and will they cooperate in following and amending the projected case budget and work plan?

H. Will the attorney/firm be responsive to the needs of the state to be kept informed? Does the attorney/firm return calls in a timely manner; respond to instructions; complete reports in a timely manner; and provide quality reports?

Although not required by statute or regulation, in undertaking the competitive solicitation of outside counsel the department will typically use an evaluation committee of three to five members (often including client agency representatives) to review proposals received in response to both formal and informal solicitations. These committees review the proposals and then forward their recommendations to the Attorney General for final approval. We believe that this review process and our adherence to the state's procurement statute and regulations provide for the fair and equitable treatment of those firms that may wish to be considered for such contracts.

6. Has the department (or reviewing agencies such as OMB) conducted studies on effectiveness of inside and outside counsel?

Experience has shown that using in-house counsel is much more cost efficient than using outside counsel, particularly in the areas of litigation involving relatively large numbers of similar cases and those areas with considerable pro se litigation. The latter are often frivolous, but very time consuming. In the last 10 to 12 years, the department has made a conscious effort to reduce the number of cases handled by outside counsel, to develop expertise in-house, and to ensure appropriate oversight and consistency in positions taken that impact state policy and public interest.

The FY00 hourly rate for a Department of Law Civil Division attorney is \$92.49. This rate includes all normal overhead items such as clerical support, data processing, lease space, etc. The overhead portion of the rate also includes any clerical overtime, faxes, copies, telecommunications costs, and postage — items that are often used as cost centers by private law firms or, at a minimum, billed at cost on top of the hourly rate.

The department typically pays from \$125 to \$200 per hour for the services of private Alaska counsel to handle cases for the state. The rates paid by the department will usually include a discount of ten to twenty percent from any given firm's standard billing rates. Hourly rates paid for the services of non-Alaska private attorneys will typically run from \$180 to as high as \$400 per hour in major metropolitan areas (this usually involves

counsel with specialized expertise.) Again, the department is often able to obtain significant discounts even in such high cost centers of commerce.

The department also has the advantage of being a statewide firm with offices in the three major cities of the state. Computer networking and faxing court filings, affidavits, and other casework saves the state money. There are also more intangible benefits to having in-house legal staff. Department of Law attorneys work with their client agencies on a daily basis providing advice and assistance to insure consistency in treatment of individuals and to reduce the potential for state liability. These same lawyers have the contacts and experience to effectively defend the state's actions.

7. Has the department analyzed and compared damage awards in cases handled by outside counsel and compared those awards to matters handled in-house?

The department has not performed such a formal analysis. Most damage awards, settlements, judgments, and claims are individually reviewed by both the Office of Management and Budget (OMB) and the legislature during the appropriation process. The exceptions are tort claims, which are funded through the risk management self-insurance pool. The appropriations for this self-insurance program are annually reviewed and approved by OMB and the legislature as well.

8. As a philosophical matter, is there any room for the selection of outside counsel for certain criminal matters? If so, would statutes have to be amended?

Philosophically, the hiring of outside counsel as prosecutors does present potential problems.

First, if counsel is paid on an hourly basis, the arrangement could be criticized by defendants who claim that additional charges were pursued, or possible pretrial resolutions *not* pursued, in order to increase the fees paid to the prosecutor. Such criticisms have been leveled at a practice used in some other states of paying prosecutors for each case in which charges are filed. While we do not believe that carefully selected and supervised private counsel would generate excess fees, our experience has been that it costs a great deal more to hire outside counsel than to prosecute a criminal case in-house.

Second, if private counsel prosecute cases under a fixed-price contract, the arrangement could be criticized by victims and police who claim that short-cuts are taken and the cases are not pursued vigorously, so that more time can be spent on private cases compensated on an hourly basis.

Third, especially in areas outside of Anchorage, Fairbanks, and Juneau, the limited number of local attorneys presents a real potential for conflicts of interest within small communities. Hiring private attorneys from out-of-town greatly adds to the costs of prosecution.

This is not to say that outside counsel have never been hired by the Department of Law to work on criminal cases. On rare occasions outside counsel have been appointed to investigate and/or prosecute certain criminal matters, because of a potential ethical conflict within the Department of Law. The Attorney General can enter into such contracts without additional statutory authority. See *State v. Breeze*, 873 P.2d 627 (Alaska App. 1994). These contracts are, however, expensive and cannot be anticipated in the department's annual budget planning. Special appropriations from the legislature are therefore necessary to cover these costs.

On other occasions outside counsel have been hired to work as prosecutors during times of temporary staff shortages. When that happens, the private attorney does not work under contract, but is hired as a temporary state employee who works within the district attorney's office under the direction of the local district attorney. Because temporary state employees do not receive employee benefits, this is a much more cost-effective method of obtaining periodic assistance from the private bar. Again, no additional statutory authority is required.

Overall, in our experience the hiring of private counsel is not a good long-term cost-saving device.

9. What procedures exist for monitoring work of outside counsel? (A) As to matters of substance? (B) Financial administration of outside cases?

Every professional services contract has a project manager assigned to monitor the contractor's work and approve invoices prior to payment by the Administrative Services Division. The department has developed formal guidelines for managing outside counsel. The guidelines are posted on our internal web site, and used as the basis for training sessions for project managers and their supervisors. A copy of these guidelines is attached.

10. Very significant amounts of money have been expended in past years for the retention of outside counsel for oil and gas taxation matters. What is the approach of this Administration to such matters?

Expenditures for outside counsel in the area of oil and gas litigation have declined considerably in recent years. This is due to changes in the nature of the caseload and the resolution of a backlog of large, complex tax, royalty, and regulatory cases. These

changes have allowed the use of less costly in-house legal resources to manage most of the caseload.

The department's Oil and Gas Litigation appropriation reached its highest point in FY94, at over \$31 million, with most of the funding used for contractual services, including outside counsel, experts, and litigation support. Since that time, the appropriation has decreased annually to the current FY00 level of \$5.5 million, approximately one-half of which is budgeted for outside contractual services.

The significant expenditures in the early and mid-1990s were made as part of a conscious effort to deal with a backlog of major oil and gas tax, royalty, and regulatory cases. Outside counsel were largely relied on to prosecute the backlog of cases due to the cases' size and complexity. The state system cannot respond to the rapid, large-scale fluctuations in personnel required to litigate those types of cases, nor does the state have the structural resources needed to prosecute cases of this size without assistance. However, with the resolution of the backlog, cases changed from large-value, complicated cases to relatively smaller, more routine cases. At the same time, the oil and gas caseload was growing, as ANS producers wanted to have their tax cases heard quickly in response to an increase in the interest rate charged on past due taxes.

The growing caseload could either be assigned to outside counsel, or the department's staff could be increased to handle it. In FY96, the administration requested and the legislature appropriated funding for additional in-house positions in the Oil, Gas and Mining section specifically to bring the growing, more routine caseload in-house.

It is more efficient, and much less expensive, for in-house attorneys to handle most of the litigation. Outside counsel is still necessary in certain instances, but they serve in more of a consultative role, rather than staffing and litigating the cases.

11. Is the department aware of the "pay to play" issue which has been the subject of an ABA task force?

The Attorney General is aware of the issue, but has not participated in the debate before the American Bar Association.

12. Does the department perform any functions which would not be considered the rendering of legal services to the state – that is, are there any functions which could be viewed as "general government" services?

As with all state agencies, and indeed, all large law firms, the department has an administrative unit to handle payroll, personnel, payment of bills, procurement, budgeting, and the other administrative tasks needed to keep the department functioning.

Mr. Mark Johnson

August 31, 1999

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In addition, AS 45.68 requires a charitable organization, with certain exceptions, to register with the Department of Law before it can solicit contributions in Alaska. The Consumer Protection unit handles the registrations. Maintenance of this registry could arguably be considered a "general government" function.

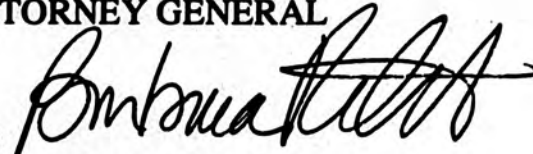
Joan Kasson has relayed Ms. Rollins' request for additional information on the department's staff locations and functions. We will be providing that information under separate cover prior to the September 9 meeting.

If you, or members of the subcommittee, have additional or follow-up questions prior to the September 9 meeting, please let Joan or me know.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:



Barbara J. Ritchie
Deputy Attorney General

Enclosures

cc: The Honorable John Cowdery
Betty Rollins
Bill Satterberg
Richard McVeigh
Scott Brandt-Erichsen
William Oberly
Bruce Weyhrauch
Blake Call

**LEGAL SERVICES CONTRACTUAL EXPENDITURES
FY94 - FY99**

	# CONTRACTS					FY94-99
SUBJECT	CLOSED		ACTIVE		TOTAL	AMT PAID
	Single Matter	Multi- Matter	Single Matter	Multi- Matter		
Administrative Law (federal)	2	1	0	2	5	\$587,304
Bankruptcy	5	0	2	0	7	\$143,765
Bond/Investment Counsel	1	8	0	10	19	\$9,206,446
Canadian/Admiralty	1	0	0	0	1	\$184,221
Child Protection	0	1	0	0	1	\$4,837
Civil Rights	3	0	0	0	3	\$185,727
Collections	8	0	2	0	10	\$23,493
Commercial	4	1	3	0	8	\$139,229
Constitutional	3	0	1	0	4	\$152,758
Construction Claims	4	2	2	0	8	\$890,626
Consumer Protection/Antitrust	5	0	1	0	6	\$57,990
Criminal Prosecution	3	0	0	0	3	\$185,625
Employment	6	2	3	0	11	\$828,011
Environmental	3	1	3	0	7	\$2,593,945
Investment Contract Litigation	4	0	0	0	4	\$1,352,535
Mental Health Lands	3	0	0	0	3	\$2,251,963
Natural Resources	2	0	0	0	2	\$15,083
Oil & Gas Litigation	6	5	2	5	18	\$78,334,941
Other	2	0	0	0	2	\$40,000
Real Estate	3	2	1	2	8	\$356,458
Regulations	20	0	0	0	20	\$271,011
State's Rights	7	2	4	1	14	\$4,834,808
Technology/Patent	0	3	0	1	4	\$133,256
Tort Litigation	6	2	8	0	16	\$2,720,752
Workers' Comp.	4	0	2	0	6	\$74,790
TOTAL	105	30	34	21	190	\$105,569,574

MANAGING OUTSIDE COUNSEL CONTRACTS



**Department of Law
September 1998**

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The Big Picture

The **MOST IMPORTANT PART OF MANAGING OUTSIDE COUNSEL CONTRACTS IS YOUR ACTIVE INVOLVEMENT AS PROJECT MANAGER IN THE PLANNING AND DAY-TO-DAY MANAGEMENT OF A CASE.** In the case of on-going general counsel contracts, a good relationship with the client agency is imperative to ensure that as project manager you know in advance what services the contractor will be providing. As project manager, you must make the commitment to participation.

Fees are by far the largest expense associated with a legal services or expert witness contracts. Work should be agreed upon before it happens. It is difficult to tell a contractor he or she should not have performed certain work and then refuse to pay for the services in a bill received one or two months after the work is performed, unless that work was outside of the parameters you clearly established in advance.

The contractor, wishing to do the best job possible for their client, the state, has the incentive to turn over every legal "rock" as it were. The state, however, wishes to receive the best representation it can, at the least possible cost. Certain work may be nice, but not necessary. It is your job as project manager, to make these decisions in conjunction with the contractor, and the client agency, if necessary, before the work occurs.

To ensure cost effective representation on every matter referred to outside counsel, project attorneys should **READ AND KEEP A COPY OF THE CONTRACT.** This seems simple, but not everyone does. The contract terms clearly set out the state's expectations related to contract management and answer many questions concerning allowable costs. A copy of the department's standard agreement form is appended to this manual for illustrative purposes, but should not substitute for reading the agreement specific to your case as the terms may vary.

General Counsel Contracts - An Extra Step

Outside counsel is sometimes retained to advise the state on specialized matters outside the practical scope of the Department of Law. Investment counsel and bond counsel contracts are examples where specialized expertise located outside of Alaska may be necessary. These types of contracts require extra effort on the part of the project manager, because the work assignments are generally coming from the agency, yet the project manager is ultimately responsible for approving payment of the bills.

The project manager must work with the client agency to establish regular communications regarding the work assignments being given to the contractor. Ideally, the project manager will be working closely with the agency and the contractor on day-to-day legal activities. This is not always practicable, and a mutually agreed upon method of ensuring you, as project manager, are aware of the contractor's work assignments and performance must be formally established and maintained. In addition, but not instead, the client agency must review the contractor invoices concurrently with the project manager, to double check their reasonableness.

Because the Department of Law is ultimately responsible for the legal representation of most executive branch agencies, AS 36.30.015(d) and 2 AAC 12.040 prohibit those agencies from entering into contracts for the services of legal counsel without the prior written approval of the Attorney General. Except in those instances where an agency has been specifically delegated the authority to procure and manage the services of legal counsel, the Department of Law will most likely be the contracting agency and held responsible for the administration of any such agreements. If problems develop over contractor oversight, we are whom the auditors are going to come visit.

Planning Ahead

All contracts regardless of size should have some form of **BUDGET OR WORKPLAN ESTABLISHED AND REGULARLY UPDATED**. They may be incorporated directly into a contract, developed separately after the contract has been executed, perhaps on an annual basis for very large contracts, or, in the case of very small or simple contracts, be an informal understanding between the involved parties.

1. Identify key dates or milestones and develop budget according to the effort needed to reach each point. This is often easiest to do as a month-to-month projection covering one year, keeping in mind court deadlines and the work that is likely to be necessary to meet those deadlines. Questions to ask:

How many attorneys will be assigned at what billing rate, for both prime and co-counsel, if necessary?

What level of expert assistance will be necessary, and at what rates?

What kind of direct case costs might be incurred?

-
2. Establish the level of direct involvement and supervision by the department's attorneys and any other protocols necessary for the management of the case/project.
 3. Clearly establish that it is the contractor's responsibility to monitor his work efforts and to notify the state as early as possible when it becomes apparent that his costs and fees may exceed the budget amounts estimated above. Without such prior notification, the contractor may be required to bear the cost of any services beyond the authorized contract ceiling.

General Contract/Case Management

To ensure cost effective representation on every matter referred to outside counsel, the project attorney should:

1. clearly define the objectives to be achieved by contract counsel;
2. ensure that the contractor has a clear understanding of his role;
3. actively participate with the contractor in developing a case plan and budget;
4. impress upon the contractor the need to discuss and obtain the state's concurrence on any material changes in the case plan or budget;
5. ensure that the state is kept advised of any material developments as they occur; and
6. utilize state resources in order to reduce contract costs whenever possible (staff attorneys, paralegals, research, etc.).

Keep in mind that the state's overall objective is to seek the best possible resolution of legal matters at the lowest practicable cost. Consequently, outside counsel must avoid multiple representation at meetings or depositions, overstaffing, rotating lawyers knowledgeable about state matters and using state projects for purposes of training their personnel.

If it is apparent that multiple representation at a meeting would benefit the state or that staffing changes are necessary, these matters should be discussed in advance. Contractors should be expected to control their time carefully, avoid unnecessary polishing of their work, and to seek cost-effective solutions.

The time and effort devoted to legal research has become a costly element of legal representation. To avoid duplication of research efforts, to obtain benefits of previous research, and to ensure consistency with existing opinion, contractors should be instructed to discuss proposed major research efforts in advance with the project attorney and to check the Attorney General's brief bank/opinion index system for related legal opinions.

Monitoring Contract Performance - Status Reports and Billings

Formal written status reports may be requested on a periodic basis depending on the size and complexity of the contract and/or the degree of active involvement by department attorneys. In some cases the contract billings will be detailed enough to serve as status reports. Status reports should, at a minimum, compare the actual expenses to the previously prepared budget, and discuss any significant differences, so that the budget can be adjusted if necessary, to reflect unanticipated changes in the case.

With the utilization of computerized billing systems by most law firms, mathematical errors in invoices rarely, if ever, occur. As such, the project attorney should concentrate on reviewing billings for, among other things, substantive matters, reasonableness, cost consciousness, and compliance with the terms and conditions of the state's contract, including whether the work was within the scope, period of performance, and total amount of the contract. In reviewing invoices, the project attorney may want to ask the following questions:

1. Did the contractor utilize state resources in order to reduce contract costs whenever possible (staff attorneys, paralegals, research, etc.)?
2. Have we been given credit for the learning curve when the firm shifts attorneys for its own purposes rather than at the state's request?
3. Have there been multiple changes in the lawyers or paralegals working on or responsible for any one matter?
4. Is the case under control? Was there research done early in the case so as to establish a direction for the case?
5. Have we been billed for multiple office conferences?
6. Do the hours for any particular matter reflect the result?
7. Has there been excessive review by senior partners in the firm?
8. Has there been excessive time spent on certain pleadings?

-
9. Has the case been moving?
 10. Have the disbursements and expenses as agreed upon been properly billed? (See discussion on costs, below.)
 11. Do the cumulative fees accurately reflect the status of the case?
 12. Are the rates charged the same as agreed?
 13. Are there excessive reviews of the file, or reviews of pleadings previously reviewed?
 14. Are there excessive status reports or status reviews? Are they calling client agency personnel to provide same or vice versa?
 15. Are there continuances on our side because firm was not ready?
 16. Has there been consultation with in-house staff before embarking on a major research project on state issues?
 17. Are there more attorneys than necessary working on a file, performing research, etc.?
 18. Are there excessive inter-office conferences? (Perhaps a more senior attorney is needed.)
 19. Are they "papering to death" - always writing a letter when a phone call would do?

Allowable Costs

State contracts have limits on reimbursable costs which may be unfamiliar to new contractors in particular. Most limitations are clearly listed out in Appendix D of the contract.

For example, the state will not pay for First Class airfares unless pre-approved by the Attorney General. The contract establishes a maximum level for hotel and meal costs. Tips will not be reimbursed, nor will laundry costs, alcoholic beverages, videotape rentals, or other entertainment expenses. (As a general rule, the state does not pay for costs which would otherwise be considered normal living expenses.)

The contract also establishes maximum rates which may be charged for certain types of costs, (i.e., copies and faxes), but for most direct disbursements, simply limits reimbursement to the actual amount of the cost incurred (i.e., no administrative surcharge or other overhead recovery fee).

Care should be taken on what costs are billed, which perhaps should be included in the contractor's rates as overhead. For example, time spent preparing budgets and invoices for submission to the state should not be billed to the state, unless the preparation is so onerous that pre-approval is obtained. Secretarial overtime is also an overhead cost, unless required by the nature or timing of the assignments made under the contract, and not because of other client work or other firm priorities. Lease costs, insurance (including automobile rental insurance), furniture, equipment, and software are overhead costs, unless pre-approved by the Deputy Attorney General.

Unless specifically modified during negotiations, the department's standard legal services and expert witness contracts do not permit the state to pay for travel time.

As a general rule, receipts should be provided for expenses over \$250.00 at a minimum. Requests for reimbursement for costs should be individually itemized, and costs categories labeled "miscellaneous" should be discouraged.

Costs are a small expense compared to fees; however, they can add up.

Contract Amendments

Nearly all legal services contracts issued by the department contain provisions that allow the contract to be amended under certain circumstances. 2 AAC 12.040 recognizes the rather unique character of legal services agreements and provides for the inclusion of language allowing for the adjustment of price, time of performance, and total dollar amount. In addition, 2 AAC 12.485 assigns the Attorney General authority to approve amendments that exceed the state's \$50,000 small purchase threshold. When a contract amendment is required, project managers shall work directly with the department's administrative services division to execute the amendment and, as necessary, the client agency to ensure sufficient additional funds are made available. Any amendment resulting in a significant change in the scope of a legal services contract, must be approved in advance by the Attorney General.

Role of Administrative Services Division

The role of the department's administrative services division is primarily two-fold. First, the department's contracting officer is responsible for assisting the project manager in procuring the services required in accordance with the State Procurement Code and department policy. He may undertake the solicitation on behalf of the department, prepare all contract documents (including any subsequent amendments), obtain the necessary signatures from all of the parties, and, if necessary, assist in securing RSA funding from the client agency.

Second, the department's fiscal section is responsible for processing all invoices submitted for payment and obtaining reimbursement from our client agencies as may be required. Unless an invoice is in dispute, AS 37.05.285 requires that payment must be made within thirty-days of receipt of a proper billing. Consequently, it is critical that project managers review and submit invoices as quickly as possible. As a rule, in order to stay within the thirty-day requirement fiscal section personnel will pay the oldest bills first when processing contractor payments. Fiscal will review the bill to determine whether it has been duly authorized for payment, if all necessary backup information and receipts are included, whether it falls within the contract's period of performance, and whether there are sufficient funds encumbered to pay for the services. Periodic spot checks will also occur to check for mathematical accuracy.

Frequently, delays in payment may occur as a result of the RSA process. In such instances, project managers may be asked to prompt client agencies to expedite the authorization of RSA's that are required to pay for services for which the department has already been billed.

Managing within a Fiscal Year

In most cases, you as project manager will need to be concerned about managing a contract and an appropriation at the same time. In certain instances, the legislature will make a separate appropriation for specific litigation. Large, complex cases may have a special appropriation to make it easier for the legislature and the governor to monitor them. Oil and gas litigation is an obvious example, as was the *Exxon Valdez* oil spill litigation. Other cases, not anticipated during budget development, may receive a special appropriation. The *Venetie* case required such an appropriation. In many cases, outside counsel and expert contracts are funded by a reimbursable services agreement (RSA) with another agency. These are like separate appropriations because the funds cannot be used for any other purpose than stated in the RSA.

When managing outside counsel on a case within the confines of a special appropriation or an RSA, the project manager must not only be concerned with costs remaining within the amount of the appropriation, but also on timing. All

appropriations have a lapse date, when any unexpended amount lapses back to the state treasury. **FUNDS CANNOT CARRY OVER PAST THE LAPSE DATE OF THE APPROPRIATION.** Most appropriations have a term of one fiscal year. Sometimes the legislature will add an "extended lapse date" to a special appropriation so it can carry over more than one fiscal year, perhaps two. (The State of Alaska fiscal year runs from July 1 to June 30.)

When requesting a special appropriation for an unanticipated, large case like *Venetie*, the department will request an extended lapse date when it is clear the case will not be completed before June 30 of that year. However, for large annual appropriations like Oil and Gas Litigation, the legislature does not normally provide an extended lapse date. This can be problematical, because cases do not necessarily neatly end by June 30, nor stick to the schedule that a budget was built on 18 months before. (For a fiscal year beginning July 1, the budget bill is introduced in the legislature in January.)

With RSAs, the agency providing the funds to Law encumbers the agreed upon amount in the accounting system so they cannot be used for another purpose.

Careful monitoring of expenditures becomes increasingly important under these circumstances. The legislature is the only body with the power to appropriate funds. They usually meet from mid-January to mid-May. If case expenditures are projected to be more than the amount of the appropriation, a decision must be made, preferably early in the legislative session, whether to seek a supplemental appropriation from the legislature, or to rein in expenditures to remain within the appropriation. On the other hand, if it looks like the case will not cost as much as budgeted, perhaps because delays are moving costs into the next fiscal year, the governor and the legislature need to know that as well. This is so that extra money can be released and reappropriated for some other purpose, and the budget request for the next year adjusted to reflect the delay.

The same applies to RSAs, with a slightly different twist. The funding agency has its own appropriation that is paying for the legal services contract. If costs are running above the RSA amount, that agency must agree to the increase and find the funds to pay for the increase either from existing appropriations or through a supplemental appropriation. If costs will be significantly under budget, they need to know about that too in a timely manner so they can use those funds for another purpose, and be aware that additional funds will be necessary in the next fiscal year. If they are not notified, the unused part of the RSA will lapse, and the agency may be startled to find out they are being asked to pay for the same legal services a second time.

Once the legislature is out of session in mid-May, this careful monitoring must continue. Outside counsel bills usually come in a month or more after the work is performed. If you are surprised by a larger than expected bill that blows your

budget, and exceeds your appropriation or RSA level, the funds will need to come from somewhere else in the department. If there are no excess funds elsewhere, the department will be before the legislature during the next session to explain why. This type of mismanagement can have painful consequences.

Disciplining Outside Counsel

If a problem becomes apparent, discuss it with the contractor attorney doing the work; if that does not bring about the desired result, review the matter in specific detail with your immediate supervisor, who should in turn discuss the problem with the responsible partner within the firm.

1. Remember that at one time we thought this was a good firm.
2. Have a meeting, detail the problems you have had or are having, but be willing to listen to the problems the firm may be having with the state.

If this fails, alert the Deputy Attorney General or the Attorney General to the problem in order to discuss available remedies.

STANDARD AGREEMENT FORM

1. Agency Contract Number	2. ASPS Number	3. Financial Coding	4. Agency Assigned Encumbrance Number
5. Vendor Number		6. Alaska Business License Number	
This contract is between the State of Alaska,			
7. Department of		Division	
		hereafter the State, and	
8. Contractor		hereafter the Contractor	
Mailing Address	Street or P.O. Box	City	State ZIP+4
9. ARTICLE 1. Appendices: Appendices referred to in this contract and attached to it are considered part of it. ARTICLE 2. Performance of Service: 2.1 Appendix A (General Provisions), Articles 1 through 14, governs the performance of services under this contract. 2.2 Appendix B sets forth the liability and insurance provisions of this contract. 2.3 Appendix C sets forth the services to be performed by the contractor. ARTICLE 3. Period of Performance: The period of performance for this contract begins _____, and ends _____. ARTICLE 4. Considerations: 4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$ _____ in accordance with the provisions of Appendix D. 4.2 When billing the State, the contractor shall refer to the Authority Number or the Agency Contract Number and send the billing to:			
10. Department of		Attention: Division of	
Mailing Address		Attention:	
11. CONTRACTOR Name of Firm Signature of Authorized Representative Typed or Printed Name of Authorized Representative Title Employer ID No. (EIN) or SSN		13. CERTIFICATION: I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alterations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the variety, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.	
12. CONTRACTING AGENCY Department/Division Signature of Project Director Typed or Printed Name of Project Director Title		Signature of Head of Contracting Agency or Designee Typed or Printed Name Title	

GENERAL PROVISIONS

APPENDIX A

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspection and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

- 3.1 Any dispute concerning a question of fact arising under this contract which is not disposed of by mutual agreement shall be decided in accordance with AS 36.30.620-632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, physical handicap, age, sex, marital status, changes in marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of the contract.

Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. The State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Article 10. Ownership of Documents.

All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

Article 11. Governing Law.

This contract is governed by the laws of the State of Alaska. All actions concerning this contract shall be brought in the Superior Court of the State of Alaska.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the department of Law the General Provisions of this contract supersede any provisions in other appendices.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, contingent fee, or brokerage except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State

may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.

SAF2.DOC

APPENDIX B²
INDEMNITY AND INSURANCE

Article 1. Indemnification

The Contractor shall indemnify, hold harmless and defend the contracting agency from and against any claim of liability for error, omission, or negligent act of the Contractor under this agreement. The Contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the Contractor and the independent negligence of the contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "contracting agency," as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the contracting agency's selection, administration, monitoring, or controlling of the Contractor and in approving or accepting the Contractor's work.

Article 2. Insurance

Without limiting contractor's indemnification, it is agreed that Contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the Contractor's policy contains higher limits, the state shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Contracting Officer prior to beginning work and must provide for a 30-day prior notice of cancellation, nonrenewal or material change of conditions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the Contractor's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

2.1. Workers' Compensation Insurance: The contractor shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045, and; where applicable, any other statutory obligations including but not limited to Federal U.S.L.&H. and Jones Acts requirements. The policy must waive subrogation against the State.

2.2. Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

2.3. Commercial Automobile Liability Insurance: covering all vehicles used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per occurrence.

2.4. Professional Liability Insurance: covering all errors, omissions or negligent acts in the performance of professional services under this agreement. Limits required per the following schedule:

Contract Amount	Minimum Required Limits
Under \$100,000	\$300,000 per Occurrence/Annual Aggregate
\$100,000-\$499,999	\$500,000 per Occurrence/Annual Aggregate
\$500,000-\$999,999	\$1,000,000 per Occurrence/Annual Aggregate
\$1,000,000 or over	Refer to Risk Management

APPENDIX C

Article 1. The services to be performed by the Contractor.

Article 1.1. At the specific direction of the Attorney General's Office, the Contractor ([INSERT FIRM NAME]) shall provide legal services to the State of Alaska in connection with the matter, [INSERT CASE NAME]. It is agreed between the parties that the State shall determine the scope of the services to be rendered by the Contractor and that the State has the option to and may perform all or part of the work involved in each matter assigned under this contract. It is further agreed that the State may require a separate contract on any matter which, in its judgment, may be sufficiently complicated or prolonged to justify a separate contract.

Article 2. Contract Management

Article 2.1 The designated contact person and lead attorney for the Contractor will be [INSERT NAME]. The Contractor's services under this contract shall be directed and managed from the Contractor's [INSERT CITY] office. In addition to [INSERT LEAD ATTORNEY], [INSERT OTHER KEY PERSONNEL] shall also provide attorney services under this agreement. The Contractor may assign other attorneys or paralegals to provide services under the contract after providing notice to, and obtaining approval from, the Project Director. All attorneys assigned to provide services under this Contract shall work under the direction and management of the lead attorney listed above.

Article 2.2 The Contractor will maintain the involvement of the individuals identified in Article 2.1 above in advising and representing the State in this matter. In the event of an unforeseeable circumstance that requires substitution for any of those individuals, the Contractor shall notify the State in writing of the proposed substitution. The State reserves the right to accept or reject a proposed substitute.

Article 2.3 In addition to providing notification of proposed substitution for the key individuals listed in Article 2.1, the Contractor is also required to notify the State where substitution of other attorney staff is made. Before substitution of any individual is effected, the State must approve the extent to which transitional time will be billed.

Article 2.4 Within the time period established by the Project Director, the Contractor shall develop an estimate of the time and costs necessary to litigate the matter assigned under this contract.

Article 2.5 The Contractor shall prepare and maintain a workplan and budget approved by the Project Director to accomplish the tasks necessary to defend the State's position in the assigned matter. The proposed workplan and budget shall be prepared by the Contractor within the time period established by the Project Director and shall include:

- a. a summary of the case;
- b. a discussion of the major strategy options including benefits, risks and the potential costs associated with each;
- c. a proposed/recommended strategy;
- d. a list of major tasks to accomplish within the next 12 months to support the recommended approach and strategies;
- e. identification of critical dates and proposed monthly schedule for completion of each task including responsibilities and estimated time and cost to complete; and
- f. a description of staffing roles and responsibilities.

The Project Director will review the proposed workplan and budget, specify any necessary changes, and approve the final plan. During the period of this agreement the Contractor shall continually update the workplan and budget to reflect changes in strategy, timing, cost, etc. and submit all proposed revisions to the Project Director for approval.

Article 2.6 The Contractor agrees to participate in periodic status meetings with the Project Director and others the Project Director shall designate, and to prepare and present at the meeting a summary of the status of the tasks for which the Contractor is responsible.

Article 2.7 BEFORE A COST OVERRUN IS INCURRED, THE CONTRACTOR AGREES TO ALERT THE PROJECT DIRECTOR AS SOON AS IT APPEARS THAT TOTAL EXPENDITURES UNDER THE CONTRACT MAY EXCEED THE CONTRACT CEILING ESTABLISHED UNDER APPENDIX D, ARTICLE 1.3. IN THE EVENT THE CONTRACTOR FAILS TO NOTIFY THE PROJECT DIRECTOR PRIOR TO INCURRING A COST OVERRUN, THE CONTRACTOR SHALL ASSUME LIABILITY FOR ANY EXCESS COSTS AND FEES INCURRED UP UNTIL THE TIME AT WHICH THE CONTRACTOR NOTIFIES THE PROJECT DIRECTOR OF THE OVERRUN.

Article 2.8 For those issues in which the parties determine that professional/expert witness services are needed by subcontract, the State shall set criteria for the Contractor to apply in selecting such experts. The State reserves the right to approve or reject the selection of all expert witnesses, to select the expert witnesses, and to participate in any subcontract negotiations with the Contractor. Generally, the State will require the Contractor to impose upon expert witnesses terms and conditions identical to those contained in this agreement, including the preparation and maintenance of a detailed workplan and budget, clearly establishing liability for cost overruns, and compliance with the billing policies and procedures contained in Appendix D. The Contractor agrees to direct and monitor expert witness performance and to assume responsibility for payment of expert witness invoices and the resolution of any fee disputes. For its part, the State agrees to reimburse the Contractor for all expert witness costs and fees that fall within the scope of an approved workplan and budget or are otherwise allowable under the terms and conditions of an approved expert witness subcontract or letter of agreement.

Article 2.9 At any point during the period of this agreement that the Contractor becomes aware of a potential conflict of representation and wishes to obtain a waiver from the State, the Contractor shall submit a written request to the Deputy Attorney General, with a copy to the Project Director, that contains the following information:

- a. Full disclosure of the scope of the matter the firm and designated lawyers desire to perform for the named entity or individual, and
- b. Statement of the reason why the conflict would not be so substantial as to be deemed likely to interfere with the lawyer's exercise of independent professional judgment or affect the integrity of services which the State expects and the firm and designated lawyers have contracted to perform for the State.

Article 2.10 Copies of any significant briefs prepared by the Contractor shall be sent to the department's Legal Administrator for review and possible inclusion in the state's automated brief bank indexing system. In addition, upon conclusion of this agreement, unless other storage/retention agreements are approved by the Deputy Attorney General, all case files including discovery, other evidentiary materials, and any automated litigation support data shall be forwarded to the department.

Article 2.11 As the demands of the case may dictate, the period of performance, scope and amount of this agreement may be amended in writing at the discretion of the State. In addition, the parties to this agreement acknowledge that work may begin on the date shown in Article 3. ("Period of Performance") and that the foregoing date may precede the date of execution of this agreement because immediate performance is required to serve the best interest of the state.

Article 3. General Litigation Policies

Article 3.1 The Contractor shall represent the State in a manner that is consistent with the State's philosophy of pursuing litigation in an aggressive and forthright manner while maintaining the overall objective of resolving litigation in the most expeditious and cost-effective manner.

The Contractor shall avoid taking extreme advocacy positions that are not likely to have a substantive impact on the litigation. Coercive, delaying or obstructive tactics are also to be avoided. In addition, the State discourages engaging in motion practice unless there is some clear, strategic advantage to be gained. Where appropriate, however, motions for judgment on the pleadings or for summary judgment pursuant to applicable rules should be employed to resolve or refine as many issues in dispute as possible.

Lengthy interrogatories or requests for extensive document production solely for the purpose of burdening another party are to be avoided. It is generally recognized that costly delays frequently result from abuses of the discovery process. The Contractor, in consultation with the Project Director, should consider available remedies when another party appears to be abusing the discovery process.

Article 3.2 The Contractor shall identify and consider early in the proceedings, and at each stage thereafter, the settlement possibilities of the dispute in order to achieve the greatest degree of cost-effectiveness. The Contractor should promptly report any and all settlement overtures received to the Project Director to permit his or her involvement in planning and negotiations.

Article 3.3 The Department of Law, Civil Division does not normally have the authority or responsibility for instituting, conducting or disposing of criminal proceedings. The department's policy is that the settlement of civil litigation may not, expressly or by implication, extend to the disposition of any criminal charges or recommendations with respect to such charges. In undertaking any settlement negotiations the Contractor shall not agree either to not disclose or not refer to law enforcement authorities any information relating to a possible criminal violation or investigation.

Article 3.4 The Contractor should be alert to and apprise the State of any opportunities for utilizing non-judicial dispute resolution approaches. Generally speaking, the State does not favor the use of arbitration or other forms of binding alternative dispute resolution; however, certain non-binding approaches, such as mediation or mini-trials, may result in a faster, less expensive resolution of disputes.

Article 3.5 In the event of any adverse ruling, the Contractor must notify the Project Director promptly in order that a decision may be made regarding possible appeals. No appeal may be taken without the prior approval of the Project Director, but the Contractor should protect the state's appeal rights pending a decision to appeal.

Article 3.6 The Project Director or the Attorney General's Office shall be the primary points of contact for all substantive dealings with the media. In the event the Contractor is contacted by media representatives concerning this or other cases being handled on behalf of the state, the Contractor should decline any comment beyond confirming factual matters that are already a matter of public record and refer the individuals to the Project Director.

Article 3.7 Prior to approaching employees of other government agencies for any purpose, including scheduling depositions or requesting documents, the Contractor shall notify the Project Director. In the event that such a contact or request for information is deemed to be of a sensitive nature, it may be coordinated directly by the Project Director.

APPENDIX D

Article 1. Consideration

Article 1.1 In full consideration of the Contractor's performance under this contract, the State shall pay the Contractor **[INSERT HOURLY RATES FOR EACH INDIVIDUAL]**. Additionally, the State shall pay the Contractor for the services of other attorneys or paralegals who may be utilized in providing services under this agreement as long as the use of those individuals and their hourly rates are approved in advance by the State's project director.

Article 1.2 The State agrees to reimburse the Contractor for actual out-of-pocket expenses incurred while providing such services. Such reimbursement shall be limited as follows:

<u>Service or Expense</u>	<u>Charge/Rate</u>
Reproduction	\$0.10 per page
Computerized Legal Research (such as Lexis/Nexis, Westlaw/Dialog)	At cost as invoiced
Courier Services	
Automobile Messenger Deliveries	At cost as invoiced
Overnight Deliveries (such as UPS, Federal Express, Express Mail, DHL)	At cost as invoiced
Postage	At cost
Telephone	At cost as invoiced
Telecopier	\$0.75 (local), \$1.50 (domestic), \$2.25 (international) per page to send
Travel and Lodging	
Hotel Accommodations	Not to exceed \$150/night
Air Fare	Not to exceed coach fares
Cab Fare	At cost as invoiced
Meals	Not to exceed \$42.00/day
Litigation Process Disbursements (i.e., filing fees, subpoenas, depositions)	At cost as invoiced

Reimbursement for any of the above shall be limited to actual costs. No reimbursement shall be made for any administrative, surcharge, or other overhead recovery fee. Reimbursement shall not be made for the purchase or lease of office space, furnishings, equipment, or software unless approved in advance by the Deputy Attorney General. Upon conclusion of this agreement, unless other arrangements are approved by the Deputy Attorney General, the ownership of any furnishings, equipment, or software purchased under this contract shall revert back to the State and those items returned to the Department of Law.

Reimbursement for secretarial overtime or other temporary administrative or clerical assistance may be authorized but only if required by the nature or timing of assignments made under this contract (e.g. large projects or court imposed deadlines) and not because of other client work or firm priorities.

Unless otherwise approved by the Project Director, reimbursement for airline travel costs under this contract shall be limited to coach class fares. Contractor will not bill the State for time in travel status, except for that time during which the individual has performed work on the State's matter while in travel status; in that situation the Contractor shall adhere to billing rates provided in Article 1.2 of this appendix.

Reimbursement of hotel costs shall be limited to a maximum of \$150.00 per night unless otherwise approved by the Project Director. The Contractor shall, when possible, utilize moderately priced hotels comparable to those used by Department of Law employees. Reimbursement for meals shall be limited to either a total of \$42.00 per day or partial reimbursement for individual meals not to exceed \$9.00 for breakfast, \$11.00 for lunch, or \$22.00 for dinner. No reimbursement shall be made for alcoholic beverages, entertainment, gratuities, or what might otherwise be considered normal living expenses.

Article 1.3 Unless amended in writing, the total sum expended under this contract shall not exceed **\$(INSERT CONTRACT AMOUNT)**, including out-of-pocket expenses.

Article 2. Billing Procedures

Article 2.1 The Contractor agrees to bill the State on at least a monthly basis and to bill the State within thirty days of the end of the monthly billing period.

Article 2.2 The Contractor's billing statements shall be itemized to show the time spent, a task description and the dates that the tasks were performed by the name and hourly rate of the individual performing the work. Billing statements shall also include an itemization of all costs and copies of invoices for travel and other significant out-of-pocket expenses.

Article 2.3 As applicable, monthly submission of bills shall include a contractor billing summary that shows the original estimated cost of completion as well as the monthly and cumulative total of fees and expenses incurred for each major task identified in the Contractor's workplan. The billing summary shall also provide an explanation for any variances from amounts budgeted for each task (ref. Appendix C, Article 2.6). The State reserves the right to withhold payment of fees and expenses pending satisfactory explanation and authorization to exceed original cost estimates or an approved task budget. As a standard cost control practice, the State may conduct an audit of time and cost records of the Contractor, its employees and expert witness subcontractors. Any such audit may be conducted at the Contractor's offices or a place mutually agreed to by the Contractor and the Project Director.

Article 2.4 Billing rates are capped for one year from date of execution of this Contract. If after one year the Contractor wishes to seek an adjustment of its billing rates, the Contractor shall:

- a. notify the Project Director in writing sixty (60) days before activating any increase in billing rates;
- b. specify the impact the rate adjustment would have on the existing workplan and budget; and
- c. limit the change in any individual billing rate to an amount that does not exceed the percentage increase in the Consumer Price Index (CPI) for the locale from which the services are being rendered, or obtain the approval of the Deputy Attorney General for any increase above the CPI.

If billing rates are increased under this article, the new rates are capped for one year following the date of the increase.

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

TONY KNOWLES, GOVERNOR

P.O. BOX 110300
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-3600
FAX: (907) 465-2075

September 8, 1999

Mr. Mark K. Johnson
Attorney at Law
13631 Windward Circle
Anchorage, AK 99516

Dear Mr. Johnson:

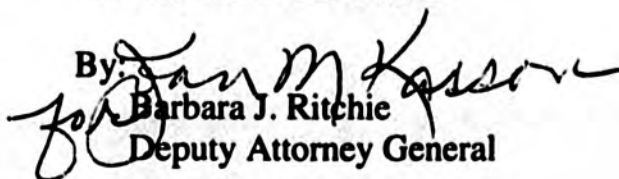
In response to Ms. Rollins' request for additional information on the department's staff locations and functions, enclosed are copies of position descriptions and budget documents. The budget documents are copied from the detail budget book describing the FY00 Governor's Request for the Department of Law as submitted to the legislature last January. They are the summary documents describing the functions of the offices within each division, and include organizational charts indicating where all the department's budgeted positions are located.

We will be following up with case statistics as soon as they can be generated.

Sincerely,

BRUCE M. BOTELHO
ATTORNEY GENERAL

By:


Barbara J. Ritchie
Deputy Attorney General

Enclosure

cc: All members
Subcommittee on the Department of Law
Commission on Privatization and Delivery of
Government Services

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 10/27/97 at 09:59 AM

Category: Professional

Class Title: Attorney II

Class Code: P7143

Class Range: 19

Original Date:
05/07/71

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:

Last Update:

12/01/83

**Last Update
Comments:**

(Def., DC, Example
of Duties, KSA's,
MQs)

Definition:

Attorney II positions serve as Assistant Attorneys General, Assistant District Attorneys, Assistant Public Defenders, or in any other agency, board, or commission when authorized by the Attorney General. They conduct the agency's routine legal work under general supervision, and learn to assist in the more difficult cases.

Distinguishing Characteristics:

This is the initial level of professional law practice following admission to the Alaska State Bar. Attorneys II are assigned to complete routine noncomplex cases or legal problems independently. In such cases/problems, the legal questions or facts are relatively easily resolved in light of well-established or easily determined facts and clearly applicable precedents. Legal sanctions or penalties pursued are relatively minor. Precedents of wider potential impact are rarely involved. Attorneys II also assist more experienced attorneys in more complex cases where considerable research and analysis are needed. Work at this level is typically subject to technical and substantive review. Training and experience are gained in a variety of the agency's work. This class may be used for subfilling positions classified at a higher level.

Examples of Duties:

Review legislative measures, statutes, regulations, rules and other legal actions, and case histories. Analyze and make recommendations concerning proposed laws and regulations. Assist with drafting to assure constitutionality and absence of conflict with other laws.

Evaluate precedents, legislative intent, and potential effect of recommendations. Prepare pleadings and verify propriety and completion of legal documentation for hearings, suites,

trials and other legal proceedings when area of responsibility includes some depth of research in a general area.

Act as defense attorney or prosecuting attorney in average types of misdemeanor trials. Assist in more difficult litigation such as complex regulatory crimes, felonies or appeals.

Knowledge, Skills and Abilities:

Knowledge of general legal principles and their applications, the powers, functions and duties of the Attorney General, District Attorneys or Public Defender; methods and tactics employed in the prosecution and defense of noncomplex legal actions in courts or before administrative agencies; methods and procedures involving judicial review of noncomplex "administrative decisions; methods and tactics, employed in noncomplex" appellate court work. (Specifics depend on agency assignment.)

Ability to prepare briefs, opinions and pleadings in noncomplex legal matters; carry out legal research; analyze legal documents and instruments for clarity and legal sufficiency; assemble, appraise and organize facts and logically, clearly, and concisely present noncomplex evidentiary matters and other materials in accepted oral and written legal forms; work effectively with attorneys, agency personnel and the public.

Minimum Qualifications:

Positions in this class are partially exempt, but the following minimum qualifications are recommended:

Admission to the Alaska State Bar.

(This class is partially exempt.)

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

This position is in the partially exempt service. Are you still interested in applying for this vacancy?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 10/27/97 at 10:02 AM

Category: Professional

Class Title: Attorney III

Class Code: P7144

Class Range: 22

Original Date:
05/01/71

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:

Last Update:

12/01/83

**Last Update
Comments:**

(Def., DC, Example
of Duties, KSA's,
MQs)

Definition:

Attorney III positions provide legal services of moderate difficulty as an Assistant Attorney General, Assistant District Attorney, Assistant Public Defender, or in any other agency, board, or commission when authorized by the Attorney General.

Distinguishing Characteristics:

This is the first experienced level of professional practice. Attorneys III do a variety of work independently where important precedents or policy matters are not involved. They are expected to determine all the technical (factual and procedural) needs of the cases or legal problems assigned. Completed work is typically reviewed for substantive findings and conclusions. Assigned cases or legal problems are often difficult due to lack of clear precedents, or applicable precedents are arguable due to factual complexity or different constructions that could be placed on the facts or laws or precedents involved. Assignments may require development of an extensive factual record.

Examples of Duties:

Draft informal opinions to interpret and apply legislation, regulations or other legal instruments. Assist in drafting formal opinions involving limited legal or policy issues or constitutional problems. Prepare, evaluate, interpret or recommend changes to a variety of legal documents. Perform comprehensive studies of legal questions where development of all background material is required. Perform legal investigations.

Advise and assist State agencies in conducting hearings and conferences and in preparing findings of fact, conclusions of law and decisions. May be designated to serve as counsel to a specialized State agency.

Serve as defense attorney or prosecuting attorney in all types of misdemeanor trials or class B or C felony trials. Conduct sentence appeals, misdemeanor merit appeals, or less complex felony merit appeals.

May be assigned cases in rural areas.

Knowledge, Skills and Abilities:

Knowledge of general legal principles and their application; the State statutes and their judicial interpretation and precedents; the powers, functions and duties of the Attorney General, District Attorneys or Public Defender; methods and tactics employed in the prosecution and defense of legal actions in courts or before administrative agencies; methods and procedures involving judicial review of administrative decisions; methods and tactics employed in appellate court work. (Depends on agency assignment.)

Ability to prepare briefs, opinions and pleadings; carry out legal research; analyze legal documents and instruments for clarity and legal sufficiency; assemble, appraise and organize facts and to logically, clearly and concisely present evidence and other materials in accepted oral and written legal forms; work effectively with attorneys, agency personnel and the public.

Minimum Qualifications:

Positions in this class are partially exempt, but the following minimum qualifications are recommended:

Admission to the Alaska State Bar and at least two years of legal experience.

(This class is partially exempt.)

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

This position is in the partially exempt service. Are you still interested in applying for this vacancy?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 10/27/97 at 10:04 AM

Category: Professional

Class Title: Attorney IV

Class Code: P7145

Class Range: 24

Original Date:

05/01/71

Original Comments:

ORIGINAL

Subsequent Revision Dates/Comments:

Last Update:

12/01/83

Last Update

Comments:

(Def., DC, Example
of Duties, KSA's,
MQs)

Definition:

Attorney IV positions render legal services of a difficult nature in a variety of fields of law in an office of the Attorney General (including Chief Prosecutor, Special Prosecutions and Appeals, and District Attorneys), the Public Defender, or in any other agency, board or commission when authorized by the Attorney General.

Distinguishing Characteristics:

This is the typical full working level class. Broad knowledge of legal precedents and trends is required for application to the cases assigned. Attorneys IV provide a variety of legal services and work independently in most cases, and also may assist more senior attorneys with portions of the most complex and exceptional cases of great significance. Attorneys at this level are expected to exercise their own judgment on supervision needed and otherwise to provide complete analysis and response to the problem, subject to review for important policy or precedent effect. Assigned cases or legal problems often involve difficult legal issues (e.g., several and conflicting issues, precedents are lacking or highly arguable) difficult policy issues, or significant potential ramifications. Assignments may also require supervising other attorneys in specific legal matters.

Examples of Duties:

Provide legal advice and prepare formal opinions, legislation, regulations, rules, contracts and a variety of other documents, and present cases that may involve highly technical as well as legal procedural complexity and may have the effect of substantially broadening or restricting activities of an agency or major public or private interests. Negotiate settlements of average difficulty.

Serve as counsel to specialized state agencies. Present analysis, conclusions and advice to agency executives. Explain and defend content of legislation, regulations, etc., before boards, commissions, industry representatives, legislators, concerned public or other groups, where issues or proposed actions may be controversial.

Act as defense attorney or prosecuting attorney for all types of felony cases. Conduct felony appeals. Negotiate settlements or changes of plea. Screen cases to determine appropriate action or assignment in the agency. Routinely represent the agency and present cases in rural areas.

Periodically supervise other attorneys in matters involving particular legal experience.

Knowledge, Skills and Abilities:

Considerable knowledge of general legal principles and their application with particular reference to the activities and authority of governmental agencies; the state statutes and their judicial interpretation and precedents; the powers, functions and duties of the Attorney General, District Attorneys or Public Defenders; methods and tactics employed in the prosecution and defense of legal actions in courts or before administrative agencies; methods and procedures involving judicial review of administrative decisions; methods and tactics employed in appellate court work. (Depends on agency assignment.)

Ability to analyze highly complex legal documents for clarity and legal sufficiency; assemble, appraise and organize facts and to logically, clearly and concisely present evidence and other matters in accepted oral and written legal forms; work effectively with attorneys, agency officers and executives, and the public.

Demonstrated skill in the preparation of briefs, opinions and pleadings, and in carrying out legal research of a difficult nature.

Minimum Qualifications:

Positions in this class are partially exempt, but the following minimum qualifications are recommended:

Admission to the Alaska State Bar and at least four years of legal practice.

(This class is partially exempt.)

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

This position is in the partially exempt service. Are you still interested in applying for this vacancy?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 10/27/97 at 09:57 AM

Category: Professional

Class Title: Attorney I

Class Code: P7142

Class Range: 16

Original Date:
05/01/71

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:

Last Update:

12/01/83

**Last Update
Comments:**
(Def., DC, Example
of Duties, MQs)

Definition:

Attorney I positions conduct legal research, fact-finding studies, and litigation proceedings under close supervision of experienced attorneys in an office of the Attorney General (including Chief Prosecutor, Special Prosecution and Appeals, and District Attorneys), the Public Defender, or in any other agency, board, or commission when authorized by the Attorney General.

Distinguishing Characteristics:

This is the entry level to professional legal practice. Attorneys I perform legal research/assistance and court proceedings consistent with Alaska Bar Rule 44 (persons are trained in law but are not bar members). Assignments are made to assist other attorneys, to carry out routine matters, and to become familiar with the agency's legal practice. Immediate supervision may be relaxed as experience is gained; however, all work is subject to close review while in progress or on completion. This is an in-training class that may be used for subfilling positions which are classified at a higher level.

Examples of Duties:

Conduct legal and factual research related to litigation, legal questions or problems, statutes, regulations, or other matters of the agency's responsibility. Analyze information and develop findings and recommendations.

Assist in preparing briefs, motions, cases, legal advice, opinions, legislation and regulations. Participate in arraignments, pleas, bail hearings, sentencing and in-chambers conferences. Write pleadings and trial memorandums. Prepare witnesses for testimony.

Knowledge, Skills and Abilities:

Knowledge of general legal principles and practices, administrative and constitutional law, legal procedures, methods of legal research, and rules of evidence.

Ability to gather facts, weigh variables, analyze and make recommendations on legal questions; prepare concise written reports on facts and applicable laws and precedents; establish and maintain cooperative relationships with those contacted in the work.

Minimum Qualifications:

Positions in this class are partially exempt, but the following minimum qualifications are recommended:

Graduation from an approved school of law.

(This class is partially exempt.)

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

This position is in the partially exempt service. Are you still interested in applying for this vacancy?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 10/27/97 at 10:06 AM

Category: Professional

Class Title: Attorney V

Class Code: P7146

Class Range: 25

Original Date:
05/01/71

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:
Rev: 4/1/75

Last Update:

12/01/83

**Last Update
Comments:**

(Def., DC, Example
of Duties, KSA's,
MQs)

Definition:

Attorney V positions perform and supervise a variety of complex and specialized legal work in an office of the Attorney General (including Chief Prosecutor, Special Prosecutions and Appeals, and District Attorneys), the Public Defender, or in any other agency, board or commission when authorized by the Attorney General.

Distinguishing Characteristics:

This is the "expert" or supervisory class. They serve as section chiefs, as District Attorneys or Assistant Public Defenders for moderately active geographic areas, as assistant chiefs in large metropolitan offices, or as experts in highly technical and specialized areas of law. Attorneys V who do not have a regularly assigned subordinate staff also frequently direct the work of other attorneys, e.g., contract attorneys or other agency staff who assist on difficult cases. Assignments performed at this level are often large and either time-consuming or need immediate response, and, therefore, the Attorney V leads a team effort.

Attorneys V work independently except in extraordinary cases. They work almost exclusively on the most difficult cases, for example, where a high order of original and creative legal endeavor is required to obtain a reasonable balance of conflicting interests. Complex factual or policy issues require extensive research, analysis, obtaining and evaluating expert testimony or information in controversial or highly technical areas (scientific, financial, corporate, etc.). Cases typically have substantial impact on large-scale and important activities of state agencies or public or private parties, and cases are often contested by extremely capable legal talent.

Examples of Duties:

Act as legal expert and perform legal services related to one or more specialized fields of law.

Determine how a variety of legal problems will be dealt with (e.g., formal or informal opinion, litigation, negotiated settlement, etc.) and direct the response.

Draft formal opinions, legislation, regulations and other legal instruments involving complex legal and technical issues.

Responsible for development and presentation of cases in various state and federal courts. Present cases involving complex constitutional problems before the U.S. Supreme Court.

Conduct the most difficult civil litigation. Develop and argue serious Class A felony and unclassified criminal cases and appeals.

Obtain and evaluate expert testimony and information in highly specialized, technical and/or controversial areas.

Assign cases and supervise other attorneys. Advise on the selection of legal staff to perform work for the agency. Evaluate work of others.

Knowledge, Skills and Abilities:

Extensive knowledge of general legal principles and their application with particular reference to the activities and authority of governmental agencies, and of the powers, duties and functions of the Attorney General, District Attorneys or the Public Defender (depends on agency assignment).

Thorough knowledge of state statutes and their judicial interpretation and precedents with extensive knowledge in the specialized field of law; methods and tactics employed in the prosecution and defense of legal actions in courts and in conducting procedures before administrative agencies, both state and federal; methods and tactics employed in appellate court work, both state and federal.

Knowledge of principles of personnel supervision.

Ability to analyze the most complex legal documents and instruments for clarity and legal sufficiency; assemble, appraise and organize facts and to logically, clearly and concisely present evidence and other matters in accepted oral and written legal forms; train, supervise, plan, organize and evaluate the work of junior staff attorneys; work effectively with attorneys, agency heads, and the public; carry out legal assignments with minimal supervision.

Skill in the preparation of briefs, opinions and pleadings, and in carrying out legal research of a highly difficult nature.

Minimum Qualifications:

Positions in this class are partially exempt, but the following minimum qualifications are recommended:

Admission to the Alaska State Bar and at least five years of legal practice that includes substantial experience in a specialized area of practice. Supervisory experience is desirable.

(This class is partially exempt.)

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might

need in order to understand or answer questions about the minimum qualifications.
Special Note:

Minimum Qualification Questions:

This position is in the partially exempt service. Are you still interested in applying for this vacancy?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 10/27/97 at 10:09 AM

Category: Professional

Class Title: Attorney VI

Class Code: P7147

Class Range: 26

Original Date:
05/01/71

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:
5/16/74; 5/16/77;

Last Update:

12/01/83

**Last Update
Comments:**

Def., DC, Example of
Duties, KSA's, MQs

Definition:

Attorney VI positions supervise a large office or direct major statewide legal services in an office of the Attorney General (including Chief Prosecutor, Special Prosecutions and Appeals, District Attorneys), the Public Defender, or in any other agency, board or commission when authorized by the Attorney General.

Distinguishing Characteristics:

This is the managerial class of the Attorney series. Attorneys VI direct and coordinate a substantial area of the state's legal services provided by a large staff of attorneys. They supervise the biggest legal offices of the Attorney General or District Attorneys. At this level responsibilities are primarily managerial, for example, organizing the handling of legal services, managing the flow of cases, working with officials in other agencies, dealing with administrative and policy concerns. Caseload personally handled is generally limited to the most extraordinary problems.

Examples of Duties:

Direct a large District Attorney's office or office of the Attorney General. Organize and assign work to subordinate attorneys and supervisors. Review and authorize staff work.

Direct the response to be taken to a variety of problems presented to the office. Direct case screening. Supervise litigation activity. Supervise advisory service to state agencies.

Direct and coordinate all activities relevant to legislation and regulation drafting and review; determine constitutionality, workability and impact on existing statutes; prepare analysis of legislation passed by the Legislature for the Governor's use in evaluating legislation.

Direct and coordinate major statewide legal services; determine policies and priorities for the program area on a statewide basis.

Act as expert consultant and legal adviser. Advise officials on changes in legislation, regulations, policies and practices to protect agencies from litigation.

Present and defend opinions and positions on various legal issues, policies, and actions.

Develop cooperative working relationships with other officials who are involved in or affected by the office's activities.

Knowledge, Skills and Abilities:

Extensive knowledge of general legal principles and their application with particular reference to the activities and authority of governmental agencies, and of the powers, duties and functions of the Attorney General, District Attorneys or the Public Defender.

Thorough knowledge of state statutes and their judicial interpretation and precedents with extensive knowledge in the specialized field of law; methods and tactics employed in the prosecution and defense of legal actions in courts and in conducting procedures before administrative agencies, both state and federal; methods and tactics employed in appellate court work, both State and federal.

Knowledge of principles of personnel supervision and office management.

Ability to analyze the most complex legal documents and instruments for clarity and legal sufficiency; assemble, appraise and organize facts and to logically, clearly and concisely present evidence and other matters in accepted oral and written legal forms; train, supervise, plan, organize and evaluate the work of junior staff attorneys; work effectively with attorneys, agency heads, and the public; carry out legal assignments with minimal supervision.

Skill in the preparation of briefs, opinions and pleadings, and in carrying out legal research of a highly difficult nature.

Minimum Qualifications:

Positions in this class are partially exempt, but the following minimum qualifications are recommended:

Admission to the Alaska State Bar and at least six years of legal practice that includes substantial experience in one or more specialized areas of practice and supervisory experience.

(This class is partially exempt.)

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.
Special Note:

Minimum Qualification Questions:

This position is in the partially exempt service. Are you still interested in applying for this vacancy?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Adrienne Snow on 12/31/97 at 09:20 AM

Category: Technical

Class Title: Paralegal Assistant I

Class Code: P7105

Class Range: 13

Original Date:

11/16/77

Original Comments:

ORIGINAL

Subsequent Revision Dates/Comments:

5-16-78;

11-1-79 - Def., D.C., duties, K.S.A.

9-16-83 - D.C., MQs, duties.

Last Update:

04/01/84

Last Update

Comments:

MQs, PA II.

Definition:

Under supervision, this class series represents positions assigned to learn and perform research, investigation, reporting and drafting of legal documents specifically related to and done in support of litigatory efforts of attorneys or the quasi-judicial activities of administrative agencies.

Distinguishing Characteristics:

Paralegal Assistant I is the entry level class. Incumbents have little or no prior professional level experience, and undergo on-the-job training to learn and apply specific required research, investigation, reporting and legal drafting techniques. Incumbents work under the immediate leadership and guidance of attorneys or administrators of the employing agency. Under the flexible staffing agreement, promotion to Paralegal Assistant II occurs when the agency determines the incumbent is trained and capable of performing the variety and with the independence associated with the full working level.

This series is distinguished from the Associate Attorney series in that the latter includes those positions which are regularly engaged in complex research, investigative and reporting work in support of litigatory efforts of high level attorneys, and which require incumbents to possess and apply the knowledge and skills of law school graduates.

Examples of Duties:

Receives telephone or personal client contacts; obtains individual identification, address and nature of legal business or problem; determines whether or not the caller is eligible for services of that office and the need for investigatory assistance; performs preliminary analysis as to severity of the problem and whether or not there is a potential violation of law; refers

callers to other agencies as appropriate.

Finds out all relevant facts which the client knows or which are revealed on any documents in his or her possession; identifies specific legal problems involved; formulates questions which must be answered in order to resolve specific problems; verifies information obtained in preliminary questioning complainants or other persons who might possess pertinent information, obtains statements and affidavits, examines records and documents and compiles evidence pertaining to an investigation.

Researches facts and uncovers the law as it applies to the client and the client's problems; prepares preliminary statements of facts; examines and analyzes evidence procured to determine if a violation may exist, consults with an attorney as to findings, and makes verbal and/or written recommendations for appropriate courses of action; when appropriate, drafts subpoenas for attorney's signature; researches existing statutes and regulations relevant to complaints; does substantive legal research to assist attorneys; assembles exhibits, affidavits and other legal documents for use in case preparation.

Performs legal research relative to quasi-judicial hearings before administrative agencies on points of law such as admission of evidence, motions for discovery, competence of witnesses; may attend hearings to determine need for additional research concerning points of law and/or factual information; drafts administrative orders dealing with procedural and the less complex substantive issues.

Is responsible for witness coordination in prosecution offices; is responsible for witness scheduling in criminal cases, providing witness counseling and conducting in-depth witness interviews of friendly and hostile witnesses in both misdemeanor and felony cases.

Conducts substantive research relating to points and conclusions of law in assisting to prepare for litigation; assists in investigating mediation cases of a complex nature and complaints which must be resolved using the litigation process.

Communicates verbally and/or in writing with clients and with other agencies, including community, other state and federal, police and legal organizations; drafts legal documents such as discovery requests and assurances of voluntary compliance.

Represents the client before hearings conducted by the administrative agency as a formal advocate; makes legal and factual arguments, presents evidence, examines and cross-examines witness.

Knowledge, Skills and Abilities:

Ability to reason logically; utilize analytical techniques to solve problems; analyze data, develop alternatives and recommend particular actions; organize work and time, establish priorities and meet deadlines; read, comprehend, interpret and apply written material such as statutes, texts and journals, contracts, and similar resource material; write clear, concise reports, letters, administrative orders and similar communications; give organized oral presentations; assimilate new information and apply it to the duties of the job; conduct effective interpersonal relationships; perform arithmetical computations involving fractions, decimals and percentages.

Minimum Qualifications:

Three years of experience as a legal secretary, court clerk, legal intern, or law clerk.

OR

Certification from a state paralegal training and education program.

OR

Graduation from associate of arts program with major courses study in paralegal, criminal justice, or law studies.

Substitutions: Bachelor's degree or the equivalent in the social studies or behavioral sciences.

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

Do you have three years experience as a legal secretary, court clerk, legal intern, or law clerk?

Or Substitution:

Do you have certification from a state paralegal training and education program?

Or Substitution:

Do you have an associate of arts degree with major course study in paralegal, criminal justice, or law studies?

Or Substitution:

Do you have a bachelor's degree or the equivalent in social studies or behavioral sciences?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Adrienne Snow on 12/31/97 at 09:28 AM

Category: Technical

Class Title: Paralegal Assistant II

Class Code: P7106

Class Range: 16

Original Date:

11/16/77

Original Comments:

ORIGINAL

Subsequent Revision Dates/Comments:

5-16-78;

11-1-79 - Def., D.C., duties, K.S.A.

9-16-83 - D.C., MQs, duties.

Last Update:

04/01/84

Last Update

Comments:

MQs, PA II.

Definition:

Under supervision, this class series represents positions assigned to learn and perform research, investigation, reporting and drafting of legal documents specifically related to and done in support of litigatory efforts of attorneys or the quasi-judicial activities of administrative agencies.

Distinguishing Characteristics:

Paralegal Assistant II is the working level class assigned a variety of duties and responsibilities requiring independent performance of routine legal research, investigation, reporting and legal drafting. Incumbents perform the full range of support efforts typically associated with routine litigation or the quasi-judicial activities of administrative agencies.

This series is distinguished from the Associate Attorney series in that the latter includes those positions which are regularly engaged in complex research, investigative and reporting work in support of litigatory efforts of high level attorneys, and which require incumbents to possess and apply the knowledge and skills of law school graduates.

Examples of Duties:

Receives telephone or personal client contacts; obtains individual identification, address and nature of legal business or problem; determines whether or not the caller is eligible for services of that office and the need for investigatory assistance; performs preliminary analysis as to severity of the problem and whether or not there is a potential violation of law; refers callers to other agencies as appropriate.

Finds out all relevant facts which the client knows or which are revealed on any documents in

his or her possession; identifies specific legal problems involved; formulates questions which must be answered in order to resolve specific problems; verifies information obtained in preliminary questioning complainants or other persons who might possess pertinent information, obtains statements and affidavits, examines records and documents and compiles evidence pertaining to an investigation.

Researches facts and uncovers the law as it applies to the client and the client's problems; prepares preliminary statements of facts; examines and analyzes evidence procured to determine if a violation may exist, consults with an attorney as to findings, and makes verbal and/or written recommendations for appropriate courses of action; when appropriate, drafts subpoenas for attorney's signature; researches existing statutes and regulations relevant to complaints; does substantive legal research to assist attorneys; assembles exhibits, affidavits and other legal documents for use in case preparation.

Performs legal research relative to quasi-judicial hearings before administrative agencies on points of law such as admission of evidence, motions for discovery, competence of witnesses; may attend hearings to determine need for additional research concerning points of law and/or factual information; drafts administrative orders dealing with procedural and the less complex substantive issues.

Is responsible for witness coordination in prosecution offices; is responsible for witness scheduling in criminal cases, providing witness counseling and conducting in-depth witness interviews of friendly and hostile witnesses in both misdemeanor and felony cases.

Conducts substantive research relating to points and conclusions of law in assisting to prepare for litigation; assists in investigating mediation cases of a complex nature and complaints which must be resolved using the litigation process.

Communicates verbally and/or in writing with clients and with other agencies, including community, other state and federal, police and legal organizations; drafts legal documents such as discovery requests and assurances of voluntary compliance.

Represents the client before hearings conducted by the administrative agency as a formal advocate; makes legal and factual arguments, presents evidence, examines and cross-examines witness.

Knowledge, Skills and Abilities:

Knowledge of legal research and investigative techniques; legal practices and procedures; general and legal office practices and procedures; specific knowledge of practices, procedures, policies and forms of the employing agency.

Ability to reason logically; utilize analytical techniques to solve problems; analyze data, develop alternatives and recommend particular actions; organize work and time, establish priorities and meet deadlines; read, comprehend, interpret and apply written material such as statutes, texts and journals, contracts, and similar resource material; write clear, concise reports, letters, administrative orders and similar communications; give organized oral presentations; assimilate new information and apply it to the duties of the job; conduct effective interpersonal relationships; perform arithmetical computations involving fractions, decimals and percentages.

Minimum Qualifications:

One year of experience as a Paralegal Assistant I with the State of Alaska or the equivalent elsewhere.

OR

One year of study in an accredited school of law.

Substitution: 1) Bachelor's degree or the equivalent in paralegal, criminal justice, or law studies; 2) up to six months of experience as a Community Counselor with the Department of Law may substitute for an equal amount of the required experience.

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

Do you have one year of work experience as a paralegal assistant?

OR

Do you have one year of study in an accredited school of law?

Or Substitution:

Do you have a bachelor's degree or the equivalent in paralegal, criminal justice, or law studies?

Or Substitution:

Do you have six months experience as a paralegal assistant?

AND

Do you have six months of experience as a Community Counselor with the Department of Law?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 09/18/97 at 04:07 PM

Category: Clerical

Class Title: Legal Secretary I

Class Code: P1145

Class Range: 10

Original Date:
01/26/73

Original Comments:
Original

Subsequent Revision Dates/Comments:

10/1/89 Reimplement MQs for Office Skills Application (KY)

Last Update:

04/01/94

**Last Update
Comments:**

Rewrite, MQs; New
T&E due to the
elimination of the
Office Skills
Application. (JP/KC)

Definition:

Under general supervision, performs a variety of secretarial and specialized legal clerical tasks generally for one or more attorneys.

Distinguishing Characteristics:

This is the full proficiency level of the series. Incumbents work alone or in teams and may perform general administrative tasks such as maintaining office supplies, inventory accounting, maintaining petty cash accounts and coding invoices. A variety of special legal guides and procedures are used to carry out the work assignment.

Examples of Duties:

Transcribes and prepares a variety of legal correspondence, petitions, briefs, legislative measures, pleadings, contracts, subpoenas, and other forms appropriate to the work of the office.

Processes and ensures that legal forms are prepared to meet legal and judicial requirements and deadlines; assists attorneys in editing and formatting legal copy; revises draft correspondence and reports to improve clarity and syntax.

Gathers material from a variety of sources for articles, speeches, and routine production or discovery; may answer inquiries concerning the progress of legal actions in process and convey information on the procedures required to handle these actions; may contact witnesses to exchange routine information concerning trial instructions or to make travel

arrangements.

Maintains a variety of legal texts and references; sets up and maintains case files and other attorney files and follow-up records relating to legal cases or administrative matters; maintains court calendar; prepares records and files for scheduled archiving.

Arranges for the transportation and accommodation of supervisor and other staff who travel; checks and processes travel expense claims; keeps time and attendance records; makes arrangements for meeting and notifies conferees.

May perform general administrative tasks such as ordering and stocking of desk top supplies and property accounting, maintaining trust and petty cash accounts, certifying field warrants, approving and coding invoices for processing by the administrative services unit of the agency, and scheduling the maintenance and installation of office equipment.

Performs other related duties as required.

Knowledge, Skills and Abilities:

Considerable knowledge of office practices and procedures, basic record keeping systems and account maintenance; business or legal forms and documents such as applications for cash benefits, goods or services, financial documents, motions, petitions, briefs, legislative measures, legal opinions, pleadings, contracts and affidavits.

Considerable knowledge of correct business practices, correspondence and typing formats, including English grammar, composition, spelling and punctuation.

Considerable knowledge of the use of computer systems and software in a business environment.

Some knowledge of governmental organization.

Skill in formatting and typing letters, forms, and documents.

Ability to use data and word processing equipment and software.

Ability to prepare briefs of reports and correspondence and compose letters or reports independently or from oral and written instructions.

Ability to organize and plan record keeping and filing systems.

Ability to work independently and prioritize workload.

Ability to use diplomacy and judgment in giving out information and referring callers, both in person and over the telephone.

Ability to establish and maintain cooperative working relations with those contacted in the course of the work.

Minimum Qualifications:

High school diploma or the equivalent; AND, two years of office clerical experience of which one year was full proficiency level experience performing a variety of office clerical assignments of average difficulty and/or defined clerical services in support of a specific regulatory program, service or organization function requiring the use of computer data and/or word processing equipment and software to prepare correspondence, reports or documents.

Special Requirement: Must be able to type at a net speed of 50 words per minute.

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

Do you have a high school diploma or a GED?

AND

Do you have two years of office clerical experience which includes one year at the full proficiency level performing a variety of office clerical assignments and/or defined clerical service in support of a regulatory program, service, or organization function?

AND

Did this experience require the use of computer data and/or word processing equipment and software to prepare correspondence, reports, or documents?

AND

Are you able to type at a net speed of fifty words per minute?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rachel Wilson on 09/18/97 at 04:11 PM

Category: Clerical

Class Title: Legal Secretary II

Class Code: P1146

Class Range: 11

Original Date:

09/04/69

Original Comments:

Original

Subsequent Revision Dates/Comments:

4/15/73

10/1/89 Reimplement MQs for Office Skills Application (KY)

Last Update:

04/01/94

Last Update

Comments:

Rewrite, MQs; New
T&E due to the
elimination of the
Office Skills
Application for Legal
Secretary I. (JP/KC)

Definition:

Under general supervision, leads a work unit performing a variety of secretarial and specialized legal clerical tasks generally for one or more attorneys and may perform general administrative tasks such as maintaining office supplies, inventory accounting, maintaining petty cash accounts, and coding invoices.

Distinguishing Characteristics:

This is the lead level of the series where most positions perform and lead the work of a specialized legal clerical unit and may be responsible for general administrative activities. In independent field offices, the lead responsibilities may be over general clerical support tasks rather than specialized legal clerical tasks. In this environment, the Legal Secretary II is responsible for performing the specialized and general administrative tasks as well as exercising lead authority.

This class may be used for positions, in the Department of Law, Office of the Attorney General, which serve as a personal assistant to a Deputy Attorney General whether or not lead responsibilities are assigned.

Examples of Duties:

Plans and makes day-to-day work assignments; reviews work in progress and upon completion; determines work flow based on priorities and workload; recommends on the hire,

reassignment, promotion, and demotion of subordinates; recommends or resolves employee problems and complaints and evaluates employee performance.

Transcribes and prepares a variety of legal correspondence, petitions, briefs, legislative measures, pleadings, contracts, subpoenas, and other forms appropriate to the work of the office.

Processes and ensures that legal forms are prepared to meet legal and judicial requirements and deadlines; assists attorneys in editing and formatting legal copy; revises draft correspondence and reports to improve clarity and syntax.

Gathers material from a variety of sources for articles, speeches, and routine production or discovery; may answer a wide variety of inquiries concerning the progress of legal actions in process and convey information on the procedures required to handle these actions; may contract witnesses to exchange routine information concerning trial instructions or to make travel arrangements.

Maintains a variety of legal texts and references; sets up and maintains case files and other attorney files and follow-up records relating to legal cases or administrative matters; maintains the court calendar; directs and performs the scheduled archiving of records and files.

Arranges for the transportation and accommodation of supervisor and other staff who travel; checks and processes travel expense claims; keeps time and attendance records; makes arrangements for meetings and notifies conferees.

May perform general administrative tasks such as ordering and stocking of desk top supplies and property accounting, maintaining trust and petty cash accounts, certifying field warrants, approving and coding invoices for processing by the administrative services unit of the agency, and scheduling the maintenance and installation of office equipment.

Performs other related duties as required.

Knowledge, Skills and Abilities:

Considerable knowledge of legal forms and documents such as motions, petitions, briefs, legislative measures, legal opinions, pleadings, contracts and affidavits.

Considerable knowledge of office practices and procedures, basic record keeping systems and account maintenance.

Considerable knowledge of correct business practices, correspondence and typing formats, including English grammar, composition, spelling and punctuation.

Considerable knowledge of the use of computer systems and software in a business environment.

Working knowledge of office management, supervision/personnel policies and procedures.

Working knowledge of governmental organization.

Skill in formatting and typing letters, forms, and documents.

Ability to lead, train, and motivate workers and to evaluate their performance.

Ability to organize, plan, set priorities, coordinate and direct the work flow, policies and procedures for record keeping, filing, and other office systems.

Ability to use data and word processing equipment and software.

Ability to prepare briefs of reports and correspondence and compose letters or reports independently or from oral and written instructions.

Ability to use diplomacy and judgment in giving out information and referring callers, both in person and over the telephone.

Ability to establish and maintain cooperative working relations with those contacted in the course of the work.

Minimum Qualifications:

High school graduation or the equivalent;

AND

(1) one year of full proficiency level experience performing a variety of office clerical assignments of average difficulty and/or defined clerical services in support of a specific regulatory program, service or organization function requiring the use of computer data and/or word processing equipment and software to prepare correspondence, reports or documents;

AND

(2) one year of experience equivalent to a Legal Secretary I with the State of Alaska.

Special Requirement: Must be able to type at a net speed of 50 words per minute.

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

Do you have a high school diploma or a GED?

AND

Do you have one year of full proficiency level experience performing a variety of office clerical assignments and/or defined clerical services in support of a regulatory program, service, or organization function?

AND

Did this experience require the use of computer data and/or word processing equipment and software to prepare correspondence, reports, or documents?

AND

Do you have one year performing a variety of secretarial and specialized legal clerical tasks for one or more attorneys?

AND

Are you able to type at a net speed of fifty words per minute?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rick Davis on 01/05/98 at 11:32 AM

Category: Professional

Class Title: Associate Attorney I

Class Code: P7110

Class Range: 17

Original Date:
07/15/71

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:

Last Update:

**Last Update
Comments:**

Definition:

Under general supervision, serves as an associate to one or more attorneys or judicial officers, performing more difficult assignments in assisting the legal staff in litigation, providing routine legal information and advice developed by attorneys, drafting reports and correspondence dealing with departmental programs, policies and action under direction of attorneys.

Distinguishing Characteristics:

This class of positions represents duties of a "mixed" nature containing those of a paralegal and/or a law clerk type, designed to free others on the professional staff to devote full time to problems requiring legal expertise.

Examples of Duties:

Assists attorneys with litigation; prepares exhibits and routine pleadings, interviews witnesses, prepares and answers interrogatories, researches the factual background of the case.

Assists in resolving a variety of legal problems, for example, in condemnation proceedings, gathers "comparables" for use in establishing market values; in lien foreclosure proceedings, prepares special legal form involved, researches court and title records.

Receives requests from other departments, private or public agencies, and the general public for general and routine legal information, texts of statutes, proper channels to obtain special legal assistance, researches individual requests and prepares replies to individuals in a variety of specialized and professional fields.

Maintains files on a status of on-going cases, pending files, document deadline and courtroom date files; adds to, deletes from, and researches files for statistical and narrative data; prepares records related to criminal law, including such items as arrests, indictments, and convictions, by type of offense, confers and coordinates criminal research and statistics with

the district attorneys' offices and with the State Troopers.

Is assigned a particular legal interest area and a departmental policy position; determines format of presentation depending upon the media to be used; conducts files research, interviews knowledgeable individuals, monitors preparation of exhibits and photographic presentations, prepares draft reports and correspondence.

Reviews, makes analyses and recommendations pertaining to existing and proposed statutes, regulations,, and rules; assists state officials in drafting specific portions of legislation.

Performs other related duties as required.

Knowledge, Skills and Abilities:

Knowledge of legal principles and practices; administrative and constitutional law, legal procedures, methods of legal research, and rules of evidence; criminal proceedings; journalistic procedures.

Ability to conduct research projects, interview people, gather facts, analyze collective data and make recommendations; prepare concise but comprehensive records and reports; meet the public and maintain pleasant relationships; write speeches, scripts, and news releases.

Minimum Qualifications:

This class of positions is in the partially exempt service.

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

This position is partially-exempt; no minimum qualifications are established. Do you wish to continue?

Finalized on

Approved by

State of Alaska Class Specifications

Created By: Rick Davis on 01/05/98 at 01:54 PM

Category: Professional

Class Title: Associate Attorney II

Class Code: P7111

Class Range: 19

Original Date:
02/16/72

Original Comments:
ORIGINAL

Subsequent Revision Dates/Comments:

Last Update:

**Last Update
Comments:**

Definition:

Under administrative supervision, serves as an independent agent of the Attorney General, their Deputy, or their designate in performing unusually difficult assignments in assisting legal staff in litigation, coordination of extremely sensitive projects, drafting reports and correspondence dealing with department programs, policies, and actions.

Distinguishing Characteristics:

This class of positions represents the journey level of paralegal work, responsible for assistance on the most sensitive projects in the broadest framework of the State service involving quasi-legal, social, political, economic, and ecological problem areas. It may also be a supervisory position, supervising individuals serving as Associate Attorney I.

Examples of Duties:

Reviews major State reports and documents and indicates areas needing additional or varied treatment; investigates complaints related to major state civil programs, conducting interviews and providing liaison between department and other agencies; provides through various communications media, legal and regulatory requirements affecting individuals, groups, and agencies; gathers information at all levels for evaluation by staff attorneys; provides comprehensive analysis in a wide range of fields.

Assists attorneys with litigation; prepares exhibits and routine pleadings; interviews witnesses, prepares questions and answers on interrogatories; researches the factual background of the case.

Assists in resolving a variety of factual problems, for example, in condemnation proceedings, gathers "comparables" for use in establishing market values; in lien foreclosure proceedings, prepares the routine legal forms involved, researches court and title records.

Receives requests from other departments, private, or public agencies and the general public for general and routine legal information, texts of statutes, proper channels to obtain special legal assistance, researches individual requests and prepares replies for signature of attorney to individuals in a variety of specialized professional fields.

Maintains files on status of ongoing cases, pending files, document deadline and courtroom date files; adds to, deletes from, and researches files for statistical and narrative data.

Is assigned a particular legal interest area and a departmental policy position; determines format of presentation depending upon the media to be used; conducts files research; interviews knowledgeable individuals, monitors preparation of exhibits and photographic presentations, prepares draft reports and correspondence.

Reviews, makes analysis and recommendations pertaining to existing and proposed statutes, regulations, and rules; assists state officials in drafting specific portions of legislation.

Performs other related duties as assigned.

Knowledge, Skills and Abilities:

Knowledge of general legal principles and practices; administrative laws and procedures, methods of factual investigation; and journalistic procedures.

Ability to conduct research projects, interview people, gather facts, analyze collective data and make recommendations; prepare concise but comprehensive records and reports; meet the public and maintain pleasant relationships; write speeches, scripts, and news releases.

Minimum Qualifications:

This class of positions is the partially exempt service.

Required Job Qualifications:

The special note is to be used to explain any additional information an applicant might need in order to understand or answer questions about the minimum qualifications.

Special Note:

Minimum Qualification Questions:

CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES:

(1) The BRU prosecutes all violations of state criminal law committed by adults, and a large portion of the serious crimes committed by juveniles. Prosecution services protect the public by convicting criminals and placing them under appropriate controls. Without the prosecution services provided by the BRU, Alaskans would not be able to live in safe and healthy communities.

In the fiscal year ending June 30, 1998, over 29,000 cases (including 7,000 felony and 21,000 misdemeanor, and 1,000 other cases) were sent to the BRU by police or probation agencies. This is an increase of roughly 40 percent in felonies and 10 percent in misdemeanors in the 1990s. However, between FY97 and FY98 the felony caseload for new crimes increased nearly 5 percent, and the misdemeanor caseload for new crimes increased 3 percent.

The increase in new felony crimes is primarily the result of an upswing in drug crimes being sent to prosecution offices. In addition, the number of felony probation revocations has also increased, such that the overall felony caseload is up substantially, largely in Anchorage and Fairbanks. Although the increase in new misdemeanor crimes is not large, the Criminal Division workload has been affected by a large number of domestic violence assaults, which are among the most time-consuming and difficult cases to prosecute. Those cases increased 23 percent over the last two years, most likely due to mandatory arrest statutes in the Domestic Violence and Prevention Act of 1996. *(continued on page 2)*

SUMMARY OF BRU ISSUES:

Issue No. 1: How To Respond To Increased Enforcement of Child Abuse Laws

Child abuse cases (both sexual and physical abuse) are among the most difficult to prosecute. Although sexual abuse cases are routinely reported and prosecuted, it is believed that child physical abuse cases are not as well reported or investigated. Recent attention focused on child physical abuse cases is likely to result in an increase in the number of such cases sent to prosecution offices for review and prosecution. Additional resources will be required to appropriately respond to this increase.

Issue No. 2: How To Respond To Increased Enforcement of Domestic Violence Laws

The Domestic Violence Prevention and Victim Protection Act of 1996 requires arrests to be made in all cases of domestic violence. Even before this requirement became law, many police agencies voluntarily adopted mandatory arrest policies, and the number of domestic violence cases grew to over half of all misdemeanor assaults, and a large percentage of all felony assaults and murders. In the year following enactment of the 1996 Act, the percentage of misdemeanor assaults related to domestic violence increased to 65 percent, or nearly two out of every three. In the last year the Criminal Division handled over 2500 cases of misdemeanor domestic violence.

(continued on page 3)

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Revised Date:

FY 2000

**BRU
OVERVIEW**
Revised 8/26/98

AGENCY Department of Law

BRU Criminal Division

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CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES: *(continued from page 1)*

(2) The BRU provides assistance to victims and witnesses of crimes, such as travel and per diem expenses, court-mandated witness fees, and information about court procedures, domestic violence restraining orders and violent crimes compensation procedures. Demands on the victim-witness assistants have increased substantially over the last several years as a result of victims' rights laws enacted in 1989 and 1991, the Victims' Rights Amendment to the Alaska Constitution approved by the voters in 1994, and the Domestic Violence Prevention and Victim Protection Act of 1996. Two-thirds of the BRU's travel budget is used to bring victims and witnesses to court.

(3) The BRU represents the state in all criminal appellate proceedings, and state and federal post-conviction and habeas corpus proceedings. These post-trial procedures are constitutionally required; when such actions are filed by convicted criminals there must be a response by the state. Without these functions, the efforts of criminal justice agencies to detect and punish crime through investigation, trial, and conviction would be nullified. In addition, the BRU also handles civil litigation challenging statutes related to criminal justice, such as sex offender registration and victims' rights.

(4) The BRU provides basic legal services to the departments of Corrections and Public Safety, consisting of verbal and written advice, representation in civil litigation and administrative proceedings, and assistance with drafting legislation, regulations, policies, and procedures. The BRU also provides advice to the legislature on criminal justice matters, and handles all appeals of administrative license revocations by the Division of Motor Vehicles in the Department of Administration.

(5) The BRU activities are carried out in fifteen offices across the state. Thirteen regional prosecution offices provide day-to-day criminal prosecution services, as set out in paragraphs (1) and (2) above. An office in Anchorage handles appellate matters in the Court of Appeals, the Supreme Court and the federal courts, as described in paragraph (3). An office in Juneau is responsible for representing criminal justice system agencies and providing legislative advice, as described in paragraph (4). In addition, the BRU's offices in Anchorage also have special units for:

- a. narcotics prosecution (funded by the Department of Public Safety)
- b. environmental crime (funded by the Department of Environmental Conservation)
- c. child support enforcement (funded by the Department of Revenue)
- d. welfare fraud (funded by the Department of Health and Social Services)
- e. Medicaid provider fraud (federally-funded)
- f. selected fish and game prosecution (funded by the Fish and Game Fund)
- g. white collar and other special prosecution (general fund)

**ADDITIONAL
EXPLANATION
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BRU Criminal Division

COMPONENT

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CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU ISSUES: *(continued from page 1)*

Issue No. 3: How To Respond To The High Volume Of Sexual Offenses

After several years of a relatively stable number of felony sexual offenses being sent to prosecutors for review, the number of these cases increased dramatically to over 700 in FY93. Cases of rape of adult women increased 16 percent to over 300, while cases of abuse of children increased 21 percent to 400. Those numbers leveled off in FY94-98, but there are still over 600 felony sexual offenses being sent to Criminal Division offices for review each year. This increase in sexual crimes is also reflected in the growing number of requests for safe housing, reported by the Network on Domestic Violence and Sexual Assault.

Issue No. 4: How To Respond To Other Demands For Criminal Division Legal Services

Along with heavy criminal caseloads, the Criminal Division is also called on to defend the legality of new laws. For example, there is a great deal of litigation over the legality of sex offender registration laws. Laws relating to victim rights, such as the right not to be secretly recorded by defense attorneys, are being challenged in court. New laws relating to abortion are also being challenged. All these lawsuits are being handled by Criminal Division attorneys. Criminal Division attorneys have also upheld challenges to the concealed handgun regulations, and annually the division handles dozens of appeals from driver license revocations imposed by the Division of Motor Vehicles in the Department of Administration.

In addition, the Criminal Division is being called on more and more to perform other functions. For example, Criminal Division attorneys spend significant amounts of time providing training to other agencies. The State Trooper Academy in Sitka has several courses each year to train new trooper and police recruits, as well as separate classes for village public safety officers and experienced police officers. Each course contains a component for legal training in the criminal code and criminal procedure, which requires instruction by a trained prosecutor. The Anchorage Police Department conducts similar training for its own recruits. The Department of Corrections has training requirements for correctional officers and probation officers, which also require an attorney's services for instruction. Community groups, such as victim service agencies, often require attorney training as well.

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BRU Criminal Division

COMPONENT _____

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Revised Date: _____

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000078

CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

First Judicial District (Juneau, Ketchikan, Sitka)

The primary goal of this component is to assure safe and healthy communities by prosecuting and convicting criminal offenders in urban and rural Alaska.

	FY 98	FY 99	FY 2000
EXPENDITURES:	ACTUAL	AUTHORIZED	GOVERNOR
Personal Services	942.0	957.2	970.1
Other Program Costs	220.5	210.5	210.5
Total	1,162.5	1,167.7	1,180.6
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	1,162.5	1,167.7	1,180.6
GF Program Receipts			
GF Mental Health			
Other Funds			
Total	1,162.5	1,167.7	1,180.6
STAFFING:			
Permanent Full-Time	16	16	16
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) The District Attorney offices in this component prosecute all violations of state criminal law in Alaska, with the exception of welfare and Medicaid fraud. In addition to filing criminal charges and conducting criminal trials, the offices give day-to-day advice to state and local law enforcement agencies conducting criminal investigations, serve as legal advisor to grand juries, and handle sentence appeals and probation revocation actions. Prosecution services protect the public by convicting criminal offenders and placing them under appropriate controls, and by revoking probation if they do not comply with conditions of supervision. Without these services, Alaskans would not be able to live in safe and healthy communities.

(B) The District Attorney offices provide victim-witness assistance services such as travel and per diem expenses, court-mandated witness fees, information on court procedures required by statute and the Alaska Constitution, and assistance with domestic violence orders and violent crimes compensation procedures. (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

No changes were made in FY99 and none are requested for FY00.

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AND SERVICES**

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BRU Criminal Division

COMPONENT First Judicial District #2198

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES. *(continued from page 1)*

Two-thirds of all travel costs in the BRU are due to transportation and per diem for witnesses needed for court proceedings. Demands on the victim-witness assistants increased substantially over the last several years as a result of victims' rights laws that passed in 1989 and 1991, as a result of the passage of the Victims' Rights Amendment to the Alaska Constitution in 1994 and the Domestic Violence Prevention and Victim Protection Act of 1996. Victim-witness services are an indispensable element in the daily operation of the criminal justice system.

(C) The services are delivered by seven attorneys in three offices in Juneau, Ketchikan and Sitka. In the fiscal year ending June 30, 1998, over 4,000 criminal cases (900 felonies and over 3,000 misdemeanors) were referred for prosecution or probation revocation.

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BRU Criminal Division

COMPONENT First Judicial District #2198

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Revised Date:

FY 2000

000080

CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

The primary objective for prosecution offices is to deter crime and, in so doing, to help create safer and healthier communities in Alaska. — cause these objectives are subjective, they can be measured only indirectly, by assessing the number of criminal cases handled. The focus, we believe, should be on the most important, and most resource-intensive, cases: violent felonies, misdemeanor assaults (most of which are domestic violence) and drunk driving. The objectives set out below are based on historical caseloads and, where appropriate, a reflection of anticipated increases in caseloads. The violent felony crime caseload in the First Judicial District remained relatively constant, and in line with predictions, and is expected to continue at this level.

	Prior Yr <u>Predicted</u>	Prior Yr <u>Actual</u>	Next Yr <u>Predicted</u>
Number of Violent Felonies Reviewed:	200	200	200
Number of Violent Felonies Filed:	110	109	110
Number of Convictions for Violent Felonies:	60	62	60
Domestic Violence Assaults Reviewed:	350	355	350

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COMPONENT
OBJECTIVES AND
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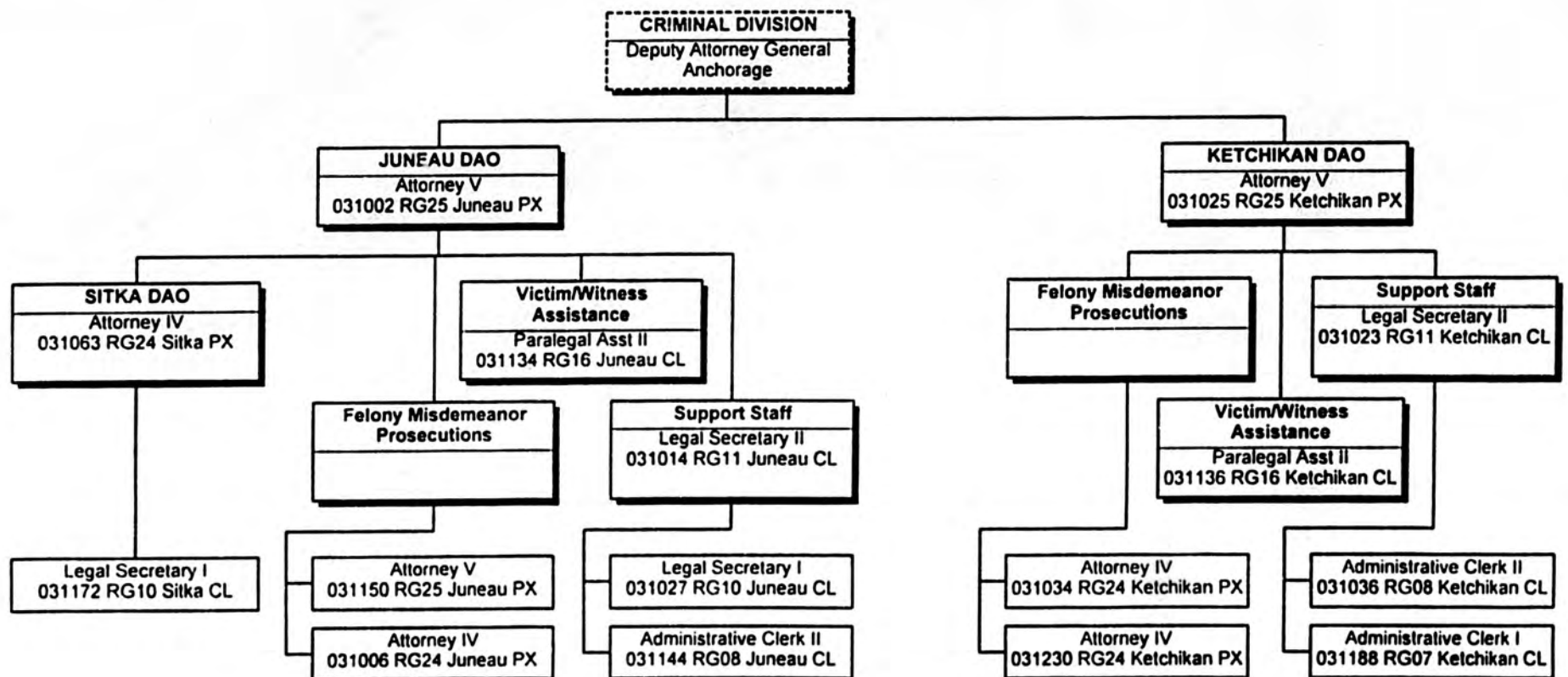
AGENCY Department of Law

BRU Criminal Division

COMPONENT First Judicial District #2198

000081

CRIMINAL DIVISION
First Judicial District



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

Second Judicial District (Nome, Kotzebue, Barrow)

The primary goal of this component is to assure safe and healthy communities by prosecuting and convicting criminal offenders in rural Alaska.

	FY 98	FY 99	FY 2000
EXPENDITURES:	ACTUAL	AUTHORIZED	GOVERNOR
Personal Services	651.1	654.3	653.8
Other Program Costs	143.2	168.2	164.6
Total	794.3	822.5	818.4
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	794.3	822.5	818.4
GF Program Receipts			
GF Mental Health			
Other Funds			
Total	794.3	822.5	818.4
STAFFING:			
Permanent Full-Time	8	8	8
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) The District Attorney offices in this component prosecute all violations of state criminal law in Alaska, with the exception of welfare and Medicaid fraud. In addition to filing criminal charges and conducting criminal trials, the offices give day-to-day advice to state and local law enforcement agencies conducting criminal investigations, serve as legal advisor to grand juries, and handle sentence appeals and probation revocation actions. Prosecution services protect the public by convicting criminal offenders and placing them under appropriate controls, and by revoking probation if they do not comply with conditions of supervision. Without these services, Alaskans would not be able to live in safe and healthy communities.

(B) The District Attorney offices provide victim-witness assistance services such as travel and per diem expenses, court-mandated witness fees, information on court procedures required by statute and the Alaska Constitution, and assistance with domestic violence orders and violent crimes compensation procedures. (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

The local option election in Barrow returning the area to "damp" status has resulted in a large increase in criminal cases. In 1998, an areawide ballot in the North Slope Borough resulted in a continuation of "damp" status, thus assuring a continued high rate of violent crime. No changes are requested for FY00.

**COMPONENT GOALS
AND SERVICES**

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BRU Criminal Division

COMPONENT Second Judicial District #2199

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Two-thirds of all travel costs in the BRU are due to transportation and per diem for witnesses needed for court proceedings. Demands on the victim-witness assistants increased substantially over the last several years as a result of victims' rights laws that passed in 1989 and 1991, as a result of the passage of the Victims' Right Amendment to the Alaska Constitution in 1994 and the Domestic Violence Prevention and Victim Protection Act of 1996. Victim-witness services are an indispensable element in the daily operation of the criminal justice system.

(C) The services are delivered by four attorneys in three offices in Nome, Kotzebue and Barrow. In the fiscal year ending June 30, 1998, nearly 2,000 criminal cases (500 felonies and 1,500 misdemeanors) were referred for prosecution or probation revocation. In Barrow, the one-attorney office receives periodic assistance from Fairbanks, even though the Fairbanks District Attorney's Office has two attorney positions unfilled due to lack of funding.

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BRU Criminal Division

COMPONENT Second Judicial District #2199

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Revised Date:

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000093

CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

The primary objective for prosecution offices is to deter crime and, in so doing, to help create safer and healthier communities in Alaska. Because these objectives are subjective, they can be measured only indirectly, by assessing the number of criminal cases handled. The focus, we believe, should be on the most important, and most resource-intensive, cases: violent felonies, misdemeanor assaults (most of which are domestic violence) and drunk driving. The objectives set out below are based on historical caseloads and, where appropriate, a reflection of anticipated increases in caseloads. The violent felony crime caseload in the Second Judicial District was about 10 percent higher than anticipated, and will likely continue to increase as the reintroduction of alcohol in Barrow contributes to more crime.

	Prior Yr <u>Predicted</u>	Prior Yr <u>Actual</u>	Next Yr <u>Predicted</u>
Number of Violent Felonies Reviewed:	170	193	200
Number of Violent Felonies Filed:	90	91	90
Number of Convictions for Violent Felonies:	50	56	50
Domestic Violence Assaults Reviewed:	500	490	500

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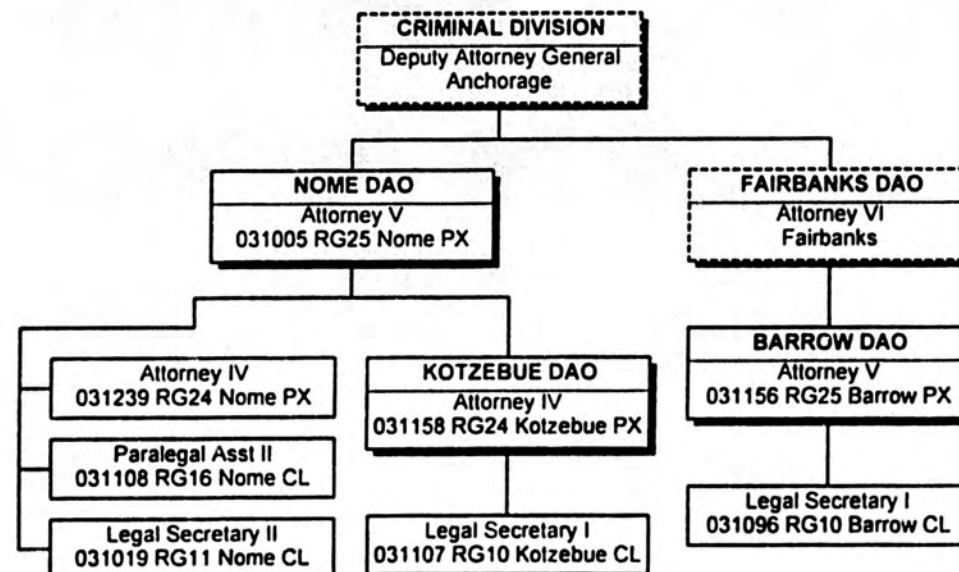
AGENCY Department of Law

BRU Criminal Division

COMPONENT Second Judicial District #2199

000094

CRIMINAL DIVISION
Second Judicial District



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

Third Judicial District (Dillingham, Kenai, Kodiak, and Palmer):

The primary goal of this component is to assure safe and healthy communities by prosecuting and convicting criminal offenders in urban and rural Alaska.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services		1,788.4	1,846.4
Other Program Costs		330.7	291.6
Total		2,119.1	2,138.0
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund		2,119.1	2,138.0
GF Program Receipts			
GF Mental Health			
Other Funds			
Total		2,119.1	2,138.0
STAFFING:			
Permanent Full-Time		28	28
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) The District Attorney offices in this component prosecute all violations of state criminal law in Alaska, with the exception of welfare and Medicaid fraud. In addition to filing criminal charges and conducting criminal trials, the offices give day-to-day advice to state and local law enforcement agencies conducting criminal investigations, serve as legal advisor to grand juries, and handle sentence appeals and probation revocation actions. Prosecution services protect the public by convicting criminal offenders and placing them under appropriate controls, and by revoking probation if they do not comply with conditions of supervision. Without these services, Alaskans would not be able to live in safe and healthy communities.

(B) The District Attorney offices provide victim-witness assistance services such as travel and per diem expenses, court-mandated witness fees, information on court procedures required by statute and the Alaska Constitution, and assistance with domestic violence orders and violent crimes.

(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

No changes were made in FY99 and none are requested for FY00. FY98 actuals are reported in the Third Judicial District component. That component was split into two new components in FY99: Third Judicial District: Anchorage and Third Judicial District: Outside Anchorage. This structure change was made to allow regional costs to be more readily identified.

**COMPONENT GOALS
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BRU Criminal Division

COMPONENT Third Judicial District: Outside Anchorage #2279

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Revised Date: .

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000123

CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Two-thirds of all travel costs in the BRU are due to transportation and per diem for witnesses needed for court proceedings. Demands on the victim-witness assistants increased substantially over the last several years as a result of victims' rights laws that passed in 1989 and 1991, as a result of the passage of the Victims' Rights Amendment to the Alaska Constitution in 1994 and the Domestic Violence Prevention and Victim Protection Act of 1996. Victim-witness services are an indispensable element in the daily operation of the criminal justice system.

(C) The services are delivered by 13 attorneys in four offices in Palmer, Kenai, Kodiak, and Dillingham. The one attorney in Dillingham is supervised by the Anchorage District Attorney's Office. In the fiscal year ending June 30, 1998, the offices dealt with over 8,000 cases (over 1,200 felony and 7,000 misdemeanor) that were referred for prosecution in Palmer, Kenai, Kodiak and Dillingham.

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BRU Criminal Division

COMPONENT Third Judicial District: Outside Anchorage #2279

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Revised Date:

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000124

CONTACT:

Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

The primary objective for prosecution offices is to deter crime and, in so doing, to help create safer and healthier communities in Alaska. Because these objectives are subjective, they can be measured only indirectly, by assessing the number of criminal cases handled. The focus, we believe, should be on the most important, and most resource-intensive, cases: violent felonies, misdemeanor assaults (most of which are domestic violence) and drunk driving. The objectives set out below are based on historical caseloads and, where appropriate, a reflection of anticipated increases in caseloads. The violent felony caseload in the Third Judicial District outside of Anchorage was not as great as anticipated, although violent misdemeanors, especially domestic violence, increased more than expected.

	<u>P/Y Predicted</u>	<u>P/Y Actual</u>	<u>Next Yr Predicted</u>
Number of Violent Felonies Reviewed:	400	346	350
Number of Violent Felonies Filed:	200	156	160
Number of Convictions for Violent Felonies:	150	77	100
Domestic Violence Assaults Reviewed:	700	763	800

STATUTORY/REGULATORY CITATIONS

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OBJECTIVES AND
ACCOMPLISHMENT
MEASURES**
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AGENCY Department of LawBRU Criminal DivisionCOMPONENT Third Judicial District: Outside Anchorage #2279

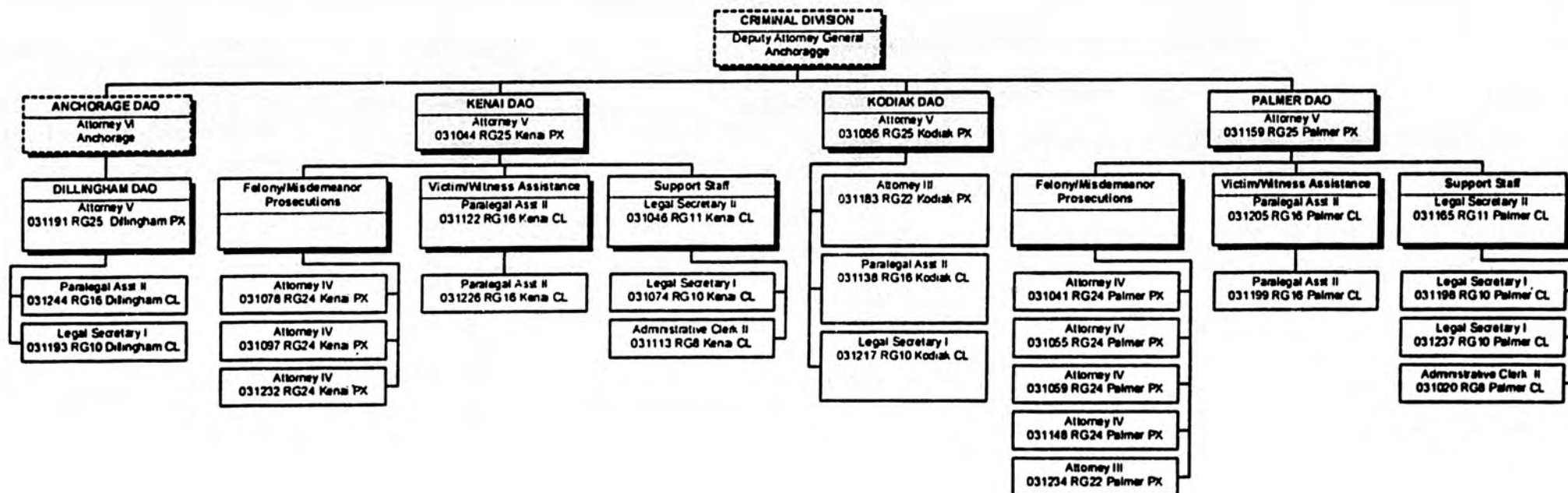
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2000

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CRIMINAL DIVISION
Third Judicial District: Outside Anchorage
Dillingham, Kenai, Kodiak, and Palmer District Attorney's Office



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

Third Judicial District - Anchorage District Attorney's Office

The primary goal of this component is to assure safe and healthy communities by prosecuting and convicting criminal offenders in urban Alaska. The federally funded drug unit provides prosecution of drug offenses in Anchorage, and serves as a legal resource for drug investigation and prosecution in the rest of the state.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services		3,139.6	3,197.7
Other Program Costs		352.9	338.4
Total		3,492.5	3,536.1
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund		3,104.9	3,052.8
GF Program Receipts			
GF Mental Health			
Other Funds		387.6	483.3
Total		3,492.5	3,536.1
STAFFING:			
Permanent Full-Time		52	50
Permanent Part-time		1	
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) The office in this component prosecutes all violations of state criminal law in Alaska, with the exception of welfare and Medicaid fraud. In addition to filing criminal charges and conducting criminal trials, the office gives day-to-day advice to state and local law enforcement agencies conducting criminal investigations, serves as legal advisor to grand juries, and handles sentence appeals and probation revocation actions. Prosecution services protect the public by convicting criminal offenders and placing them under appropriate controls, and by revoking probation if they do not comply with conditions of supervision. Without these services, Alaskans would not be able to live in safe and healthy communities.

(B) The District Attorney's office provides victim-witness assistance services such as travel and per diem expenses, court-mandated witness fees, information on court procedures required by statute and the Alaska Constitution, and assistance with domestic violence orders and violent crimes.

(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

In FY99, an attorney was added to handle child physical abuse cases as part of the Governor's Smart Start program. Paraprofessional support services for that position are requested in FY00.

FY98 actuals are reported in the Third Judicial District component. That component was split into two new components in FY99 to separate the

(continued on page 2)

**COMPONENT GOALS
AND SERVICES**

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BRU Criminal Division

COMPONENT Third Judicial District - Anchorage #2261

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Revised Date: *

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000104

CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Two-thirds of all travel costs in the BRU are due to transportation and per diem for witnesses needed for court proceedings. Demands on the victim-witness assistants increased substantially over the last several years as a result of victims' rights laws that passed in 1989 and 1991, as a result of the passage of the Victims' Rights Amendment to the Alaska Constitution in 1994 and the Domestic Violence Prevention and Victim Protection Act of 1996. Victim-witness services are an indispensable element in the daily operation of the criminal justice system.

(C) The services are delivered by 24 attorneys (four through a federally funded reimbursable service agreement) in one office in Anchorage. The office also supervises the one attorney in Dillingham who is budgeted in the Third Judicial District: Outside Anchorage. In the fiscal year ending June 30, 1998, the Anchorage office handled over 5,000 cases. There were nearly 3,000 new felonies or felony probation revocations referred for prosecution in the Anchorage office. In addition, 3,000 misdemeanor cases and probation revocations were handled by the Anchorage office, despite the fact that that Municipal Attorney's office handles the bulk of misdemeanor cases occurring in Anchorage. These caseload figures represent a 20 percent increase over just the last two years.

DESCRIPTION OF COMPONENT CHANGES: *(continued from page 1)*

Anchorage District Attorney's Office from the other southcentral DAOs. This structure change was made to allow regional costs to be more readily identified.

ADDITIONAL
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AGENCY Department of Law

BRU Criminal Division

COMPONENT Third Judicial District: Anchorage #2261

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Revised Date:

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000105

CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

Third Judicial District -- Anchorage District Attorney's Office

The primary objective for prosecution offices is to deter crime and, in so doing, to help create safer and healthier communities in Alaska. Because these objectives are subjective, they can be measured only indirectly, by assessing the number of criminal cases handled. The focus, we believe, should be on the most important, and most resource-intensive, cases: violent felonies, misdemeanor assaults (most of which are domestic violence) and drunk driving. The objectives set out below are based on historical caseloads and, where appropriate, a reflection of anticipated increases in caseloads. The level of violent felony crimes in Anchorage increased much more than anticipated. This occurred despite reports by the Department of Public Safety of an overall decrease in crime in Alaska. The number of new Anchorage Police Department officers and the general increase in drug usage largely accounts for the increase in violent crimes.

	<u>P/Y</u> <u>Predicted</u>	<u>P/Y</u> <u>Actual</u>	<u>Next Yr</u> <u>Predicted</u>
Number of Violent Felonies Reviewed:	600	681	650
Number of Violent Felonies Filed:	300	475	450
Number of Convictions for Violent Felonies:	200	185	175
Domestic Violence Assaults Reviewed:	100	84	100

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

**COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES**
Form CF2
REVISED 8/26/98

AGENCY Department of Law

BRU Criminal Division

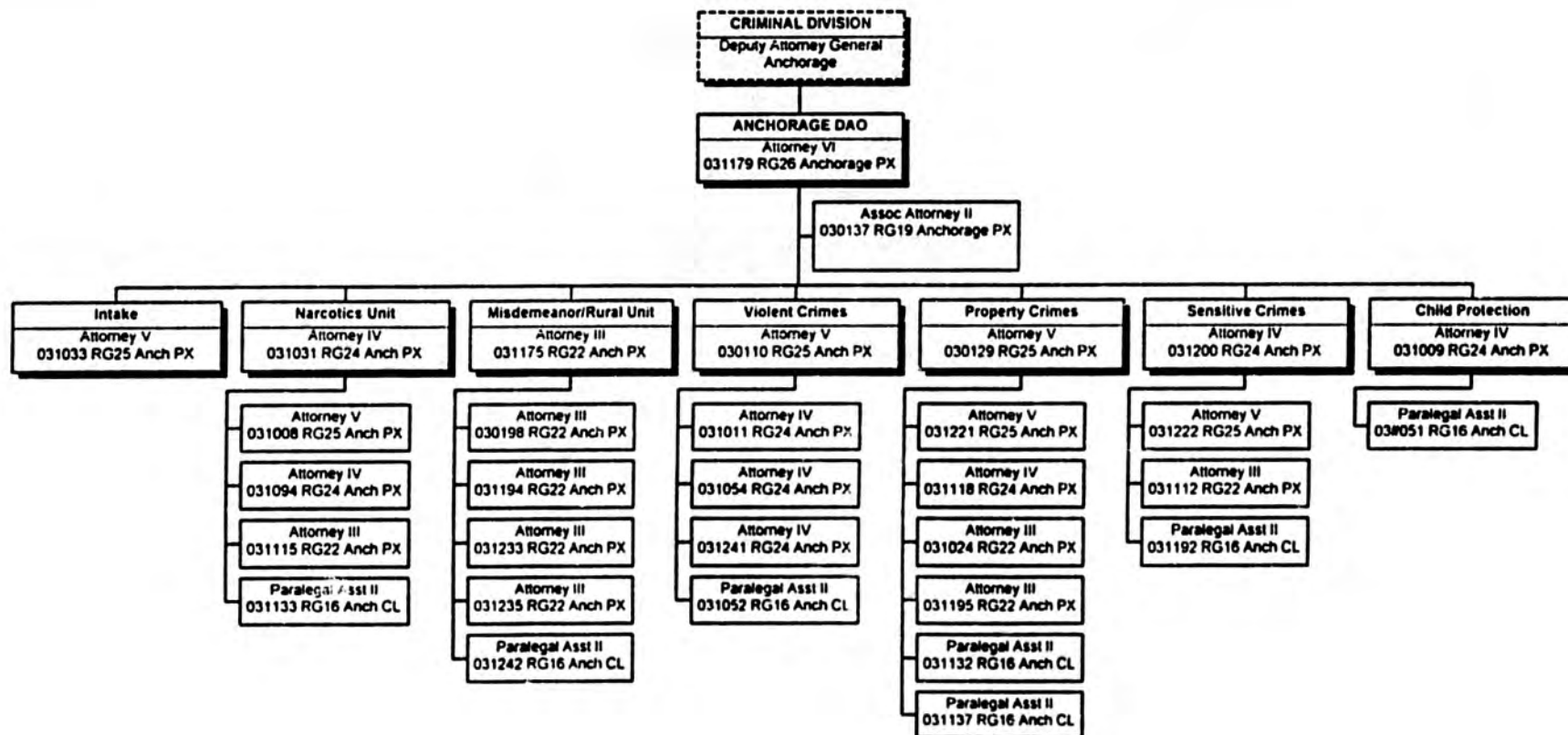
COMPONENT Third Judicial District: Anchorage #2261

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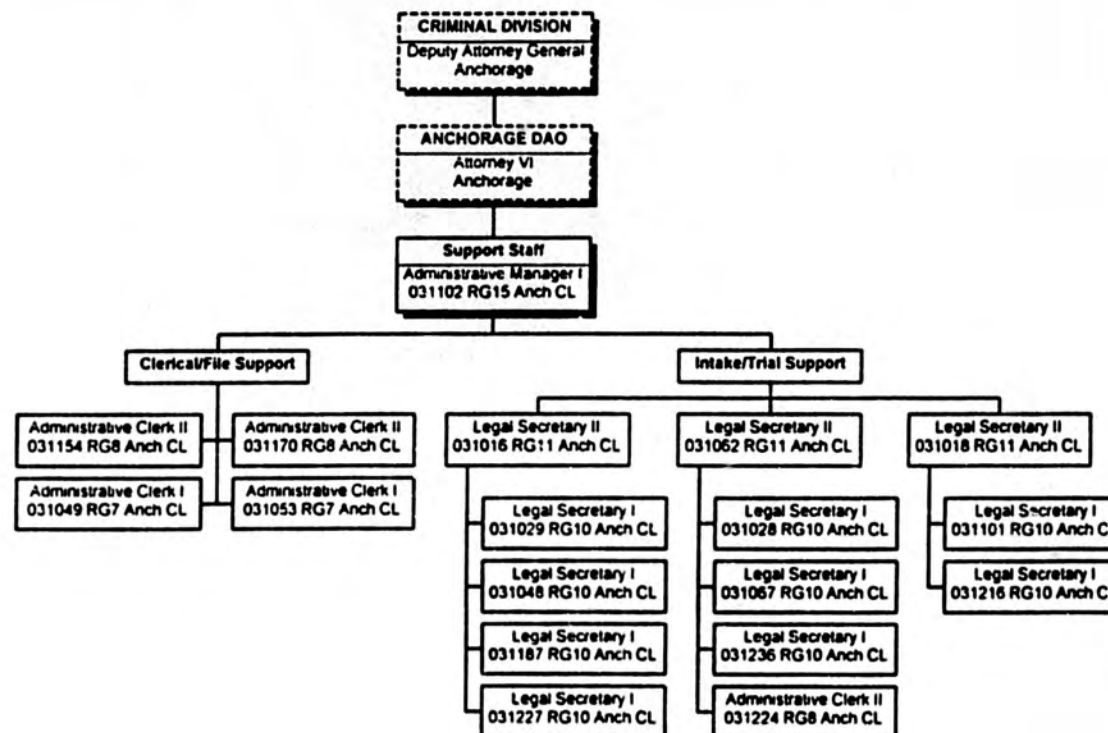
FY 2000

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CRIMINAL DIVISION
Third Judicial District: Anchorage
Anchorage District Attorney's Office



CRIMINAL DIVISION
Third Judicial District: Anchorage
Anchorage District Attorney's Office



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

Fourth Judicial District (Fairbanks, Bethel)

The primary goal of this component is to assure safe and healthy communities by prosecuting and convicting criminal offenders in urban and rural Alaska.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	2,277.1	2,343.0	2,311.3
Other Program Costs	402.1	372.6	372.6
Total	2,679.2	2,715.6	2,683.9
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	2,679.2	2,715.6	2,683.9
GF Program Receipts			
GF Mental Health			
Other Funds			
Total	2,679.2	2,715.6	2,683.9
STAFFING:			
Permanent Full-Time	35	34	34
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) The District Attorney offices in this component prosecute all violations of state criminal law in Alaska, with the exception of welfare and Medicaid fraud. In addition to filing criminal charges and conducting criminal trials, the offices give day-to-day advice to state and local law enforcement agencies conducting criminal investigations, serve as legal advisor to grand juries, and handle sentence appeals and probation revocation actions. Prosecution services protect the public by convicting criminal offenders and placing them under appropriate controls, and by revoking probation if they do not comply with conditions of supervision. Without these services, Alaskans would not be able to live in safe and healthy communities.

(B) The District Attorney offices provide victim-witness assistance services such as travel and per diem expenses, court-mandated witness fees, information on court procedures required by statute and the Alaska Constitution, and assistance with domestic violence orders and violent crimes
(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

No changes were made in FY99. Two attorney positions are being held vacant for budget purposes, even though the Fairbanks office supervises and assists the one attorney in Barrow. The Bethel office has recently had a great deal of turnover, such that three of the four attorneys in the office have changed in the last year.

**COMPONENT GOALS
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BRU Criminal Division

COMPONENT Fourth Judicial District #2201

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

compensation procedures. Two-thirds of all travel costs in the BRU are due to transportation and per diem for witnesses needed for court proceedings. Demands on the victim-witness assistants increased substantially over the last several years as a result of victims' rights laws that passed in 1989 and 1991, as a result of the passage of the Victims' Rights Amendment to the Alaska Constitution in 1994 and the Domestic Violence Prevention and Victim Protection Act of 1996. Victim-witness services are an indispensable element in the daily operation of the criminal justice system.

(C) The services are delivered by 13 attorneys in Fairbanks, which provides regular assistance and supervision to the office in Barrow, and by four attorneys in Bethel. In the fiscal year ending June 30, 1997, over 6,500 criminal cases (1,500 felonies and 5,000 misdemeanors) were referred for prosecution or probation revocation.

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BRU Criminal Division

COMPONENT Fourth Judicial District #

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Revised Date:

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CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

The primary objective for prosecution offices is to deter crime and, in so doing, to help create safer and healthier communities in Alaska. Because these objectives are subjective, they can be measured only indirectly, by assessing the number of criminal cases handled. The focus, we believe, should be on the most important, and most resource-intensive, cases: violent felonies, misdemeanor assaults (most of which are domestic violence) and drunk driving. The objectives set out below are based on historical caseloads and, where appropriate, a reflection of anticipated increases in caseloads. The violent felony caseload in the Fourth Judicial District increased much more than anticipated.

	<u>P/Y</u> <u>Predicted</u>	<u>P/Y</u> <u>Actual</u>	<u>Next Yr</u> <u>Predicted</u>
Number of Violent Felonies Reviewed:	400	463	450
Number of Violent Felonies Filed:	200	234	230
Number of Convictions for Violent Felonies:	150	154	150
Domestic Violence Assaults Reviewed:	800	773	800

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

**COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES**
Form CF2
REVISED 8/26/98

AGENCY Department of Law

BRU Criminal Division

COMPONENT Fourth Judicial District #2201

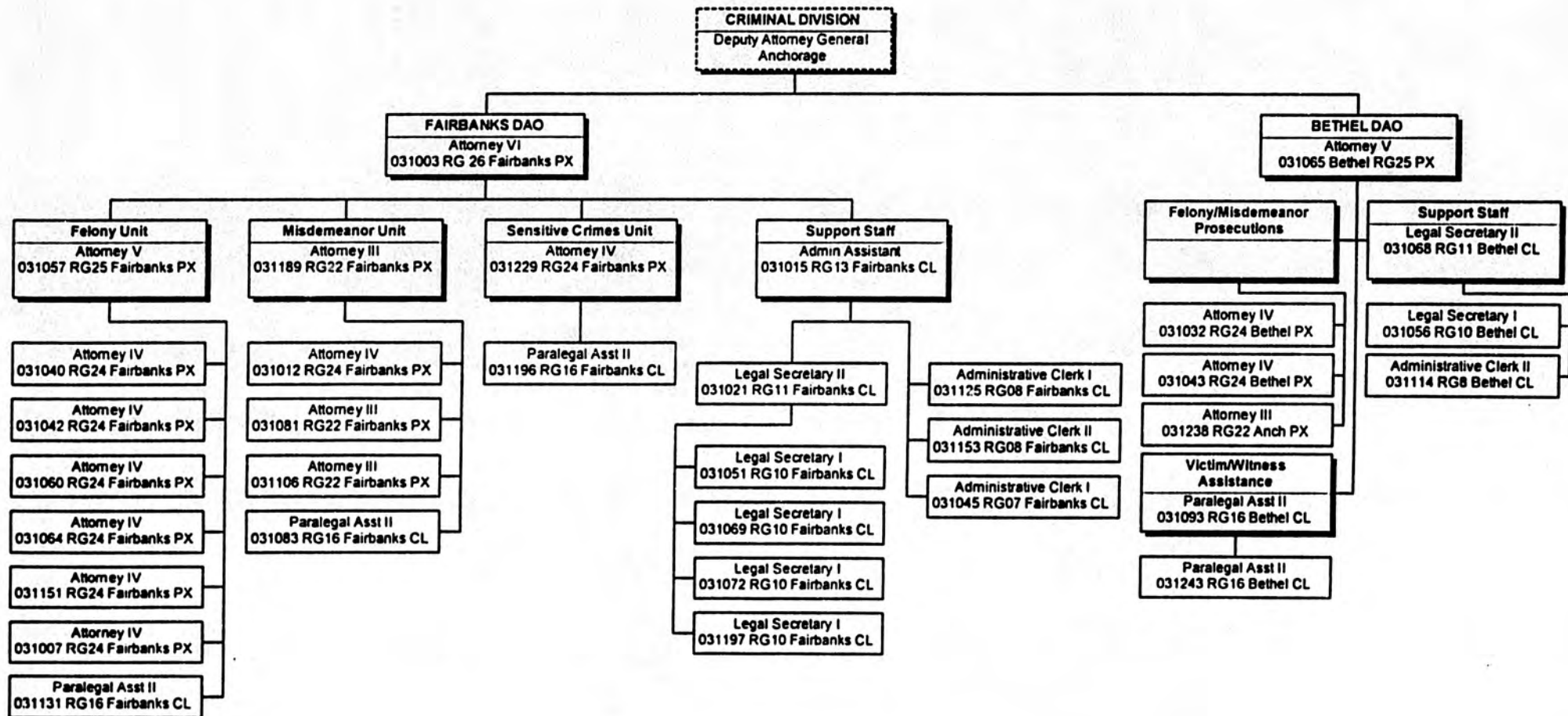
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Revised Date:

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CRIMINAL DIVISION
Fourth Judicial District



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

The goal of the Criminal Justice Litigation and Legal Services section is to support the departments of Corrections and Public Safety by providing day-to-day legal advice, and to provide administrative and policy direction to all state prosecution offices. An additional goal is to maintain an effective criminal justice system by assisting the administration and the legislature in reviewing and enacting effective criminal justice legislation.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	1,192.5	1,050.2	1,189.7
Other Program Costs	393.8	356.8	260.7
Total	1,586.3	1,407.0	1,450.4
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	1,176.6	1,241.1	1,284.5
GF Program Receipts			
GF Mental Health			
Other Funds	409.7	165.9	165.9
Total	1,586.3	1,407.0	1,450.4
STAFFING:			
Permanent Full-Time	14	15	17
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) This section provides basic legal services to the Department of Corrections and the Department of Public Safety, consisting of verbal and written advice, representation in civil litigation and administrative proceedings, and assistance with drafting legislation, regulations, policies, and procedures. Services are provided to the Department of Public Safety (State Troopers, State Trooper Academy, Fire Prevention, Fish and Wildlife Protection, Administrative Services, Alaska Police Standards Council, Violent Crimes Compensation Board, and the Statewide Scientific Crime Detection Laboratory) and the Department of Corrections (Institutions, Prison Programs, Probation Services, Corrections Academy and Parole Board). This section also provides assistance to the Departments of Corrections and Health and Social Services on special projects related to prison capacity and juvenile justice.

(B) This section handles all administrative appeals of driver license revocations by the Division of Motor Vehicles in the Department of Administration.
(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

In FY99, a statewide paralegal supervisor was added. This position is funded through a federal grant passed through the Council on Domestic Violence and Sexual Assault from the Violence Against Women Act (VAWA). The federal grant also funds a volunteer coordinator. As that position is only funded for 16 months, it is not included in the budget.

No changes are made for FY00.

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COMPONENT Criminal Justice Litigation #2202

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

(C) This section advises the governor and the legislature on criminal justice legislation.

(D) This section provides overall administration of the BRU and sets policy for all offices in the BRU, by monitoring and approving budgetary expenditures, setting uniform prosecution policies, maintaining a case management system, and being responsible for personnel matters.

(E) The services are delivered by three attorneys located in Anchorage and four attorneys in Juneau.

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BRU Criminal Division

COMPONENT Criminal Justice Litigation #2202

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Revised Date:

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CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

Objective 1: Uphold the administrative decisions of the state's prison system by defending the state against prisoner lawsuits in state and federal courts.

Number of prisoner lawsuits defended: 100

Objective 2: Uphold the administrative revocation of driver licenses by the Division of Motor Vehicles by opposing requests for stays of revocations and handling appeals of those revocations.

Number of license revocation cases handled: 100

STATUTORY/REGULATORY CITATIONS

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COMPONENT
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ACCOMPLISHMENT
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AGENCY Department of Law

BRU Criminal Division

COMPONENT Criminal Justice Litigation #2202

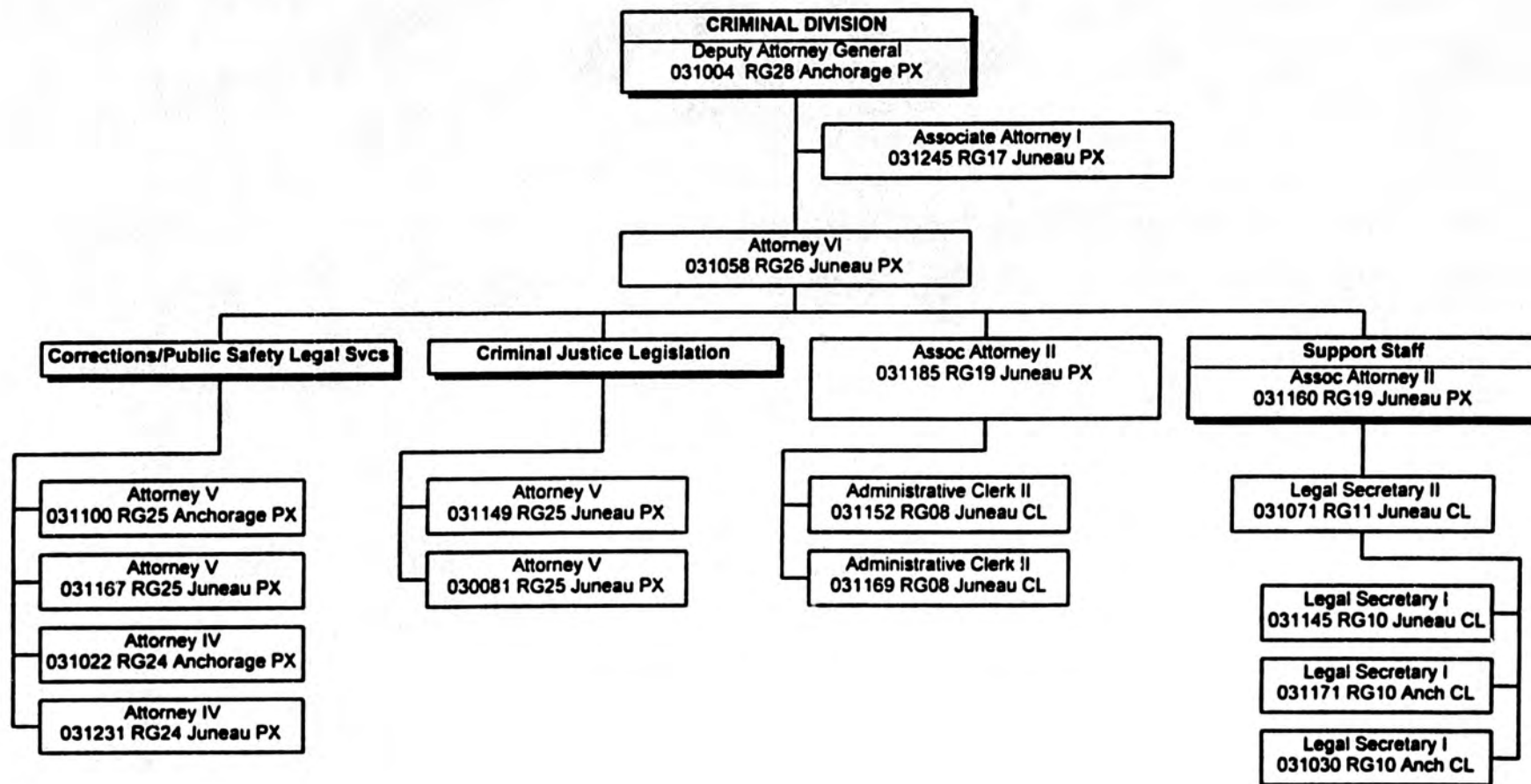
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CRIMINAL DIVISION
Criminal Justice Litigation



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

Special Prosecutions and Appeals

The primary goal of the Office of Special Prosecutions and Appeals (OSPA) is to uphold criminal convictions on appeal and on collateral attack. Additional goals of OSPA are to assure safe and healthy communities by prosecuting and convicting offenders in the many special units now under the supervision of OSPA: (1) complex criminal cases, with special emphasis on "white collar" crime, (2) environmental crimes, (3) child support enforcement, (4) welfare fraud, (5) Medicaid provider fraud, and (6) selected fish and game prosecutions.

	FY 98	FY 99	FY 2000
EXPENDITURES:	ACTUAL	AUTHORIZED	GOVERNOR
Personal Services	1,514.3	2,109.7	2,135.5
Other Program Costs	195.5	385.6	359.8
Total	1,709.8	2,495.3	2,495.3
FUNDING SOURCES:			
Federal Receipts		476.1	476.1
General Fund Match		157.3	157.3
General Fund	1,479.0	1,329.5	1,329.5
GF Program Receipts			
GF Mental Health			
Other Funds	230.8	532.4	532.4
Total	1,709.8	2,495.3	2,495.3
STAFFING:			
Permanent Full-Time	20	28	29
Permanent Part-time		2	2
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

(A) The Office of Special Prosecutions and Appeals (OSPA) represents the state in all felony appellate proceedings challenging convictions obtained in the trial courts, and handles most state and federal post-conviction and habeas corpus proceedings. These post-trial procedures are constitutionally required; when such actions are filed by convicted criminals the state must respond. Without these functions, the efforts of criminal justice agencies to detect and punish crime through investigation, trial, and conviction would be nullified.

(B) OSPA prosecutes economic and other complex crimes. In addition to filing criminal charges and conducting criminal trials, this office also gives day-to-day advice to special "white collar" investigation units. These prosecution services protect private investors, small businesses, and government agencies that are the victims of fraud or other wrongdoing. OSPA also handles civil litigation challenging statutes related to criminal justice, such as sex offender registration and victims rights. (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

In FY99, Medicaid Provider Fraud and Welfare Fraud components were combined with OSPA. FY98 actuals for these components are reported separately.

No changes are requested for FY00.

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COMPONENT Criminal Appeals/Special Litigation #2203

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: (continued from page 1)

(C) OSPA prosecutes environmental crimes through a reimbursible services agreement with the Department of Environmental Conservation. These prosecution services protect the state's air and water quality by providing advice and assistance to state environmental investigators and by prosecuting appropriate criminal cases.

(D) OSPA prosecutes welfare cheaters through a reimbursible services agreement with the Department of Health and Social Services. These prosecution services protect the state's welfare system.

(E) OSPA prosecutes medical providers who cheat the Medicaid system, through a federal grant and matching state general funds. The unit can institute criminal prosecution for fraud or civil actions for overpayments. In addition, the unit is responsible for investigating and prosecuting abuse of patients in Medicaid-funded facilities.

(F) OSPA prosecutes selected fish and game cases, depending on the importance of the case or the legal issues involved. Funding is provided by the Fish and Game Fund.

(G) OSPA prosecutes criminal child support enforcement matters through a reimbursible services agreement from the Department of Revenue.

(H) The Office of Special Prosecutions and Appeals provides services to the entire state with eight appellate attorney positions, two "white collar crime" prosecutors and one environmental crimes prosecutor, one welfare fraud prosecutor, one Medicaid Provider Fraud prosecutor, one fish and game prosecutor, and a half-time child support enforcement prosecutor.

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BRU Criminal Division

COMPONENT Criminal Appeals/Special Litigation #2203

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Revised Date:

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000104

CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

Objective 1: Support the efforts of prosecution offices and law enforcement agencies by having criminal cases affirmed on appeal or in post-conviction litigation.

Approximately 70 percent of the workload of the Criminal Appeals/Special Litigation office is in writing appellate briefs in serious criminal cases. This workload is not within the control of the office, because these appellate cases are rarely initiated by the state. The number of appellate cases handled by the office has begun to increase again after being relatively level for the last few years. Moreover, as more and more of the less serious cases are resolved in a way that avoids an appeal (i.e., by plea, rather than trial), it is only the more serious and complicated cases being appealed. Because the amount of work is largely beyond our control, and because the cases are becoming more complex, it is impossible to find a meaningful measure of accomplishment or comparison from year-to-year. However, the state prevails in the vast majority of the appeals it handles, and the office enjoys an excellent reputation in the appellate courts for thorough, thoughtful work.

Objective 2: Protect legitimate Alaska businesses and private citizens by assisting in the investigation of and by prosecuting white collar criminal cases.

Number of white collar cases reviewed or investigations assisted: 20

Objective 3: Protect Alaska's environment by assisting in the investigation of and prosecuting environmental criminal cases.

Number of environmental crime cases reviewed or investigations assisted: 50
(continued on page 2)

STATUTORY/REGULATORY CITATIONS

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**COMPONENT
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CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: (continued from page 1)

Objective 4: Protect Alaska's fish and game resources by assisting in the investigation of and prosecuting selected fish and game criminal cases.

Number of selected commercial fishing cases prosecuted: 100

Number of selected commercial guiding cases prosecuted: 15

Number of other fish and game cases, with important legal or policy issues: 10

Amount of criminal fines assessed in fish and game cases: \$150,000

Objective 5: Protect the state's welfare system by assisting in the investigation and prosecuting selected welfare fraud cases.

Number of selected welfare fraud cases reviewed: 25

Amount of restitution ordered for welfare overpayments: \$50,000

Objective 6: Protect the state's Medicaid provider system by assisting in the investigation and prosecuting selected Medicaid fraud cases and patient abuse cases.

Number of fraud referrals or complaints reviewed: 90

Number of selected welfare fraud cases prosecuted: 30

Number of complaints of patient abuse investigated: 2

Amount of criminal fines or civil penalties obtained: \$30,000

Restitution orders and settlements obtained: \$100,000

Overpayments identified for administrative recoupment: \$100,000

Objective 7: Protect the state's child support system by assisting in the investigation and prosecuting of the most egregious cases of criminal nonsupport. When child support prosecutions are publicized many more people who owe child support voluntarily make arrangements to pay their arrearages, thus reducing the overall backlog of cases. (NOTE: a half-time position handles these cases.)

Number of referrals or complaints reviewed: 30

Number of selected cases prosecuted: 15

ADDITIONAL
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BRU Criminal Division

COMPONENT Criminal Appeals/Special Litigation #2203

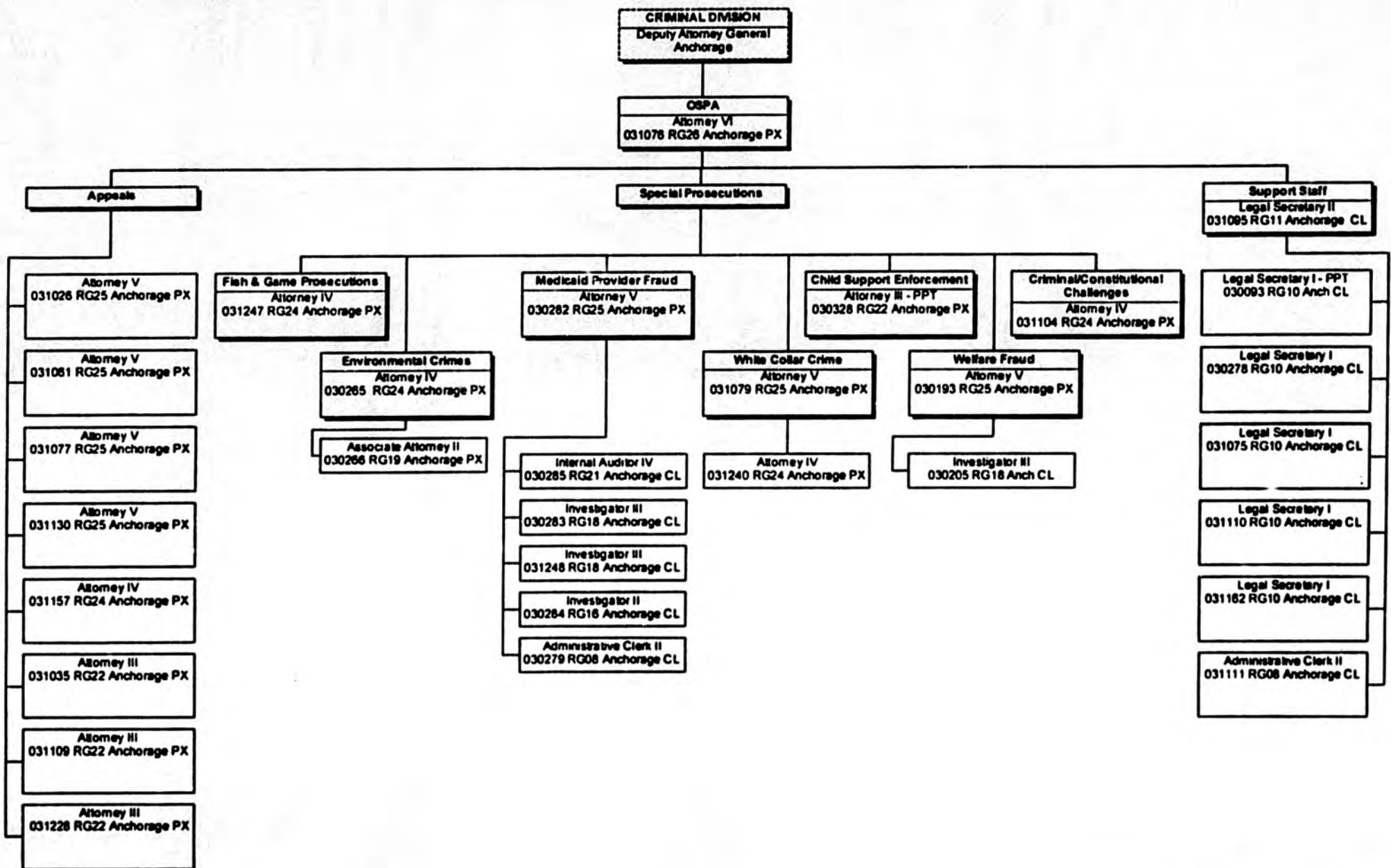
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FY 2000

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CRIMINAL DIVISION
Criminal Appeals/Special Litigation



CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	4,937.0		
Other Program Costs	666.9		
Total	5,603.9		
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	5,267.8		
GF Program Receipts			
GF Mental Health			
Other Funds	336.1		
Total	5,603.9		
STAFFING:			
Permanent Full-Time	78		
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

DESCRIPTION OF COMPONENT CHANGES:

In FY99, this component was split into two new components: Third Judicial District: Anchorage and Third Judicial District: Outside Anchorage. This structure change was made to allow regional costs to be more readily identified.

COMPONENT GOALS
AND SERVICES

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BRU Criminal Division

COMPONENT Third Judicial District #2200

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Revised Date:

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CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	329.7		
Other Program Costs	33.2		
Total	362.9		
FUNDING SOURCES:			
Federal Receipts	271.6		
General Fund Match	90.4		
General Fund	0.9		
GF Program Receipts			
GF Mental Health			
Other Funds			
Total	362.9		
STAFFING:			
Permanent Full-Time	7		
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

DESCRIPTION OF COMPONENT CHANGES:

In FY99, Medicaid Provider Fraud was combined with the Office of Special Prosecutions and Appeals. On-going expenditures are reported in that component.

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BRU Criminal Division

COMPONENT Medicaid Provider Fraud #2166

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CONTACT: Cynthia M. Cooper, Deputy Attorney General, 269-6379

COMPONENT GOALS:

	FY 98	FY 99	FY 2000
EXPENDITURES:	ACTUAL	AUTHORIZED	GOVERNOR
Personal Services	185.8		
Other Program Costs	15.9		
Total	201.7		
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund			
GF Program Receipts			
GF Mental Health			
Other Funds	201.7		
Total	201.7		
STAFFING:			
Permanent Full-Time	2		
Permanent Part-time	1		
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

DESCRIPTION OF COMPONENT CHANGES:

In FY99, Welfare Fraud was combined with the Office of Special Prosecutions and Appeals. On-going expenditures are reported in that component.

COMPONENT GOALS
AND SERVICES

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BRU Criminal Division

COMPONENT Welfare Fraud #2165

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Revised Date:

FY 2000

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CONTACT: Barbara J. Ritchie, Deputy Attorney General, 465-2133

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES:

The Civil Division BRU supports the Civil Division of the Department of Law. The Civil Division serves the interests of Alaska's citizens by providing legal counsel to the executive branch in all civil actions. The division defends and prosecutes civil litigation to which the state is a party; handles legal matters for and provides legal advice to the governor, executive branch agencies, and -- upon request -- the legislative and judicial branches; reviews regulations prepared by executive agencies; drafts legislation for introduction by the governor; and reviews all legislation before it is acted upon by the governor.

Activities of the Civil Division help protect the financial and natural resources of the state, defend Alaskans' access to the state's land and natural resources, and ensure that the laws and regulations that govern businesses, individuals, and government agencies are constitutional. The division takes action to protect children from abuse and enforce child support obligations, guarantees that state programs are administered fairly and that money owed to the state is collected, defends the state's interests relative to the federal government, and defends the state from unreasonable demands for payment of costs of lawsuits, personnel actions, and personal injuries. It protects the state's financial resources by advising agencies on decisions that might lead to financial claims, defending against unreasonable claims, and facilitating reasonable settlements or other appropriate resolution of issues.

The Civil Division BRU includes components supporting the following sections: (1) Office of the Deputy Attorney General; (2) Collections and Support; (3) Commercial; (4) Environmental Law; (5) Fair Business Practices; (6) Governmental Affairs; (7) Human Services; (8) Legislation and
(continued on page 2)

SUMMARY OF BRU ISSUES:

The main issue facing this BRU in FY00 is the need to make the best use of its limited resources so that the Civil Division can carry out its broad responsibilities. Two elements are critical in this effort -- adequate resources and the ability of the Attorney General to manage those resources efficiently and responsively.

In FY98, the legislature subdivided the Civil Division's budget structure into smaller components based on the division's organizational structure. In doing so, the legislature acknowledged that its allocation of funds among components was imprecise and the division has found this to be true. Adjusting the allocation among components has become an ongoing process because of the nature of the division's work and responsibilities and requires significant time and effort on the part of the administrative staff.

Child Protection

Child protection workloads continue to be of significant concern to the department. Caseloads have increased due to policy changes made by the Division of Family and Youth Services, and will increase more as new social worker staff funded in FY99 are hired and trained. In addition, statutory changes at the state and federal level require important changes in how long children can remain in the child protection legal system, and when certain actions must occur, and define parental responsibility more concretely. These changes will move cases to conclusion faster to ensure that when reunification with the family is not in the child's best interest, the child can be made legally eligible for placement in a permanent home more quickly. A huge number of existing cases are now moving on the new accelerated schedules, and severely impacting attorney workloads. Additional resources are requested to ease these workloads. (continued on page 4)

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CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES: *(continued from page 1)*

Regulations; (9) Mental Health Lands; (10) Natural Resources; (11) Oil, Gas and Mining; (12) Special Litigation; (13) Transportation; and (14) Timekeeping and Support.

(1) The Deputy Attorney General component supports the Deputy Attorney General as she assists the Attorney General and the department in carrying out its statutorily prescribed functions. The Deputy Attorney General for the Civil Division serves as the chief operating officer for the division and is responsible for leading, managing, and coordinating the activities of the attorneys and paraprofessionals in each of the substantive sections of the four locations of the Civil Division.

(2) The Collections and Support section consists of two units: the collections unit and the child support unit. The section protects the state's financial resources by collecting outstanding civil and criminal debts and protects Alaska's children by establishing paternity and ensuring compliance with child support orders. The collections unit collects unsecured debts owed to the state. The majority of these debts are criminal judgments, but the unit also collects various civil judgments and civil penalties. The child support enforcement unit represents the Child Support Enforcement Division (CSED) in court, provides legal support in matters relating to administrative child support enforcement actions, drafts legislation and regulations, and provides general legal advice to CSED.

(3) The Commercial section provides legal services on revenue and commercial matters; protects the integrity of the state's public finances through fair interpretation, implementation, enforcement, defense, or adoption of statutes and regulations governing state revenue, the permanent fund dividend, the employment security program, and lending programs; and protects public health and safety through fair interpretation, implementation, enforcement, defense, or adoption of statutes and regulations governing occupational licensing, alcoholic beverage control, banking, securities, corporations, and the executive branch ethics act. The section serves the Income and Excise Audit Division, Permanent Fund Dividend Division, Alaska Housing Finance Corporation, Alcoholic Beverage Control Board, Occupational Licensing Division, Investments Division, Banking, Securities and Corporations Division, Office of the Commissioner of Commerce, Employment Security Division, and the Agricultural Revolving Loan Fund. The component is also responsible for administration of the Executive Branch Ethics Act.

(4) The Environmental Law section provides legal representation to state agencies for the investigation, defense, and prosecution of claims regarding contaminated sites around the state as well as legal advice on environmental matters. It also provides legal representation to state agencies for the defense and prosecution of claims regarding the EXXON VALDEZ oil spill, the reimbursement of oil-spill-related costs, and the expenditure of restoration funds. It provides legal services to help recover the state's contribution to the Trans-Alaska Pipeline Liability Fund. The work of the Environmental Law section helps to protect the environment of the state, to ensure that the costs of contaminated site cleanup are borne by the responsible parties, to minimize the state's exposure to claims for damages relating to environmental problems, to ensure that the costs of the EXXON VALDEZ are reimbursed to the fullest extent possible and that the available restoration funds are expended in accordance with the law and for the maximum benefit of the Alaska environment. It serves Alaskans by helping to protect the environment and restore already-damaged sites and by making sure that those who are responsible for environmental damage are required to pay the costs of remediation.

(5) The Fair Business Practices section, which includes the consumer protection unit, protects the public by enforcing consumer protection and antitrust laws and by providing legal services and advice to the agencies that monitor insurance companies and personnel, public utilities, post-secondary education, and certified teachers. The component also protects the student loan program by providing legal services and advice to the agencies that direct the program. Agencies served by the component include the following: Alaska Public Utilities Commission, Division of Insurance, Alaska Commission on Postsecondary Education, Alaska Student Loan Corporation, and the Professional Teaching *(continued on page 3)*

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BRU Civil Division

COMPONENT _____

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CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES: *(continued from page 2)*

Practices Commission.

(6) The Governmental Affairs section provides legal assistance needed for governmental management, including budget, public finance, employment, labor relations, civil rights, procurement, retirement programs, Medicaid rate disputes, and investment of treasury and Permanent Fund Corporation funds. It provides legal assistance on problems associated with institutional relationships within state government, the interaction between state and local governments, and the conduct of elections. The section provides legal assistance to the departments of Administration and Community and Regional Affairs, the Office of the Governor and Lieutenant Governor, the Office of Management and Budget, the Permanent Fund Corporation, AIDEA, the Alaska Public Offices Commission, the Human Rights Commission, the Division of Elections, the Department of Labor, and the Alaska Court System.

(7) The Human Services section provides legal advice and representation to the Departments of Education, Labor, and Health and Social Services. It helps protect the public by providing legal services and advice to these agencies regarding labor, education, child protection, juvenile delinquency, licensing, and health issues. It helps enforce the state's labor, health, and safety laws.

(8) The Legislation and Regulations section provides legal advice and review for constitutional and statutory requirements in the preparation of state legislation and regulations.

(9) The Mental Health Lands section defends the state against challenges to regulations governing land managed by the Alaska Mental Health Trust Authority, advises the authority and the Department of Natural Resources as they implement the settlement of the Mental Health Lands Trust dispute and develop new budgetary and administrative structures to manage the land, and deals with the concerns of land purchasers or mining claimants who claim to have been harmed by the settlement.

(10) The Natural Resources section provides legal advice and representation to state departments, boards, and commissions that regulate Alaska's lands, waters, and renewable natural resources. It protects Alaskans' interests by ensuring that the state's natural resources are managed and allocated by state agencies in a manner that is consistent with the law, defending against legal challenges to actions taken by Alaska natural resource agencies, and pursuing legal actions against persons who are illegally using, damaging, or destroying Alaska's lands, waters, or renewable natural resources.

(11) The Oil, Gas, and Mining section is responsible for litigating oil, gas, and mining resource disputes involving the state. It protects Alaskans' interests by making sure that the state receives the royalty and tax revenues to which it is entitled for current and past production, defending against challenges to state oil and gas lease sale programs, and protecting the state's title to resource-rich lands.

(12) The Special Litigation component provides legal defense in tort litigation cases filed against the state, state agencies, and state employees, including personal injury, property damage, and civil rights suits brought under 42 U.S.C. §1983. The component also provides defense in contested workers' compensation claims and provides oral advice and training to reduce the state's liability exposure. The component provides legal services to the Division of Risk Management and, through it, to all state agencies.

(13) The Transportation section provides legal advice to and representation of the Department of Transportation and Public Facilities. The component enhances the department's ability to efficiently provide the public infrastructure necessary for the safety and well-being of all Alaskans by providing advice and representation on all aspects of the construction and operation of the state's public facilities, including building, highways, ferries, airports, harbors, communications facilities, and other public works. *(continued on page 4)*

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CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES: *(continued from page 3)*

(14) The Timekeeping and Support component, which is comprised of those cost elements of the Civil Division support pool that are division-wide, rather than section specific, includes the costs of law office management (for the Juneau, Anchorage, and Fairbanks offices), case management, and division timekeeping and billing. The component provides day-to-day support to the legal staff by ensuring that resources necessary to perform their jobs are available. The component is responsible for maintaining work management and timekeeping records, providing accurate and timely billing to client agencies, and ensuring that office operations flow efficiently and unencumbered while state and department policies are followed and consistently applied.

SUMMARY OF BRU ISSUES: *(continued from page 1)*

Consumer Protection

Alaska is a target state for many types of consumer fraud, among them telemarketing, prizes and sweepstakes, deceptive home business opportunity sales, automobile sales and service, and a variety of retail sales and services. Under the terms of the Consumer Protection Act (AS 45.50.471 et seq), the Attorney General's office is authorized to investigate and bring enforcement action against businesses that engage in unfair or deceptive trade practices. Given the current funding and staffing level and the large areas of enforcement the office is responsible for, it is forced to turn away many legitimate cases of consumer fraud and, until recently, it has been unable to take direct consumer complaints. Investigative activities are limited to only those situations that indicate a pattern of unfairness or deception substantially affecting the public interest. Enforcement activities are directed to situations affecting a large number of consumers or involving large dollar amounts, and often there are not enough resources for those cases. The department has instituted new activities in this area using existing resources, including the development of a consumer complaint packet and a consumer complaint database. New resources are also requested in order to increase complaint investigations and enforcement.

Risk Management

The Anchorage Special Litigation section has seen a continuing increase in the number of cases they handle involving catastrophic injuries, as well as an additional increase in cases with more complex legal issues to be researched, briefed, and argued. In response to these increases, the Division of Risk Management added funds to its FY99 reimbursable services agreement (RSA) with the Department of Law. The increase in interagency receipt authority is requested as an increment in FY00

Accountability

The division fully implemented timekeeping for all Civil Division attorneys in calendar year 1996. FY97 was the first full year for which timekeeping data is available, and the information provided by the system is proving useful as a management tool. Universal timekeeping provides more complete information on which types of cases are taking the most time and costing the most, the relative workload and output of sections, and the costs attributable to attorneys working out of their normal assignments or for multiple clients. It is helping managers properly assess where resources are being used, and providing better accountability and control over dwindling resources. The move to universal timekeeping was made in response to both federal requirements with respect to rates charged to clients and documentation, and the need for an expanded information base to make possible greater management control.

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CONTACT: Barbara J. Ritchie, Deputy Attorney General, 465-2133

COMPONENT GOALS:

To manage and supervise the functions of the Civil Division offices in Juneau, Anchorage, Fairbanks, and Bethel.

To oversee and coordinate the activities of all the substantive law sections of the Civil Division to maximize productivity, maintain adequate resources for pursuing cases, ensure the highest quality possible in the representation and advice to state agencies, and maintain consistency in approaches, policy issues, settlements and appellate practice.

To work with the Attorney General and the Administrative Services Division on the preparation of the budget for the Civil Division, and to present and defend the division's budget to the Legislature.

To oversee and coordinate the activities of the Department of Law in the area of Indian law.

	FY 98 ACTUAL**	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	222.4	162.4	157.4
Other Program Costs	3,103.4	40.4	45.4
Total	3,325.8	202.8	202.8
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	3,002.7	202.8	202.8
GF Program Receipts			
GF Mental Health			
Other Funds	323.1		
Total	3,325.8	202.8	202.8
STAFFING:			
Permanent Full-Time	2	2	2
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES: ** FY98 Actual Total includes payment of judgments and claims (CH 139 SLA 1998).

The Deputy Attorney General for the Civil Division serves as the chief operating officer for the division. In this role, the deputy is responsible for leading, managing and coordinating the activities of the attorneys and paraprofessionals in each of the substantive sections of the four locations of the Civil Division (Juneau, Anchorage, Fairbanks, and Bethel). The deputy works closely with the attorney managers/supervisors on issues and cases that require input or direction from the Attorney General or other policy-level officers. This component supports the deputy as she assists the Attorney General and the department in carrying out its statutorily prescribed functions.

The deputy heads up the management team for the division, and in that role works closely with the office chief supervisors and Administrative Services to manage a wide variety of administrative functions. The deputy is responsible for working with Administrative Services to prepare the annual budget for the division and present and defend the budget before the legislature. The deputy is also responsible for making and (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

None.

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COMPONENT Deputy Attorney General #2205

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CONTINUATION OF FORM COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

implementing decisions regarding the division's budget throughout the fiscal year. The deputy also serves as the Indian law coordinator for the Department of Law. In this capacity, the deputy is responsible for knowing the status of cases and matters implicating Indian law issues on going or anticipated throughout the Department of Law. The deputy is responsible for ensuring consistency in approach in these matters and for informing staff of the issues and providing direction as appropriate.

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COMPONENT Deputy Attorney General #2205

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CONTACT: Barbara J. Ritchie, Deputy Attorney General, 465-2133

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To ensure that the legal advice and representation provided to state agencies by the Civil Division is of the highest quality possible and provided in a cost effective manner.

To ensure that the Civil Division is adequately funded and staffed to carry out its statutorily prescribed functions.

To improve the efficiency of the Civil Division by implementation of a new timekeeping, billing, and case management system.

To coordinate the activities of the Department of Law in cases and matters involving Indian law issues.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

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CIVIL DIVISION
Deputy Attorney General

CIVIL DIVISION
Deputy Attorney General
030002 RG28 Juno PX

Legal Secretary II
031214 RG11 Juno CL

CONTACT: Diane Wendlandt, Assistant Attorney General, 269-5100

COMPONENT GOALS:

To protect the state's financial resources by collecting outstanding civil and criminal debts.

To protect Alaska's children by establishing paternity and ensuring compliance with child support orders.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	1,217.0	1,314.9	1,320.2
Other Program Costs	405.9	545.5	452.8
Total	1,622.9	1,860.4	1,773.0
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	1.2		
GF Program Receipts	337.3	338.6	338.6
GF Mental Health			
Other Funds	1,284.4	1,521.8	1,434.4
Total	1,622.9	1,860.4	1,773.0
STAFFING:			
Permanent Full-Time	22	21	21
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Collections and Support section consists of two units: the collections unit and the child support unit. The collections unit collects unsecured debts owed to the state. The majority of these debts are criminal judgments (fines, judgments for the cost of appointed counsel, and judgments for the cost of incarceration on DWI charges). In addition, the collections unit collects various civil judgments, including attorney's fee awards, and civil penalties entered by agencies such as OSHA and APOC.

The child support enforcement unit represents the Child Support Enforcement Division (CSED) in court, including paternity establishment and disestablishment, modification of child support orders, employer non-compliance actions and miscellaneous other activities related to enforcement of court-ordered support. In addition, the unit provides legal support in matters relating to administrative child support enforcement actions, drafts legislation and regulations, and provides general legal advice to CSED.

DESCRIPTION OF COMPONENT CHANGES:

None.

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COMPONENT Collections and Support #2210

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CONTACT: Diane Wendlandt, Assistant Attorney General, 269-5100

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To collect money owed the state on civil judgments and penalties, criminal fines, public defender costs, and costs of incarceration where allowed by law.

To initiate paternity actions and actions to recover child support payments on behalf of children and their custodial parents, and on behalf of the state, where children receive welfare benefits.

To enforce compliance by employers with wage withholding requirements.

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COMPONENT Collections and Support #2210

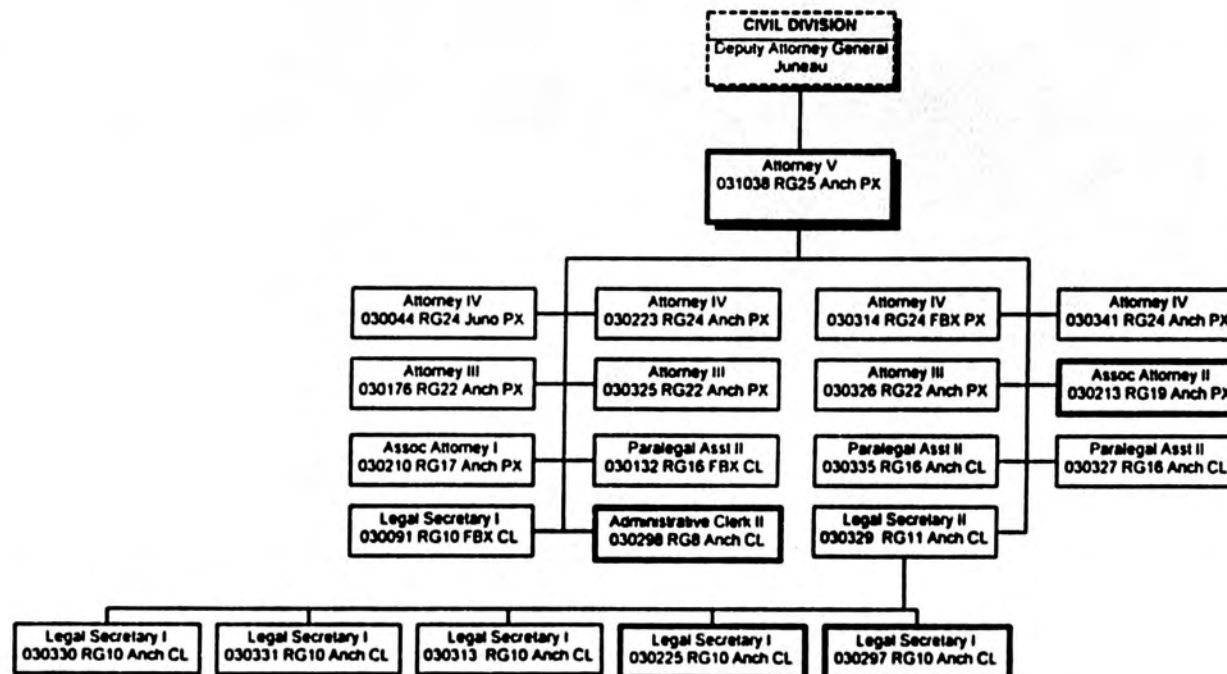
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CIVIL DIVISION Collections and Support



CONTACT: Neil Slotnick, Assistant Attorney General, 465-3600

COMPONENT GOALS:

To provide legal services on revenue and commercial matters.

To protect the integrity of the public fisc through fair interpretation, implementation, enforcement, defense, or adoption of Alaska's revenue, permanent fund dividend, employment security, and lending statutes and regulations.

To protect public health and safety through fair interpretation, implementation, enforcement, defense, or adoption of Alaska's occupational licensing, alcoholic beverage control, banking, securities, corporation, and executive branch ethics statutes and regulations.

	FY 98	FY 99	FY 2000
EXPENDITURES:	ACTUAL	AUTHORIZED	GOVERNOR
Personal Services	1,185.6	988.4	1,004.9
Other Program Costs	600.1	498.5	669.9
Total	1,785.7	1,486.9	1,674.8
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	252.4	271.7	271.7
GF Program Receipts			
GF Mental Health			
Other Funds	1,533.3	1,215.2	1,403.1
Total	1,785.7	1,486.9	1,674.8
STAFFING:			
Permanent Full-Time	12	12	12
Permanent Part-time	2	2	2
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Provide representation, defense, advice, and counsel to the following divisions and corporations within the Departments of Revenue, Commerce and Economic Development, Labor, Natural Resources and Law.

DEPARTMENT OF REVENUE:

Income and Excise Audit Division:

- Assist in negotiation of income and excise tax settlements.
- Defend appeals of tax assessments.
- Defend tax legislation against constitutional challenges.

(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

In FY99, an on-going reimbursable services agreement with the Alaska Housing Finance Corporation for outside counsel was inadvertently omitted from the Department of Law's operating budget. The FY00 request returns this RSA to budgeted status.

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Permanent Fund Dividend Division:

- Defend appeals of dividend denials.
- Assist in drafting regulations.

Alaska Housing Finance Corporation:

- Act as corporate counsel providing general advice on personnel, procurement, and contractual matters.
- Provide legal advice relating to AHFC's mortgage lending, public housing, and residential energy activities.
- Represent the corporation in litigation.

Alcoholic Beverage Control Board:

- Provide legal advice regarding the issuance and renewal of alcoholic beverage licenses and on disciplinary matters relating to license holders.
- Assist the board with the drafting and adoption of regulations.

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT:

Occupational Licensing Division:

- Assist in negotiation of settlements or resolutions of license denials and license discipline.
- Defend appeals of license denial and license discipline.
- Advise professional boards on legislative and constitutional limitations on their authority.
- Assist in drafting and repealing of regulations.

Investments:

- Obtain judgments on defaulted loans.

Banking, Securities and Corporations:

- Defend appeals of cease and desist orders against securities brokers and salespeople.
- Defend appeals of orders regarding proxy challenges.

Commissioner's Office:

- Assist in responding to public records requests.
- Provide general legal advice.

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 2)*

DEPARTMENT OF LABOR:

Employment Security Division:

- Provide employment security tax collection activities.

DEPARTMENT OF NATURAL RESOURCES:

Agricultural Revolving Loan Fund:

- Act as legal counsel to the Division of Agriculture on matters relating to agricultural loans and foreclosed properties.

DEPARTMENT OF LAW:

Executive Branch Ethics:

- Provide advice and training on ethics to executive branch agencies and boards and commissions.
- Investigate ethics complaints.
- Work with designated supervisors to resolve ethics complaints.
- Prosecute ethics violations before Personnel Board.
- Defend appeals of ethics violations.

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CONTACT: Neil Slotnick, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To provide representation and legal advice (attorney general opinions) to client agencies and boards.

To defend appeals of income and excise tax assessments.

To defend appeals of permanent fund dividend denials.

To defend appeals of occupational license denials or discipline.

To defend appeals of cease and desist orders entered by the Division of Banking, Securities, and Corporations.

To collect money owed the state on defaulted investments, and Alaska Housing and agricultural loans.

To advise and educate executive branch agencies and employees on the Executive Branch Ethics Act.

To investigate alleged violations of the Executive Branch Ethics Act and initiate enforcement action in appropriate cases.

To prepare and review all legislation and regulations on behalf of client agencies and boards.

STATUTORY/REGULATORY CITATIONS

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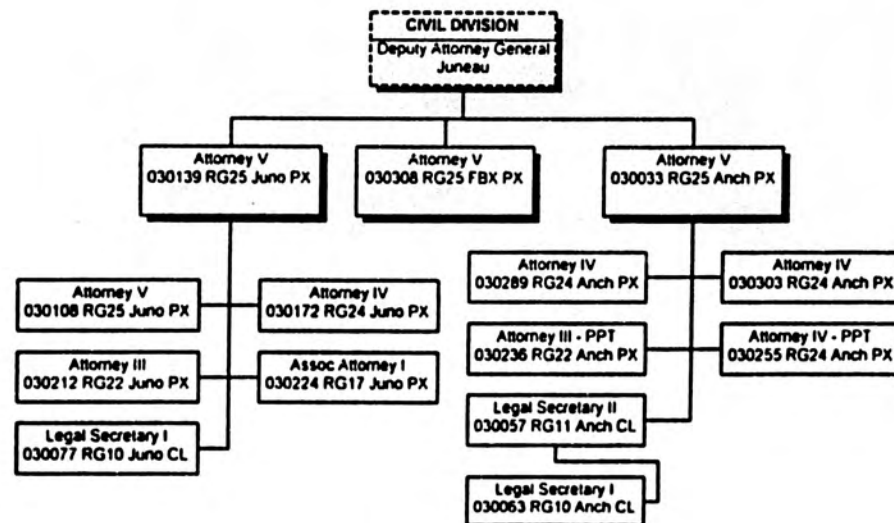
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CIVIL DIVISION
Commercial



CONTACT: Craig J. Tillery, Assistant Attorney General, 269-5100

COMPONENT GOALS:

To maximize the state's efforts to secure cleanup of contaminated sites and to ensure, to the greatest extent possible, that the costs of such cleanup are borne by the responsible parties.

To provide advice to the Department of Environmental Conservation (DEC) for measures relating to protection of the environment.

To minimize the monetary exposure of the state to claims by the United States and third parties for damages relating to environmental problems.

To ensure that EXXON VALDEZ costs are reimbursed to the fullest extent possible and that the available restoration funds are expended in accordance with law and for the maximum benefit of the Alaska environment.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	1,042.1	961.8	921.3
Other Program Costs	639.2	421.3	432.9
Total	1,681.3	1,383.1	1,354.2
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	688.6	600.4	600.4
GF Program Receipts	5.1	183.5	133.5
GF Mental Health			
Other Funds	987.6	599.2	620.3
Total	1,681.3	1,383.1	1,354.2
STAFFING:			
Permanent Full-Time	13	13	12
Permanent Part-time	1	1	2
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Environmental Law provides legal representation to state agencies for the investigation, defense and prosecution of claims regarding contaminated sites around the state as well as legal advice on environmental matters. The section also provides legal representation to state agencies for the defense and prosecution of claims regarding the EXXON VALDEZ oil spill, the reimbursement of oil spill related costs and the expenditure of restoration funds. It provides legal services in connection with obtaining recovery of the state's contribution to the Trans-Alaska Pipeline Liability Fund. Environmental Law also provides paralegal services, data collection and processing to support the activities. Although these amounts requested are relatively modest, they have the potential to return to the state treasury substantially greater revenues. (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

\$50.0 in general fund program receipt authority is transferred from Environmental Law to Fair Business Practices for consumer protection and enforcement. The funds will be used to defray the Consumer Protection unit's costs of pursuing the state's participation in national consumer protection settlements that result in the recovery of financial redress for individual Alaskans injured by consumer fraud and for the State of Alaska. This transfer is not expected to impact Environmental Law as program receipt revenues for this component vary in amount annually, and are not depended on to cover recurring annual costs.

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: (continued from page 1)

The section was established in 1989 in the aftermath of the EXXON VALDEZ oil spill to force the cleanup of oil and to recover damages from the responsible parties, Exxon and Alyeska. The EXXON VALDEZ oil spill gave rise to more than a hundred lawsuits in state court and more than fifty in the federal district court of Alaska. In August 1989, the state filed an action in state superior court against Exxon, Alyeska, and the TAPS Owner Companies alleging a number of violations of state law and seeking a broad array of damages, including a claim for injuries to the state's natural resources. In March 1991, the state filed an action in federal court seeking restoration costs and natural resource damages under the Clean Water Act. That effort has culminated in a remarkable series of agreements which have brought over one billion dollars to the state for restoration of the oil spill impacted area and reimbursement of state and federal response, damage assessment, and litigation expenditures. While the case has settled as to the state's claims and liabilities, work remains concerning expenditure of the restoration funds and securing reimbursement of oil spill related expenses. Some closely related matters, such as recovering the state's contribution to the Trans-Alaska Pipeline Liability are also undertaken through this component.

In 1993 the expertise of the EXXON VALDEZ litigation team was, in part, redirected to initiate and implement a special project to force the cleanup and to recover for costs and damages related to contaminated sites around the state which pose an imminent or substantial threat to public health or the environment.

In order to effectively deal with these environmental threats and to ensure that those responsible for environmental degradation pay for the costs to the state of their actions, DEC requires substantial assistance from the Department of Law. [See "DEC Cost Recovery Policy & Procedures" (August 1993)]. Department staff, utilizing information from DEC's contaminated sites data base, gather information and documentation on the priority sites. Department attorneys then perform a legal analysis of the sites' potential for responsible party cleanup or state cost recovery action. To accomplish this, the department identifies "responsible parties" at these priority sites as well as those parties' financial ability to initiate remediation and the potential for success of legal action. In consultation with DEC, department attorneys pursue appropriate enforcement actions to ensure cleanup at these sites or recommend to DEC that the state initiate a state led cleanup. In either case, the department pursues appropriate reimbursement of any state cleanup expenditures. The department consults with DEC in decisions to release a potentially responsible party from liability when available evidence indicates that the party is not, in fact, liable.

In past years the Department of Law successfully recovered monies and environmental benefits for the state far exceeding enforcement costs. For example, in FY96 through FY98, the department recovered over \$4,000,000 for state costs and penalties related to contaminated sites, obtained cleanup agreements with polluters with an estimated value of between \$24,000,000 and \$32,500,000 and recovered approximately \$8,300,000 for EXXON VALDEZ oil spill related matters. To accomplish this, the department expended only a little more than \$4,000,000.

In separate activities under this component, the department defended several potentially significant lawsuits where the state was alleged to have violated environmental laws with claimed damages in the millions of dollars. The department also participated in lawsuits, such as the Whittier Road litigation, where the interests of the state are under attack. Finally, the department uses funds from this component to provide advice to agencies, primarily DEC, about environmental compliance issues. One of the major focuses this past year was the successful defense of the adopted contingency plan for the transport of oil in Prince William Sound from challenges by environmental and fishing groups.

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: (continued from page 1)

The section was established in 1989 in the aftermath of the EXXON VALDEZ oil spill to force the cleanup of oil and to recover damages from the responsible parties, Exxon and Alyeska. The EXXON VALDEZ oil spill gave rise to more than a hundred lawsuits in state court and more than fifty in the federal district court of Alaska. In August 1989, the state filed an action in state superior court against Exxon, Alyeska, and the TAPS Owner Companies alleging a number of violations of state law and seeking a broad array of damages, including a claim for injuries to the state's natural resources. In March 1991, the state filed an action in federal court seeking restoration costs and natural resource damages under the Clean Water Act. That effort has culminated in a remarkable series of agreements which have brought over one billion dollars to the state for restoration of the oil spill impacted area and reimbursement of state and federal response, damage assessment, and litigation expenditures. While the case has settled as to the state's claims and liabilities, work remains concerning expenditure of the restoration funds and securing reimbursement of oil spill related expenses. Some closely related matters, such as recovering the state's contribution to the Trans-Alaska Pipeline Liability are also undertaken through this component.

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In order to effectively deal with these environmental threats and to ensure that those responsible for environmental degradation pay for the costs to the state of their actions, DEC requires substantial assistance from the Department of Law. [See "DEC Cost Recovery Policy & Procedures" (August 1993)]. Department staff, utilizing information from DEC's contaminated sites data base, gather information and documentation on the priority sites. Department attorneys then perform a legal analysis of the sites' potential for responsible party cleanup or state cost recovery action. To accomplish this, the department identifies "responsible parties" at these priority sites as well as those parties' financial ability to initiate remediation and the potential for success of legal action. In consultation with DEC, department attorneys pursue appropriate enforcement actions to ensure cleanup at these sites or recommend to DEC that the state initiate a state lead cleanup. In either case, the department pursues appropriate reimbursement of any state cleanup expenditures. The department consults with DEC in decisions to release a potentially responsible party from liability when available evidence indicates that the party is not, in fact, liable.

In past years the Department of Law successfully recovered monies and environmental benefits for the state far exceeding enforcement costs. For example, in FY96 through FY98, the department recovered over \$4,000,000 for state costs and penalties related to contaminated sites, obtained cleanup agreements with polluters with an estimated value of between \$24,000,000 and \$32,500,000 and recovered approximately \$8,300,000 for EXXON VALDEZ oil spill related matters. To accomplish this, the department expended only a little more than \$4,000,000.

In separate activities under this component, the department defended several potentially significant lawsuits where the state was alleged to have violated environmental laws with claimed damages in the millions of dollars. The department also participated in lawsuits, such as the Whittier Road litigation, where the interests of the state are under attack. Finally, the department uses funds from this component to provide advice to agencies, primarily DEC, about environmental compliance issues. One of the major focuses this past year was the successful defense of the adopted contingency plan for the transport of oil in Prince William Sound from challenges by environmental and fishing groups.

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CONTACT: Craig J. Tillery, Assistant Attorney General, 269-5100

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

(1) To recover for the state costs to which it is entitled arising out of the EXXON VALDEZ oil spill.

- The amount of funds recovered during FY00.

(2) To work with state and federal agencies and the EXXON VALDEZ Oil Spill Trustee Council to provide for the appropriate restoration of the natural resources damaged by the EXXON VALDEZ oil spill.

- The specific restoration projects undertaken in FY00 and the extent to which they restore injured natural resources and lost or diminished services.

(3) To obtain complete recovery of those contributions made by the state to the Trans-Alaska Pipeline Liability Fund.

- The amount of money refunded by the Trans-Alaska Pipeline Liability Fund from the contributions made by the state.

(4) To work with state agencies in the prosecution of litigation related to cleanup and cost recovery from responsible parties for contaminated sites in the state.

- The number and quality of contaminated sites cleaned up and the extent to which 100 percent of state expenditures are recovered from responsible parties.

(continued on page 2)

STATUTORY/REGULATORY CITATIONS

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CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: *(continued from page 1)*

(5) To promote responsible protection for the environment of Alaska.

- Assistance provided to agencies in drafting legislation, regulations and so forth in the aid of responsible environmental protection.

(6) To provide for the defense of environmental claims against the state.

- The amount of money the state is required to pay by the United States and third parties with respect to environmental claims against the state and the extent to which legal efforts by others to block environmentally responsible state projects are stymied.

**ADDITIONAL
EXPLANATION
FORM**
Revised 8/26/98

AGENCY Department of Law

BRU Civil Division

COMPONENT Environmental Law #2092

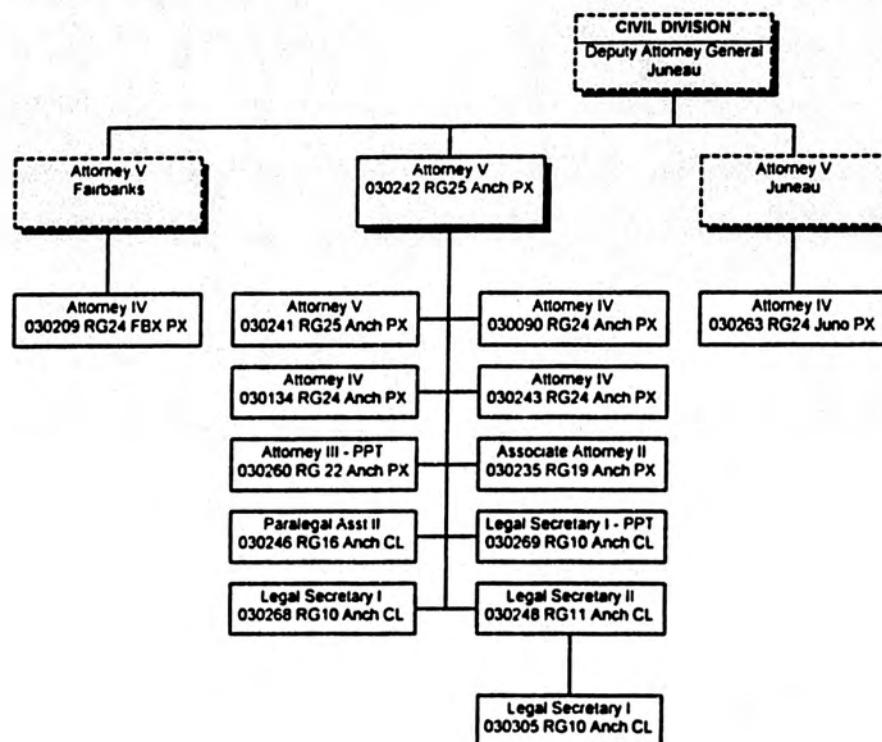
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Revised Date:

FY 2000

000277

CIVIL DIVISION
Environmental Law



CONTACT: Teresa E. Williams, Assistant Attorney General, 269-5100

COMPONENT GOALS:

To protect the public by enforcing consumer protection and antitrust laws.

To protect the public by providing legal services and advice to the agencies that monitor insurance companies and personnel, public utilities, postsecondary education, and certified teachers.

To protect the student loan program by providing legal services and advice to the agencies that direct the program.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	894.4	965.3	1,196.4
Other Program Costs	163.7	127.6	274.9
Total	1,058.1	1,092.9	1,471.3
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	263.4	417.7	481.1
GF Program Receipts	50.0		50.0
GF Mental Health			
Other Funds	744.7	675.2	940.2
Total	1,058.1	1,092.9	1,471.3
STAFFING:			
Permanent Full-Time	13	13	15
Permanent Part-time	1	1	4
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Enforce the state's consumer protection and antitrust laws, and the exercise of the Attorney General's authority under federal antitrust laws.

Provide advice, representation, defense in court proceedings, and legislative and regulations drafting to the following commissions, divisions and corporations within the following departments:

Department of Commerce and Economic Development: Alaska Public Utilities Commission (includes representation of staff when staff is designated as an advocate); Division of Insurance (includes representation of staff in administrative enforcement actions); Department of Education: Alaska Commission on Postsecondary Education (includes representation of staff in administrative enforcement actions); Alaska Student Loan Corporation; Professional Teaching Practices Commission (includes representation of staff in disciplinary proceedings).

DESCRIPTION OF COMPONENT CHANGES:

A new full-time attorney and part-time paraprofessional are added to the Consumer Protection unit to increase consumer protection investigation and enforcement capabilities and more effectively respond to consumer complaints.

(continued on page 2)

**COMPONENT GOALS
AND SERVICES**

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BRU Civil Division

COMPONENT Fair Business Practices #2206

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Revised Date: .

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000299

CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT CHANGES: *(continued from page 1)*

Alaska is a target state for many types of consumer fraud, among them telemarketing, prizes and sweepstakes, deceptive home business opportunity sales, automobile sales and service, and a variety of retail sales and services. Under the terms of the Consumer Protection Act (AS 45.50.471 et seq), the Attorney General's office is authorized to investigate and bring enforcement action against businesses that engage in unfair or deceptive trade practices. Currently the Office of the Attorney General has one full-time and one part-time attorney and two half-time paraprofessionals who divide their time among enforcement of the Consumer Protection Act and the Antitrust Act, enforcement of the laws relating to the sale of tobacco to minors, and telemarketing and charitable solicitation registration requirements. Given the current funding and staffing level and the large areas of enforcement the office is responsible for, it is forced to turn away many legitimate cases of consumer fraud and, until recently, it has been unable to take direct consumer complaints. Investigative activities are limited to only those situations that indicate a pattern of unfairness or deception substantially affecting the public interest. Enforcement activities are directed to situations affecting a large number of consumers or involving large dollar amounts, and often there are not enough resources for those cases.

In addition to requesting additional staff, the department is proposing to increase its ability to respond to consumer complaints by shifting existing resources, including program receipt authority. A paraprofessional position was moved from the Natural Resources section to the Fair Business Practices section in FY99 to support the consumer protection function. Program receipt authority is being transferred from the Environmental Law section to Fair Business Practices for consumer protection. The Consumer Protection unit is often able to participate in national consumer protection settlements and recover financial redress for individual Alaskans injured by consumer fraud and for the State of Alaska. The transfer moves authorization to allow a portion of those proceeds to be used to defray the unit's costs of pursuing the state's participation in these settlements.

The department has also developed a new self-help consumer information packet and established a new database to track consumer complaints. The packet provides guidance on how individuals can effectively handle their own complaints, directly with the business involved, through the Better Business Bureau, or through the courts. It includes a form for individuals to file a complaint with the Attorney General's office. Collecting information on consumer complaints in a database will allow the department to track patterns of consumer fraud and deceptive practices.

The requested increment would permit increased investigation of these complaints, better response to the identified patterns of fraud, and more effective enforcement of the consumer protection laws. The increment would fund one FTE attorney, a third half-time paraprofessional, and a half-time secretary to investigate, take enforcement action in, or otherwise resolve more of the complaints than is currently possible.

In addition to the proposed increase for consumer protection, a part-time paraprofessional position funded through a reimbursable services agreement with the Alaska Commission on Postsecondary Education (ACPE) is added to the Fair Business Practices section to assist in the collection of student loans. That person will assist in implementing the new administrative collection powers of the ACPE. Additionally, that person will respond to the increased contact to the Department of Law as a result of direct warning letters from the department to borrowers who are close to default.

ADDITIONAL
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BRU Civil Division

COMPONENT Fair Business Practices #2206

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Revised Date:

FY 2000

000300

CONTACT: Teresa E. Williams, Assistant Attorney General, 269-5100

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To provide representation and legal advice to the agencies, staff, and boards and commissions of the agencies represented by the section.

To assist the represented agencies in negotiating contracts for procuring services.

To investigate violations of consumer protection laws and initiate enforcement action in appropriate cases.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

AS 44.23.020				

COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES
Form CF2
REVISED 8/26/98

AGENCY Department of Law

BRU Civil Division

COMPONENT Fair Business Practices #2206

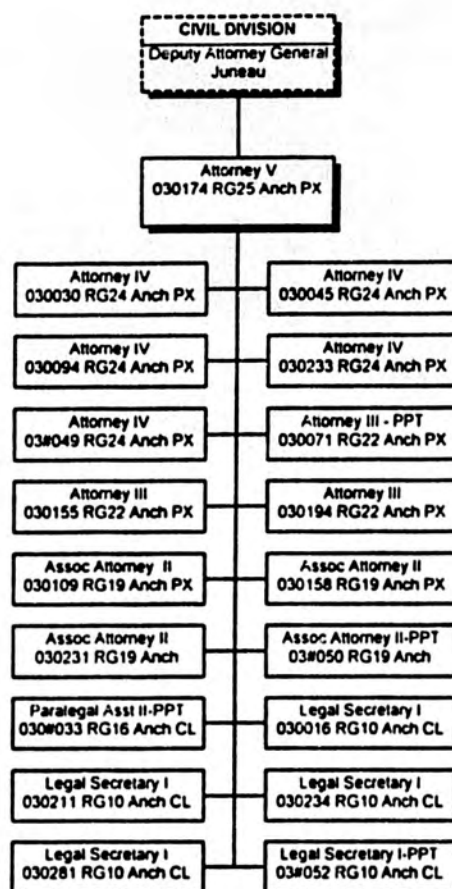
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Revised Date:

FY 2000

000301

CIVIL DIVISION Fair Business Practices



CONTACT: James L. Baldwin, Assistant Attorney General, 465-3600

COMPONENT GOALS:

To provide legal services to the Departments of Administration, Labor and Community & Regional Affairs, Office of the Governor, Office of the Lieutenant Governor, Office of Management and Budget, Permanent Fund Corporation, AIDEA, Alaska Public Offices Commission, Human Rights Commission, Division of Elections, and the Alaska Court System.

To provide a central core of attorneys experienced in government organization law to advise other Department of Law staff and agencies not served directly as client agencies.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	1,791.0	1,588.4	1,644.3
Other Program Costs	956.9	503.4	546.4
Total	2,747.9	2,091.8	2,190.7
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	1,076.4	890.7	890.7
GF Program Receipts			
GF Mental Health			
Other Funds	1,671.5	1,201.1	1,300.0
Total	2,747.9	2,091.8	2,190.7
STAFFING:			
Permanent Full-Time	18	18	19
Permanent Part-time	2	2	1
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Governmental Affairs section provides legal assistance needed for governmental management, including budget, public finance, employment, labor relations, civil rights, procurement, retirement programs, Medicaid rate disputes, and investment of treasury and Permanent Fund Corporation funds. Provides legal assistance for problems associated with institutional relationships within state government, including the separation of powers between the three branches of government and interaction between the state and local governments. Provides legal assistance on issues associated with the conduct of elections. Provides legal services to the Departments of Administration, Labor, and Community and Regional Affairs, Office of the Governor, Office of the Lieutenant Governor, Office of Management and Budget, Permanent Fund Corporation, AIDEA, Alaska Public Offices Commission, Human Rights Commission, Division of Elections, and the Alaska Court System.

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
AND SERVICES**

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AGENCY Department of Law

BRU Civil Division

COMPONENT Governmental Affairs #2207

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Revised Date:

FY 2000

000325

CONTACT: James L. Baldwin, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To provide representation and legal advice to client agencies, department staff and others as assigned by the attorney general.

To advise and represent the management interests of state agencies as they deal with collective bargaining and other employment issues or disputes, including advice relating to negotiations, grievances, arbitrations, unfair labor practices, and resulting court proceedings.

To advise the state personnel board as it carries out its quasi-judicial function.

To defend the state in procurement bid protests and appeals not involving construction.

To advise the Division of Elections concerning the conduct of state and local elections supervised by that division.

To advise the Local Boundary Commission regarding incorporation, annexation, detachment, and other related boundary changes, including court proceedings instituted to review actions of the commission.

To serve as chief counsel to AIDEA, Alaska Energy Authority, and the Alaska Permanent Fund Corporation, including the supervision of specialized contract counsel for these public corporations.

To provide advice to the Division of Retirement and Benefits as it performs the function of sponsor of state retirement systems.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

**COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES**
Form CF2
REVISED 8/26/98

AGENCY Department of Law

BRU Civil Division

COMPONENT Governmental Affairs #2207

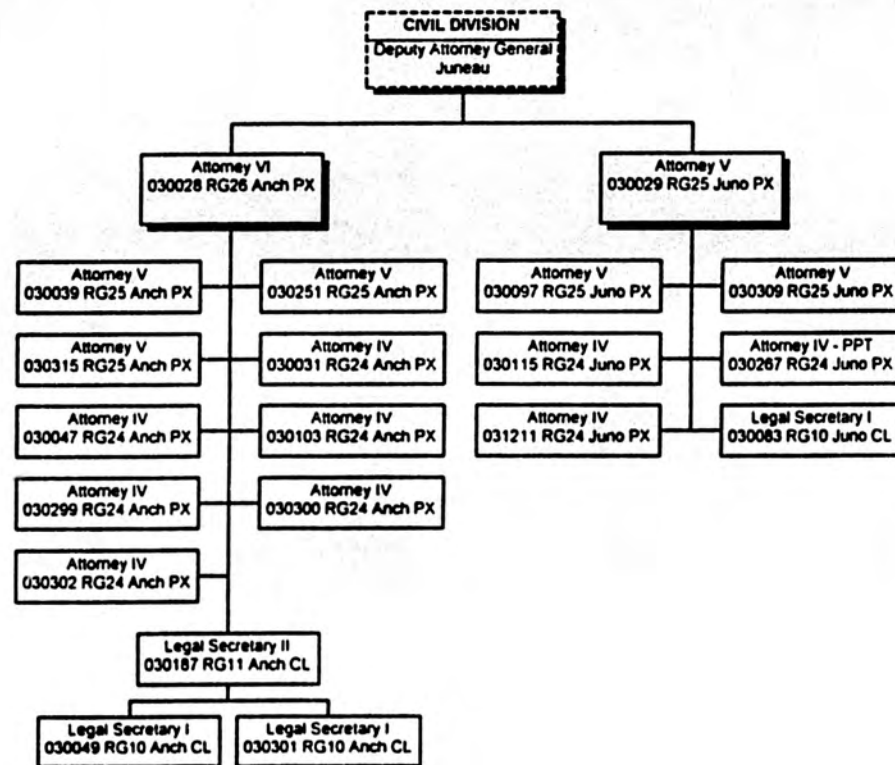
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Revised Date:

FY 2000

000326

CIVIL DIVISION
Governmental Affairs



CONTACT: D. Rebecca Snow, Chief Assistant Attorney General, 451-2811

COMPONENT GOALS:

To provide legal advice and representation to the Departments of Education, Labor, and Health and Social Services.

To protect the public by providing legal services and advice to these agencies regarding labor, education, child protection, juvenile delinquency, licensing and health issues.

To protect the state's financial resources by advising agencies on decisions that might lead to financial claims, defending against unreasonable claims, and facilitating reasonable settlements or other appropriate resolution to issues.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	2,806.9	2,755.2	2,998.3
Other Program Costs	438.4	294.7	550.5
Total	3,245.3	3,049.9	3,548.8
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	2,246.2	2,469.1	2,583.6
GF Program Receipts			
GF Mental Health	62.8	63.0	63.0
Other Funds	936.3	517.8	902.2
Total	3,245.3	3,049.9	3,548.8
STAFFING:			
Permanent Full-Time	34	41	44
Permanent Part-time	1	2	
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Provide legal assistance on issues arising from the state's education, health services, social services and welfare programs. Advise these agencies regarding changes in federal law and steps necessary at the state level to remain in compliance with federal funding requirements.

Initiate action to remove children from abusive or neglectful homes, act to terminate parental rights for permanent placement of children in state custody or adoptive homes, and prosecute juvenile delinquency cases.

Enforce the state's labor, health and safety laws; and provide legal services to the departments of Education, Health and Social Services, and Labor.

DESCRIPTION OF COMPONENT CHANGES:

In FY99, three new FTE attorneys and one FTE paraprofessional were authorized to respond to child protection caseload increases generated by policy, legal, and budgetary changes in this important health and safety issue area. Funding for these positions was staggered over two years, and the department is requesting that the positions be annualized in FY00. One more FTE attorney was funded for FY99 only, by supplemental appropriation, to assist in clearing the backlog of cases as of November 1997, in which further legal action is needed in order to free children for adoption. (Funding to retain an existing juvenile delinquency attorney was also included in the FY99 budget.) (continued on page 2)

**COMPONENT GOALS
AND SERVICES**

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BRU Civil Division

COMPONENT Human Services #2208

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Revised Date: .

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT CHANGES *(continued from page 1)*

The original FY99 increment requests were for eight new attorneys and two paraprofessional positions, and were intended in part to respond to an increased caseload projected to be generated by the addition of new social workers at the Division of Family and Youth Services (DFYS), and to respond to changes in federal and state law requiring important statutory time mandates on how long children can remain in the child protection legal system and when certain court actions must occur. As DFYS is staggering their new hires as planned, and the new state law has only been in effect for two months, the department is not requesting the full increment again as yet. The child protection legal system will be able to assess much better its needs after the new law has been in effect for a few months. If deemed necessary, the department will revisit this issue during the 1999 legislative session.

However, events in the past year have underscored the need for some additional child protection legal services, and the department is requesting the addition of two more attorneys. The rate of legal intervention in response to child abuse and neglect reports of harm (ROH) has increased 28 percent statewide between FY97 and FY99. These are new cases. While the new state law has been in effect for only two months, the new federal law has been effect for one year. Both laws are severely impacting workloads by requiring important statutory time mandates on how long children can remain in the child protection legal system and when certain court actions must occur. The setting of deadlines and more concrete definitions of parental responsibility have the important goal of moving cases toward conclusion much faster to ensure that when reunification with the family is not in the child's best interest, the child can be made legally eligible for placement in a permanent home more quickly. In order to achieve this goal, a huge number of existing cases must be legally resolved on an expedited basis. The adoption backlog, those children in foster care 15 of the previous 22 months as of November 19, 1997, was estimated at 450 children, and supplemental funding for one attorney was provided to assist in handling this caseload. Since November 19, 1997, DFYS estimates approximately 300 more children have entered this important category requiring accelerated legal action.

Even with the new legal staff added in FY99, CINA caseloads statewide are overwhelming Law's attorneys.

**ADDITIONAL
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BRU Civil Division

COMPONENT Human Services #2208

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Revised Date:

FY 2000

000353

CONTACT:

D. Rebecca Snow, Chief Assistant Attorney General, 451-2811

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To initiate actions to remove children from abusive or neglectful homes, and to terminate parental rights when determined to be in the best interests of a child.

To prosecute juvenile delinquency cases.

To provide representation in cases involving denial or removal of child care or adult foster care licenses.

To prosecute mental commitments.

To provide representation on an as-needed basis in labor wage and hour litigation and employment security appeals.

To advise on and represent the state in matters related to providing quality educational services throughout the state.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

AS 44.23.020				

**COMPONENT
OBJECTIVES AND
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MEASURES**Form CF2
REVISED 8/26/98AGENCY Department of LawBRU Civil DivisionCOMPONENT Human Services #2208

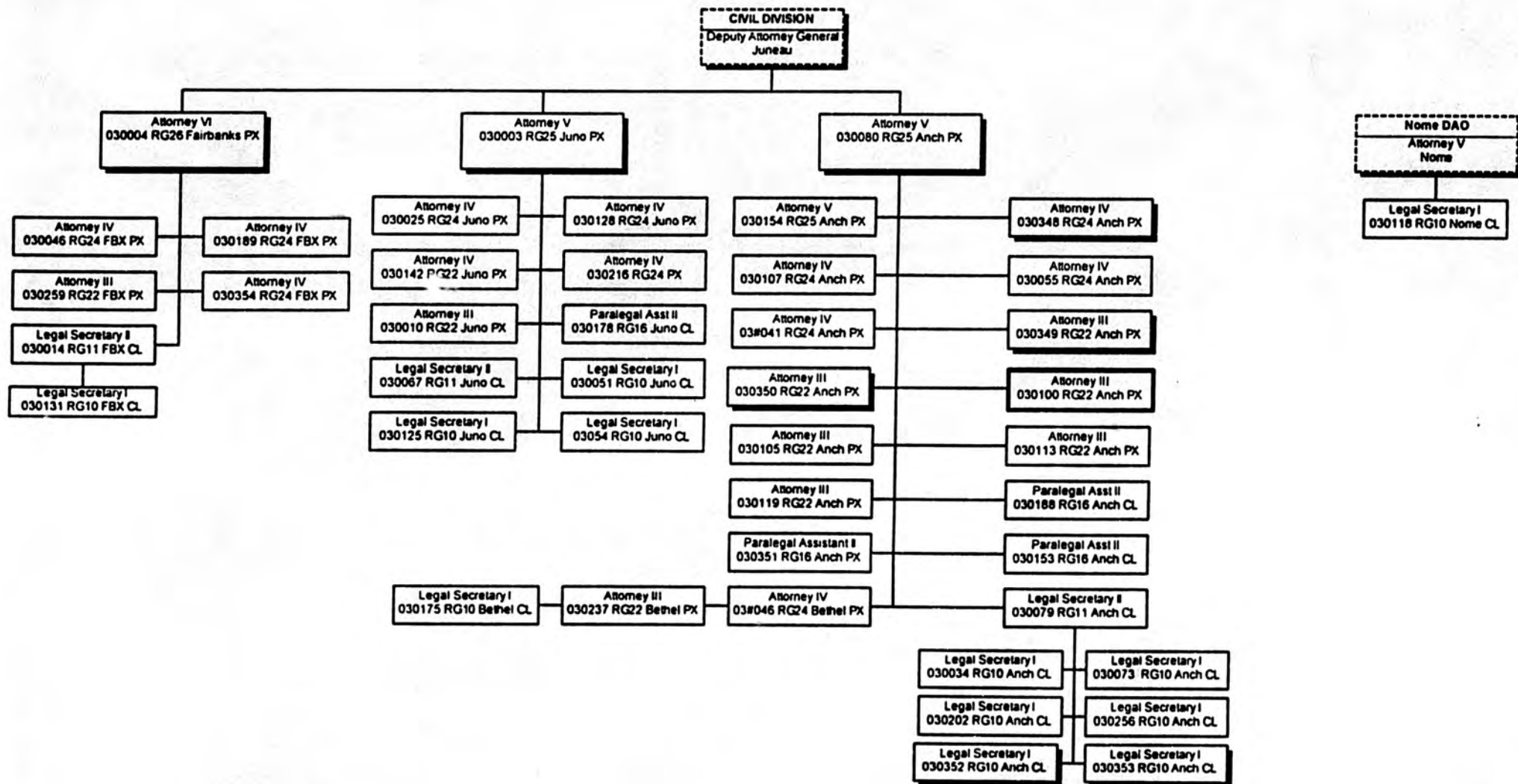
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Revised Date:

FY 2000

000354

CIVIL DIVISION Human Services



12/09/98

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000360

CONTACT: Deborah E. Behr, Assistant Attorney General, 465-3600

COMPONENT GOALS:

To provide legal advice and review for constitutional and statutory requirements in the preparation of state legislation and regulations.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	394.8	403.5	375.6
Other Program Costs	51.2	91.9	119.8
Total	446.0	495.4	495.4
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	382.6	369.5	369.5
GF Program Receipts			
GF Mental Health			
Other Funds	63.4	125.9	125.9
Total	446.0	495.4	495.4
STAFFING:			
Permanent Full-Time	5	5	5
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Legislation and Regulations section drafts and edits legislation on behalf of the governor for introduction in the legislature, tracks and reviews all legislation for legal issues before the governor acts on it, and reviews virtually all regulations adopted by the executive branch for compliance with legal requirements. The section provides training on regulations matters to all state agencies and to assistant attorneys general. The section prepares the Drafting Manual for Administrative Regulations. The section frequently provides advice to state agencies regarding legal requirements on regulations, public records, and the Open Meetings Act. The section supervisor serves as the executive branch representative to the National Conference of Commissioners on Uniform State Laws, which formulates prepared legislation on issues of concern across state lines.

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
AND SERVICES**

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BRU Civil Division

COMPONENT Legislation/Regulations #2209

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Revised Date: .

FY 2000

0003715

CONTACT: Deborah E. Behr, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To coordinate and prepare legislation for the introduction at the governor's request.

To coordinate and prepare legal recommendations to the governor on legislation pending governor's action.

To timely perform the statutorily required legal review of executive branch regulations and approve regulations for filing by the Office of the Lieutenant Governor.

To advise and provide training to all executive branch agencies on the legal requirements for state legislation and regulations.

To serve as a uniform law commissioner for the State of Alaska to ensure that Alaska interstate commerce law, investment law, and other matters of concern across state lines are current to facilitate a better business climate and easier resolution of interstate legal matters.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

**COMPONENT
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BRU Civil Division

COMPONENT Legislation/Regulations #2209

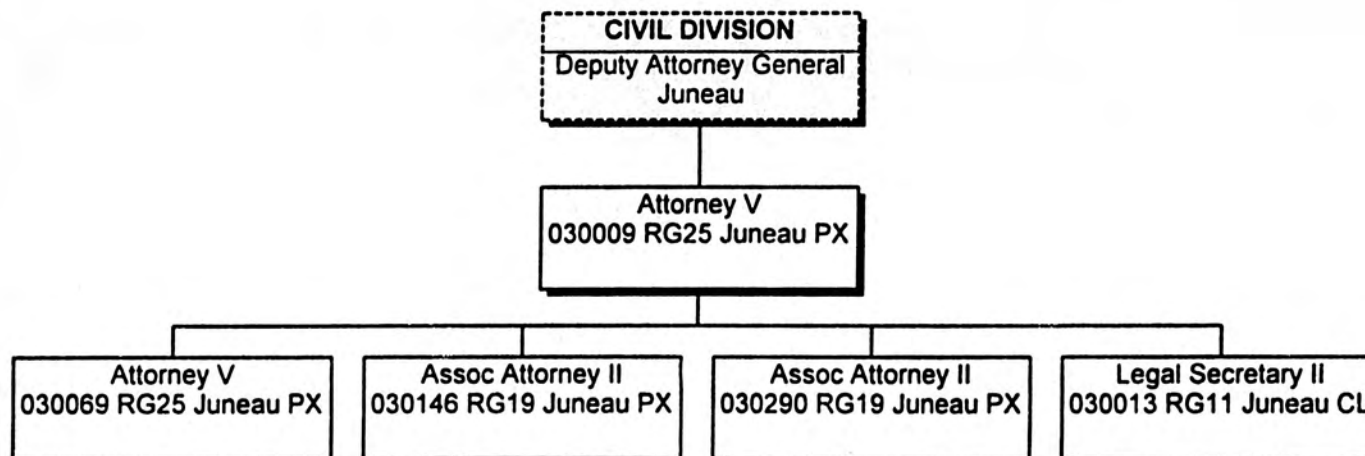
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Revised Date:

FY 2000

000377

CIVIL DIVISION
Legislation and Regulations



CONTACT: Elizabeth J. Barry, Assistant Attorney General, 269-5100

COMPONENT GOALS:

The Mental Health Lands component has two primary goals:

To defend anticipated challenges to regulations governing trust land management that were adopted pursuant to the settlement, and to address other legal matters related to or that arise from the litigation or settlement, including advising the Department of Natural Resources and Alaska Mental Health Trust Authority concerning the implementation of the settlement, and new budgetary and program development processes.

To address complaints of land purchasers or mining claimants who claim to have been harmed by the litigation, and to respond to public requests for information regarding the mental health trust settlement, the regulations and other matters relating to trust land management.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	189.6	191.1	170.0
Other Program Costs	34.6	61.2	66.0
Total	224.2	252.3	236.0
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	206.8	227.3	211.0
GF Program Receipts			
GF Mental Health			
Other Funds	17.4	25.0	25.0
Total	224.2	252.3	236.0
STAFFING:			
Permanent Full-Time	3	3	3
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Background

The mental health land trust was created in 1956 by Congress when it enacted the Alaska Mental Health Enabling Act ("Enabling Act"), P.L. 84-830, 70 Stat. 709 (1956). In that Act, Congress granted to the Territory of Alaska the same authority to legislate on the subject of mental health that the other states and territories had, and granted the Territory the right to select up to one million acres of land. This land, together with the income and proceeds of any dispositions thereof, were to be administered as a public trust with such proceeds and income first to be applied to meet the necessary expenses of the mental health program in Alaska. Enabling Act § 202(e). This grant of land was confirmed to the state in §6(k) of the Alaska Statehood Act.

Municipal and private parties' demands for land in the late 1970s resulted in passage of Chapters 181 and 182, SLA 1978, both of which redesignated all mental health trust lands as general grant lands. This 1978 redesignation legislation would have compensated the trust by payment of one and
(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
AND SERVICES**

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COMPONENT Mental Health Lands #2088

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: (continued from page 1)

one-half percent of all state land revenues to a permanent trust fund. Subsequent legislatures, however, never appropriated any such state land revenues to a permanent trust fund.

The Settlement

After previous unsuccessful legislative attempts at settlement in 1987, 1990 and 1991, Chapters 5 and 6, FSSLA 1994 were enacted, amending prior legislative attempts at settlement, to settle the mental health land trust dispute. The trial court expressed certain concerns regarding Chapters 5 and 6, FSSLA 1994. These concerns were addressed in a second special session at which Chapters 1 and 2, SSSLA 1994 were enacted. Collectively, these acts and the settlement agreement dated June 10, 1994, comprise the settlement. The superior court gave final approval to the settlement and dismissed the litigation in December 1994.

The 1994 settlement did the following: (a) recreated a land trust that contains more than 990,000 acres of land (fee estate or mineral only estate), (b) provided for trust land to be administered by a special office within the Department of Natural Resources ("the Trust Land Office") pursuant to management standards that are consistent with the trust principles imposed on the State by the Enabling Act, (c) appropriated \$200 million to a permanent mental health trust fund to be administered by the Alaska Permanent Fund, (d) established the Alaska Mental Health Trust Authority to act as trustee, to coordinate and oversee Alaska's mental health program, and to participate directly and indirectly in funding it, the direct funding without further legislative appropriation, (e) made a number of improvements to the statutes governing the mental health program of Alaska, and (f) validated existing dispositions and uses on more than 500,000 acres of original trust land.

Three individuals appealed to the Alaska Supreme Court the final approval of the settlement and dismissal of *Weiss v. State* with prejudice. The Alaska Supreme Court affirmed the settlement approval. The three individuals then sought review of the matter by the United States Supreme Court. The United States Supreme Court declined to hear the case.

Nonetheless, the state must continue to defend suits brought by third-parties who claim to have been affected by the mental health trust litigation. One such case is on appeal to the Alaska Supreme Court. The outcome of that appeal may determine whether others bring suit against the state.

Land Use and Development

The 1994 settlement directed the Department of Natural Resources to promulgate regulations that provide for the management of all lands now designated as trust land under standards that are consistent with the trust principals imposed on the state by the Enabling Act. These regulations were enacted and are codified at 11 AAC 99.010, et seq. The regulations represent a core aspect of the settlement. The component funds efforts for defending those regulations from any challenges and for advising and assisting the Department of Natural Resources in implementing and making any changes to those regulations as may be necessary for its management of trust land. It is anticipated that oil and gas leasing currently under consideration is likely to lead to court challenges.

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COMPONENT Mental Health Lands #2088

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Revised Date:

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000391

CONTACT:

Elizabeth J. Barry, Assistant Attorney General, 269-5100

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

The primary objective of the Mental Health Lands component is to ensure that the hard won settlement continues to proceed as intended. The most significant work effort will regard the defense of the regulations governing trust land management against any challenges and advising and assisting DNR to make any necessary changes to those regulations. The settlement provides that the land designated as mental health trust land will be managed by a separate unit within the Department of Natural Resources (the Trust Land Office) under regulations adopted by DNR in consultation with the Trust Authority and which must be consistent with the trust principles imposed by the Enabling Act. A significant amount of work effort will be devoted to representing and advising the Trust Land Office and the Alaska Mental Health Trust Authority with respect to matters in implementing the 1994 settlement and in managing the trust land.

Beneficiary, resource development, and environmental groups were all very active in the creation of the settlement. Each group has expressed very different views on how trust land management should be implemented. In fact, it was the inability of the various groups to agree on more specific management standards that led the parties to agree to very general standards, with the specifics to be created in the regulation process.

Now that the first iteration of these regulations has been adopted, we anticipate vigorous legal challenges to them from environmental, resource development or possibly beneficiary groups. Defending any such challenges would require very significant legal assistance. One such challenge we anticipate is to the first major stand alone oil and gas lease sale on mental health trust land in Cook Inlet, which is expected to take place in the spring of 1999. (Mental health land was included with other state land in Cook Inlet oil and gas sale 85A, held in December of 1996, and an appeal by environmental groups challenging Sale 85A is pending in the Alaska Supreme Court.) Challenges to the regulations could also arise from an ongoing timber sale on trust land.

Another objective is to resolve claims brought against the state by land purchasers or mining claimants who raise mental health trust claims. The dismissal of *Weiss v. State*, removal of the preliminary injunction and cancellation and expungement of the lis pendens should minimize these claims. Nonetheless, some litigation will likely continue. One such case is on appeal to the Alaska Supreme Court. The result of this case may influence other third parties to bring actions against the state.

*(continued on page 2)***STATUTORY/REGULATORY CITATIONS**

Ch 5, FSSLA 1994				
Ch 6, FSSLA 1994				
Ch 1, SSSLA 1994				
Ch 2, SSSLA 1994				

**COMPONENT
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CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: *(continued from page 1)*

Additional work is also anticipated to implement provisions of the settlement regarding competing Native allotment claims. A number of cases have been identified in which land conveyed to the trust in the settlement is subject to Native allotment claims, which may or may not be valid. We are working with the Trust Land Office to investigate competing Native allotment claims, and where appropriate, to contest them.

The balance of the work effort will involve responding to legislative and public inquiries concerning the settlement of the mental health trust litigation, the regulations, and other matters relating to trust land management.

The foregoing work measures should be viewed cautiously. Those who opposed the settlement and others should be expected to carefully scrutinize every aspect of settlement implementation to ensure that the state is scrupulously adhering to the settlement and following applicable trust principles. Any perception that the state is failing in this regard, whether founded or not, could result in other court actions that would disrupt the projected work effort and time-line.

**ADDITIONAL
EXPLANATION
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AGENCY Department of Law

BRU Civil Division

COMPONENT Mental Health Lands #2088

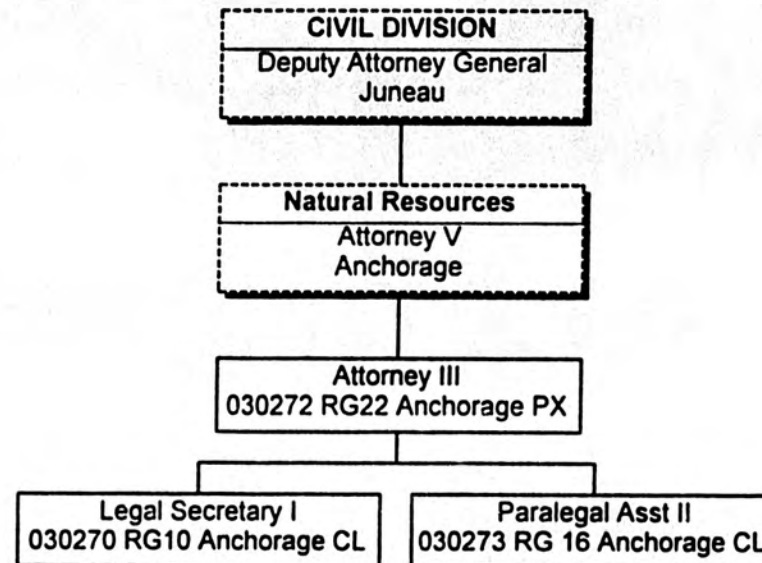
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000393

CIVIL DIVISION
Mental Health Lands



CONTACT: Stephen M. White, Assistant Attorney General, 465-3600

COMPONENT GOALS:

Ensure that Alaska's land, waters, and renewable natural resources are managed and allocated by state agencies in a manner that is consistent with the law.

Defend against legal challenges to actions taken by Alaska natural resources agencies.

Pursue legal actions against persons who are illegally using, damaging, or destroying Alaska's lands, waters, or renewable natural resources.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	852.4	1,107.1	1,064.1
Other Program Costs	159.1	237.5	217.1
Total	1,011.5	1,344.6	1,281.2
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	740.4	1,065.8	1,002.4
GF Program Receipts			
GF Mental Health			
Other Funds	271.1	278.8	278.8
Total	1,011.5	1,344.6	1,281.2
STAFFING:			
Permanent Full-Time	14	14	13
Permanent Part-time	2	2	2
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Provide legal advice and representation to state departments, boards and commissions that regulate Alaska's lands, waters, and renewable natural resources. Represent those agencies in litigation, and draft and review regulations governing them. Draft bills requested by the Governor's Office, and comment on legislation dealing with natural resources. Advise the Governor's Office on natural resource matters.

DESCRIPTION OF COMPONENT CHANGES:

None.

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AND SERVICES**

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BRU Civil Division

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CONTACT: Stephen M. White, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To provide legal advice to the Alaska Board of Fisheries and to the Alaska Board of Game and to defend their conservation and allocation decisions against legal challenges.

To provide legal advice to the Alaska Commercial Fisheries Entry Commission and to defend the commission's decisions concerning the issuance of limited entry permits for participating in certain state fisheries.

To provide legal advice to the Alaska Department of Fish and Game to insure that its management of commercial, sport, personal use, and subsistence fisheries and its management of sport and subsistence hunts comply with the law. To advise the department in its efforts to enhance fishery and game populations, to interact with private fish hatcheries, and to operate state fish hatcheries. To pursue legal action to prevent, mitigate, or eliminate harmful impacts on fish habitat.

To provide legal advice to the Division of Governmental Coordination and to the Coastal Policy Council to insure that coastal zone coordination is conducted in a lawful manner. To defend against legal challenges to state actions implementing the Alaska Coastal Management Program.

To assist the Alaska Department of Natural Resources with negotiating and drafting state timber land leases. To help the department resolve legal issues concerning ownership and management of uplands, tidelands, and submerged lands.

To advise state agencies on riparian rights and to represent the state in legal actions concerning transfer, leasing, and other uses of state lands. To assist the agencies on matters regarding public access to Alaska and federal lands.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

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COMPONENT Natural Resources #2212

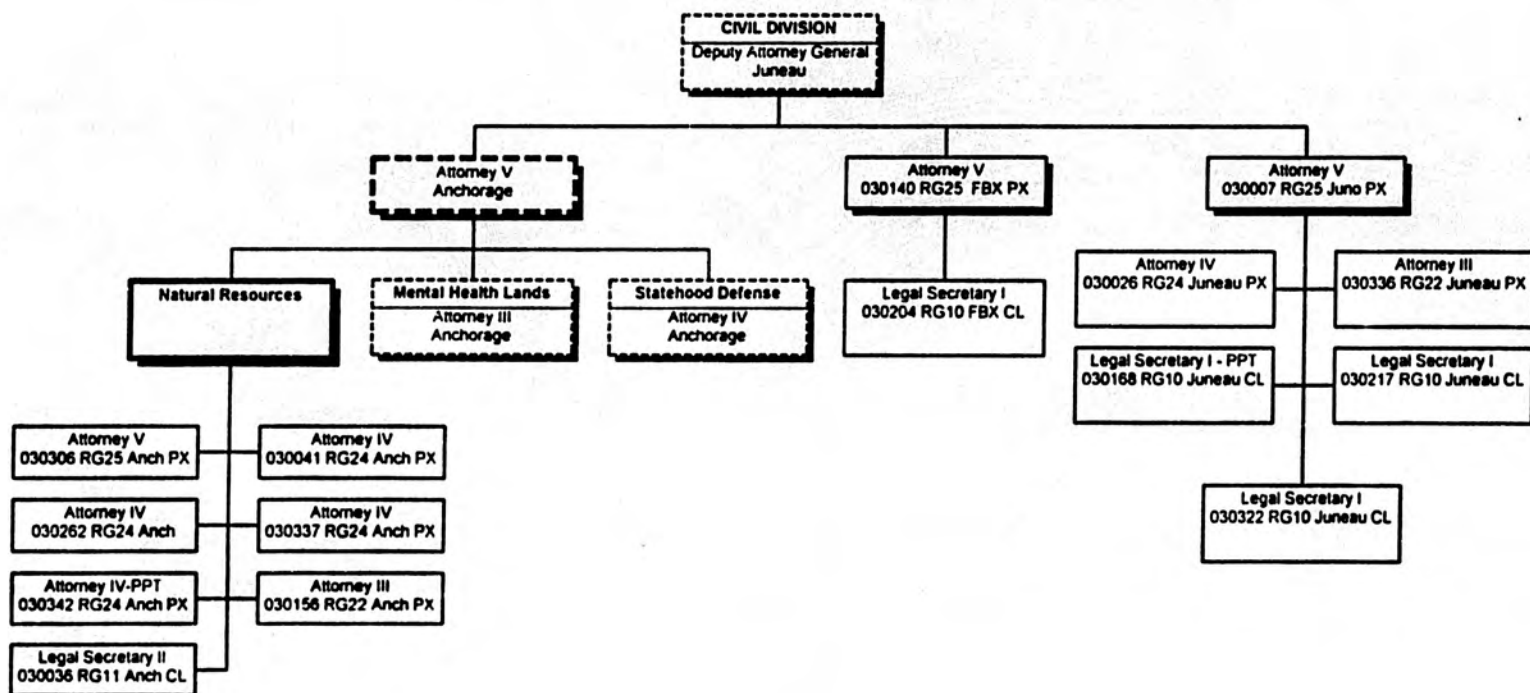
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CIVIL DIVISION Natural Resources



CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

COMPONENT GOALS:

To maximize the state's revenues by enforcing the state's oil and gas royalty and taxation statutes and regulations;

To maximize the state's revenues through monitoring expenses that reduce oil and gas valuation;

To protect valuable state lands and resources against title and lease challenges .

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	2,367.5	2,523.9	2,372.5
Other Program Costs	449.9	509.2	575.7
Total	2,817.4	3,033.1	2,948.2
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund			
GF Program Receipts			
GF Mental Health			
Other Funds	2,817.4	3,033.1	2,948.2
Total	2,817.4	3,033.1	2,948.2
STAFFING:			
Permanent Full-Time	36	36	35
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Oil, Gas, and Mining section is responsible for in-house Department of Law services in oil, gas and mining-related disputes:

- legal representation to state agencies for the investigation, defense, and prosecution of claims concerning the state's oil and gas royalty and taxation programs, including paralegal services, data collection and processing to support the litigation effort;
- monitoring and protesting tariffs charged for transportation of oil and gas production through pipelines; and
- legal advice to state agencies concerning the development of state oil, gas and mineral resources.

(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

None.

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Department attorneys must frequently rely on economists, engineers, and other experts to assist in the development of these highly technical oil and gas cases. Moreover, due to the complexity, length, and magnitude of major tax, royalty, and tariff cases, outside counsel is sometimes used to help litigate these disputes. Contracts for these outside services are funded directly from the Oil and Gas Litigation and Legal Services BRU, and managed by department staff funded within the Oil, Gas, and Mining component.

The Oil, Gas, and Mining component is itself funded by intra-agency receipts from the Oil and Gas Litigation and Legal Services BRU, and is shown as a separate component to clearly identify Department of Law's contribution to the state's oil and gas litigation activities.

As discussed in more detail in the Oil and Gas Litigation and Legal Services BRU Issues section, the state has been improving its in-house auditing and litigation capabilities. This has resulted in a shift of more and more cases being handled primarily, if not completely, in-house rather than by more expensive outside counsel.

Tax-related Services

The state has resolved many of the outstanding tax cases from earlier years. Taxes are annual obligations, however, and more recent audit cycles have been completed. Hundreds of millions of dollars in taxes and interest are still owed by the oil and gas producers to the state.

Most of the cases with smaller assessments are handled in-house by section attorneys. Where the assessments are very large, however, or when the issues are particularly complex, the state hires experts and may employ outside counsel to ensure maximum preparation and ultimate recovery for the state.

Until recently, oil and gas property tax cases rarely proceeded beyond the administrative stage. That changed in FY97. The department anticipates that more and more property cases will be vigorously contested as the major North Slope production facilities and the pipeline continue to age and decrease in value, leaving municipalities along the pipeline corridor with a dwindling property tax base. These cases, like other oil and gas tax cases, are extremely costly to litigate and require the advice and testimony of expert witnesses and considerable attorney time.

Department staff also assist the Department of Revenue on a number of other tax related issues, such as regulations projects and day-to-day agency advice.

(continued on page 3)

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: (continued from page 2)

Royalty

The department represents the Department of Natural Resources on a number of royalty disputes between the oil and gas producers and the state. Since the settlement of the massive Alaska North Slope (ANS) royalty case, most royalty matters have been handled primarily in-house. The department anticipates, however, that some parties to the ANS settlements will assert their rights to reopen the settlements. If that happens, the department will rely heavily on contract couns 's' past experience with the ANS royalty litigation to renegotiate the settlements.

Pipeline Tariffs

Department attorneys are responsible for monitoring compliance with the 1985 Trans-Alaska Pipeline System (TAPS) settlement and, if necessary, challenging TAPS tariff filings. These cases can be worth millions of dollars to the state annually. A shipper's new challenge to the intrastate TAPS tariffs is in the discovery stage, and proceeding toward a hearing before the Alaska Public Utilities Commission. This case puts at risk the TAPS settlement methodologies, and requires the assistance of outside counsel and experts. The section also provides general legal advice and assistance to the Department of Natural Resources' State Pipeline Coordinator's Office (SPCO) on pipeline related matters.

Resource Development

As part of resource development, the Department of Natural Resources administers oil and gas leasing program. Although the revenue generated by the program itself in terms of bonus bids is not large, the program lays the foundation for exploration and development of the state's hydrocarbon resources. Only with a successful leasing program can the revenue base from tax and royalties be sustained. The lease sale program has been challenged in the past and considerable Department of Law attorney time and effort has been and will continue to be expended to defend the program.

Department staff also handle problems with North Slope leases where the state's record as a lessor is at issue. Future resource development activities, including the development of ANWR, depend in large part on the state's record as a land manager. Department attorneys assist in improving this record.

Oil, Gas, and Mining funds in-house legal assistance to the departments of Revenue, Natural Resources, and Commerce in a major project to encourage development and marketing of the large reserves of Alaska North Slope natural gas. Department of Law attorneys provide legal advice on wide-ranging topics such as the constitutionality of proposed changes to the state's fiscal regime. Considerable time will continue to be devoted to this project in FY00 due to its complexity, enormity, and importance to the state's future.

In-house staff are responsible for managing the Beaufort Sea case. Although the United States Supreme Court issued its decision in FY97, there is still considerable follow-up work to be done as the parties debate their different interpretations of the decision.

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 3)*

Mining

The section also undertakes representation of the Department of Natural Resources, Division of Mining, in all legal matters. However, the mining work is not funded by the intra-agency receipts from the Oil and Gas BRU; it is funded with general funds as part of our natural resources efforts. The matters include ongoing litigation regarding mineral royalties, mining rights, and rights regarding surface occupancy of mining claims. Department attorneys also assist the division in complying with federal statutes regulating surface mining, including legal review for the use of reclamation funds, and drafting agreement with operators to insure compliance with state and federal reclamation requirements. The department also advises and assists the Division of Mining in drafting bonding agreements, permits, leases, best interest findings, proposed legislation, and regulations.

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COMPONENT Oil, Gas and Mining #2091

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CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To defend state's tariff settlement agreements during the period of the agreements to ensure that the state receives the benefits of those agreements.

Settlement methodologies remain in place.

Tariffs are consistent with agreed-to methodologies.

To reduce the tariffs charged for oil transported through the Trans-Alaska Pipeline System (TAPS) and other pipelines to an amount that reflects proper ratemaking methodology and equitable cost factors.

The amount of tariffs are reduced on a cents per barrel basis.

To pursue legal remedies that will determine the cost of processing the state's royalty share of natural gas liquids.

The per barrel "value" of state royalty increases directly if the cost of processing decreases as a result of litigation.

To resolve disputes with the federal government over implementation of the United States Supreme Court *Dinkum Sands* decision.

Consistent with the *Dinkum Sands* decision, state holds title to lands with high oil and gas potential.

(continued on page 2)

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CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: *(continued from page 1)*

To prosecute oil and gas tax assessments made by state tax auditors in both the oil and gas audit and income and excise tax divisions.

The amount of tax is collected.

To guard the state's interests in net profit sharing of oil leases.

State collects money owed under net profit sharing leases.

To promote further oil and gas development in the state.

Assist resource agencies in drafting regulations, defending lease sales, etc., in aid of development.

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BRU Civil Division

COMPONENT Oil, Gas and Mining #2091

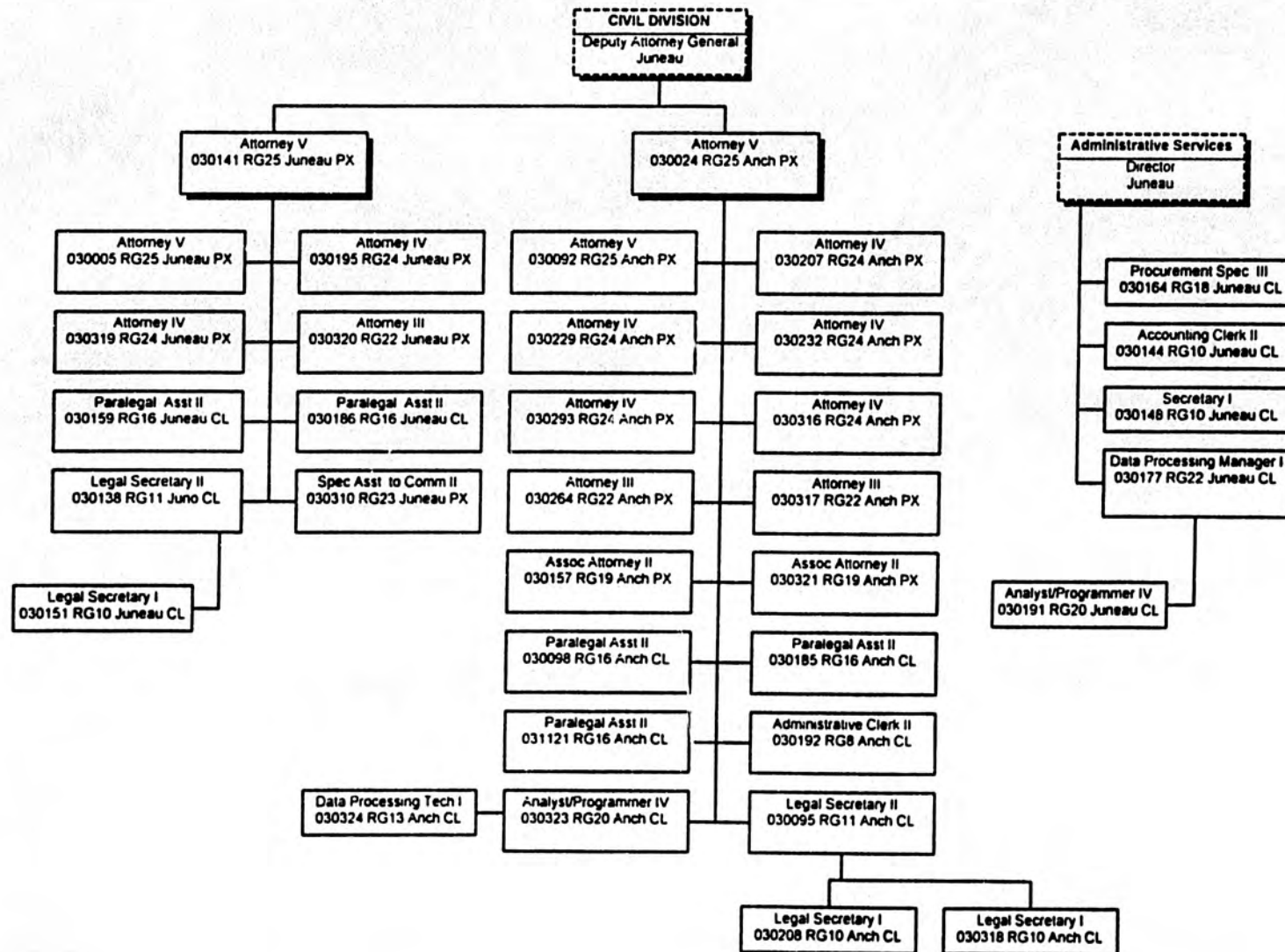
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Revised Date:

FY 2000

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CIVIL DIVISION Oil, Gas, and Mining



CONTACT: Susan D. Cox, Chief Assistant Attorney General, 465-3600

COMPONENT GOALS:

To provide legal defense in tort litigation cases filed against the state, state agencies, and state employees, including personal injury, property damage, and civil rights suits brought under 42 U.S.C. § 1983.

To provide legal defense in contested workers' compensation claims filed by state employees.

To litigate cases to favorable resolution, up to and including trial and appeal - or appropriate settlement.

To provide oral advice and training to reduce the state's liability exposure.

To reduce defense costs by maximizing the number of cases handled by departmental staff rather than outside, private counsel.

EXPENDITURES:	FY 98	FY 99	FY 2000
	ACTUAL	AUTHORIZED	GOVERNOR
Personal Services	1,493.3	1,534.2	1,789.4
Other Program Costs	337.9	310.1	359.6
Total	1,831.2	1,844.3	2,149.0
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	1.2		
GF Program Receipts			
GF Mental Health			
Other Funds	1,830.0	1,844.3	2,149.0
Total	1,831.2	1,844.3	2,149.0
STAFFING:			
Permanent Full-Time	21	21	25
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Defend litigation involving tort claims against the state and state employees, maritime personal injury claims, and civil rights claims under 42 U.S.C. § 1983, such as wrongful death suits against DOT&PF for vehicle accidents on state roads, claims of injury occurring at state facilities, medical malpractice claims brought by inmates, maritime personal injury claims against the Alaska Marine Highway System raised by ferry employees and passengers, claims of negligence in handling of children's abuse or neglect cases, cases against the state for actions of third parties in state custody (e.g., probationers, foster children), and other claims of injury caused directly by state officials (e.g., troopers, drivers of state vehicles, etc.).

Defend controverted workers' compensation claims in which the state is the employer.

(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

Increased interagency receipt authority to fund one and one-half attorneys is added to the Special Litigation section budget in order to defend the increase in numbers and magnitude of new tort cases. Many of the cases being handled involve catastrophic injuries and/or exposure to significant damage awards. One additional paralegal assistant was also added to help with the increased caseload.

**COMPONENT GOALS
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COMPONENT Special Litigation #2213

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Provide legal services to the Division of Risk Management and, through it, to all state agencies.

Defend the court system and judges in personal injury lawsuits.

Defend workers' compensation cases before the Alaska Workers' Compensation Board and at the appellate level.

Provide oral advice to state adjusters and state agencies on workers' compensation issues.

Provide oral advice to state agencies on risk management/liability issues.

Provide instructors on liability issues, i.e., trooper and correctional academies.

Supervise work of and manage contracts with outside counsel retained by the Division of Risk Management or the Department of Law.

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COMPONENT Special Litigation #2213

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Revised Date:

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000411

CONTACT: Susan D. Cox, Chief Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To successfully and thoroughly defend tort litigation against the state, and do so at a fraction of the cost that private counsel would charge to do the job.

To provide reliable in-house expertise to the gamut of state agencies, developed from years of experience in doing public sector tort litigation.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020				

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BRU Civil Division

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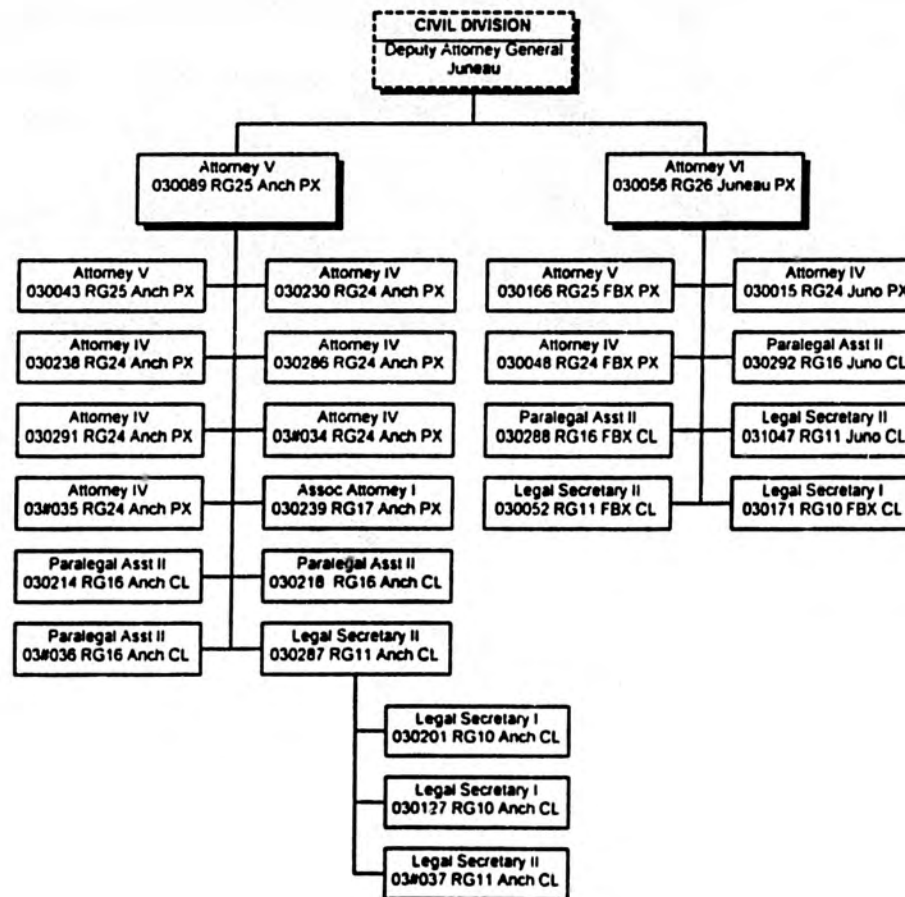
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CIVIL DIVISION Special Litigation



CONTACT: William F. Cummings, Assistant Attorney General, 465-3600

COMPONENT GOALS:

Provide legal advice to and representation for the Department of Transportation and Public Facilities (DOTPF) on all the myriad issues that it faces.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	1,397.7	1,470.1	1,470.1
Other Program Costs	1,313.8	425.2	425.2
Total	2,711.5	1,895.3	1,895.3
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	0.2		
GF Program Receipts			
GF Mental Health			
Other Funds	2,711.3	1,895.3	1,895.3
Total	2,711.5	1,895.3	1,895.3
STAFFING:			
Permanent Full-Time	18	18	18
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Transportation section provides legal representation and advice to DOT/PF on all aspects of the construction and operation of the state's public facilities, including buildings, highways, ferries, airports, harbors, communications facilities, and other public works. By providing advice and representation to the department on these issues, the transportation section enhances the department's ability to efficiently provide the public infrastructure necessary for the safety and well-being of all Alaskans.

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
AND SERVICES**

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BRU Civil Division

COMPONENT Transportation #2214

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Revised Date: .

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000453

CONTACT: William F. Cummings, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To provide representation and legal advice to the Department of Transportation and Public Facilities (DOTPF), including the boards and commissions located within DOTPF;

To assist DOTPF in negotiating procurement contracts for equipment, services, construction, real estate, and other necessities on behalf of DOTPF.

To defend DOTPF procurement decisions and practices.

To advise and represent DOTPF on employment and labor relations matters, including negotiations, grievances, arbitrations, ULPs and judicial proceedings.

To prepare legislation, regulations, and legal actions necessary to fulfill the goals of DOTPF.

To initiate and prosecute actions necessary to protect public access to state and private lands, and to navigable waters throughout Alaska.

To initiate and prosecute actions necessary to protect public transportation facilities and corridors both within and beyond state borders.

To prosecute unlawful users of state lands and facilities.

STATUTORY/REGULATORY CITATIONS

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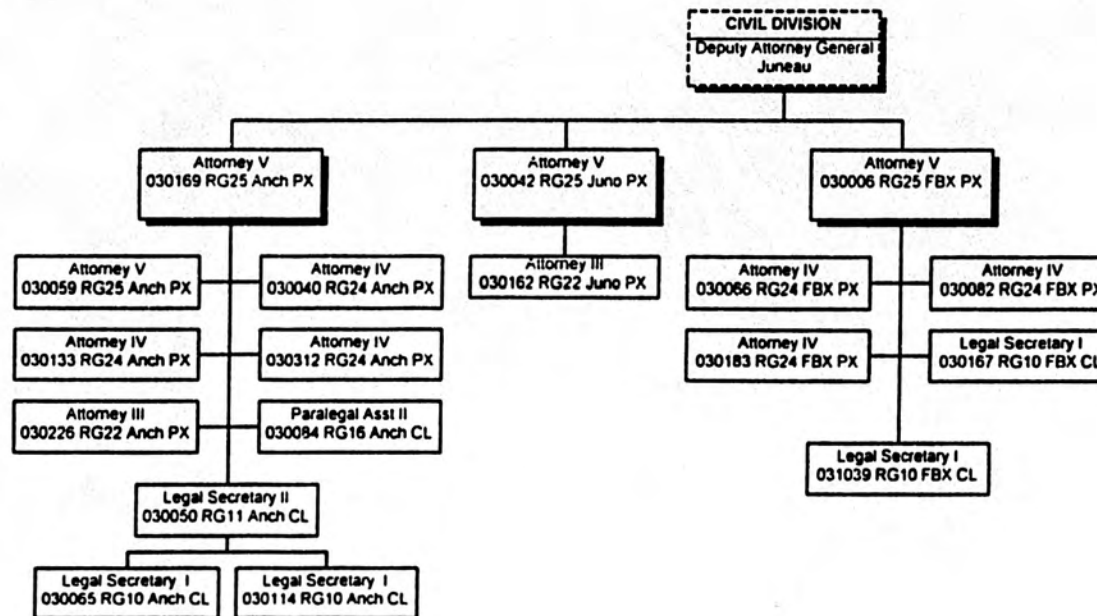
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CIVIL DIVISION
Transportation



CONTACT: Kathryn A. Daughhetee, Acting Director, Administrative Services Division, 465-3673

COMPONENT GOALS:

Provide day-to-day operating support to legal staff by ensuring that resources necessary to perform their jobs are available;

Ensure that office operations flow efficiently and unencumbered, and that all state and department policies are followed and consistently applied;

Maintain accurate and timely work management records;

Maintain integrity of timekeeping data; and

Build and maintain positive client agency relationships through the accuracy and timeliness of billing services and the equitability of billing rates.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services		623.9	623.9
Other Program Costs		96.0	96.0
Total		719.9	719.9
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund		15.8	15.8
GF Program Receipts			
GF Mental Health			
Other Funds		704.1	704.1
Total		719.9	719.9
STAFFING:			
Permanent Full-Time		14	14
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

Timekeeping and Support is comprised of those cost components of the Civil Division support pool that are division-wide, rather than section specific. The component includes the costs of law office management staff of the Anchorage, Juneau and Fairbanks offices, case management clerks, and division timekeeping and billing staff.

Law Office Management: This component includes those positions in the Anchorage, Fairbanks and Juneau offices that perform business functions necessary to the operations of the state's largest law office. These functions include directly supervising clerical support staff, processing all personnel transactions, coding and processing invoices and time and attendance records, maintaining law libraries, processing mail, procuring office supplies, performing receptionist duties, and generally ensuring that all employees have the necessary tools and equipment to carry out their work for the Department of Law. (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

This component was added in FY99 for those statewide support positions that do not readily fit in any particular section. These positions include office administrative, case management, and timekeeping and billing support staff.

No changes are proposed for FY00.

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COMPONENT Timekeeping and Support #2258

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

Case Management: Two positions in the Civil Division are responsible for the on-going establishment, maintenance, and control of case/work management records. The case management system tracks all cases, by type, location, and attorney assigned, from opening through closing. In addition, case management maintains the department's indices of opinions, briefs and memoranda of law for the brief bank, and handles records center transfers and retrievals.

Timekeeping and Billing: All Civil Division attorneys and paraprofessionals maintain detailed time records. Work is billed out to all clients (including the Department of Law's own general funds) on an hourly basis. Timekeeping and billing is responsible for gathering complete and accurate timekeeping data, and maintaining complete and accurate accounting information related to the many reimbursable services agreements Law must enter into in the service of client agencies.

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BRU Civil Division

COMPONENT Timekeeping and Support #2258

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Revised Date:

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000459

CONTACT: Kathryn A. Daughetee, Acting Director, Administrative Services Division, 465-3673

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

Objective: To assist with migration to a new WAN-based timekeeping and billing system and thereby improve the timeliness and breadth of information available to better serve Department of Law and client agency management .

Accomplishment Measures:

- 1. Unlike the previous system, the new system will allow for the assignment of the monthly bill to specific days of each month in order to plan and manage staff resources and allow our management and client agencies regular dates by which they may expect to receive billings and reports.*
- 2. Meetings with client agencies will be scheduled in order to custom design reports to their needs .*
- 3. In-house training sessions will provide staff with the skills to extract desk-top, real-time management reports.*
- 4. Billing data will be converted to electronic spread sheets and e-mailed to client agencies in order to provide them the capability to sort and arrange data for maximum utility and meaning.*

STATUTORY/REGULATORY CITATIONS

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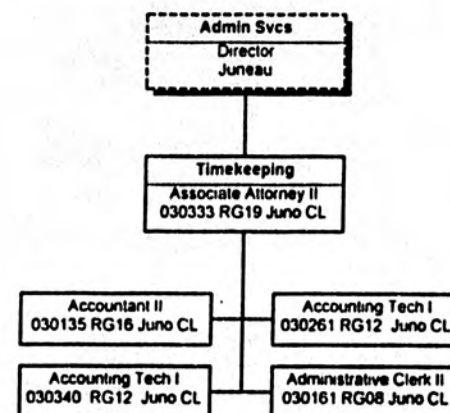
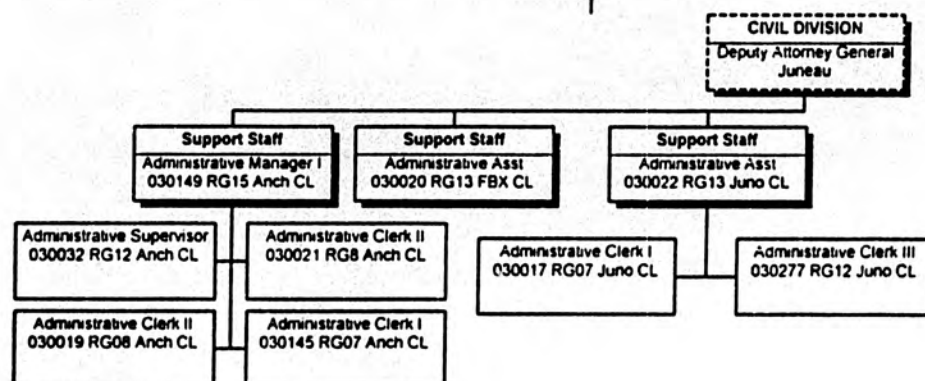
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CIVIL DIVISION

Timekeeping and Support



CONTACT: Joanne Grace, Assistant Attorney General, 269-5100

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES:

The Statehood Defense BRU provides legal counsel for issues involving defense of the state's authority, jurisdiction, and title over its lands and fish and wildlife. This group of attorneys works with the Department of Natural Resources and Department of Fish and Game, and provides general legal advice, defends and prosecutes civil litigation to which the state is a party, reviews regulations prepared by these agencies, and reviews legislation.

SUMMARY OF BRU ISSUES:

The main issue the Statehood Defense group will face is how to best protect the right and obligation of the state to manage its lands and fish and wildlife in the face of challenges by governments of other states and Canada (in the context of the Pacific Salmon Treaty), the federal government (in the context of fish and wildlife management, title to submerged lands, and access across federal lands), Indian tribes (in the context of Native sovereignty assertions), and private landowners (in the context of use of public waterways). Because the state is often hindered by the limitations of federal court jurisdiction or acts in a defensive position when its authority is challenged, the magnitude of the group's caseload is difficult to predict. Apart from the changes determined by the number of cases filed against the state, the procedural status of existing cases, and the ability of the state to initiate litigation, the group will not change its delivery of services.

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**BRU
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AGENCY Department of Law

BRU Statehood Defense

000479

CONTACT: Joanne Grace, Assistant Attorney General, 269-5100

COMPONENT GOALS:

The Statehood Defense group of the Department of Law litigates issues raised by conflicts between state and federal jurisdiction. The group handles a variety of complex cases that will have a profound and lasting impact on management of Alaska's natural resources. The state frequently must defend against encroachment by the federal government into areas traditionally regulated by the state.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	770.3	744.8	775.4
Other Program Costs	650.1	260.2	229.6
Total	1,420.4	1,005.0	1,005.0
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	1,349.1	1,005.0	1,005.0
GF Program Receipts			
GF Mental Health			
Other Funds	71.3		
Total	1,420.4	1,005.0	1,005.0
STAFFING:			
Permanent Full-Time	11	11	11
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Statehood Defense group handles the following cases:

ENDANGERED SPECIES ACT CASES: These cases involve the efforts of the National Marine Fisheries Service to protect Columbia River fall chinook salmon, listed as endangered under the Endangered Species Act, by restricting chinook salmon harvest in Alaska. The state considers the restriction unreasonable because it will have an insignificant effect on the salmon population, which has been decimated by the dams on the river system.

SUBMERGED LANDS CASES: The State of Alaska took title to all the lands underlying navigable waters within its borders at statehood; under
(continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

None.

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BRU Statehood Defense

COMPONENT Statehood Defense #2125

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CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: (continued from page 1)

the Equal Footing Doctrine, such lands pass to new states automatically, as a matter of constitutional right. Alaska has been forced to protect its title in several instances, however, in response to the United States' reluctance to recognize the state's title.

ACCESS CASES: Because of the patchwork of land ownership in Alaska among the state, the United States, and private landowners, and because of the lack of public infrastructure, access is extremely important to the public. The state currently is in litigation against the United States on an RS2477 right-of-way, the Harrison Creek-Portage Creek Trail. Additionally, the state has several other cases where access is a primary issue, and the state periodically reviews proposed federal Public Use Management Plans to comment on public access issues.

ANILCA CHALLENGES: These cases constitute challenges by rural residents based on the priority granted them in title VIII of the Alaska National Interest Lands Conservation Act for hunting and fishing for subsistence purposes. The state is defending its regulatory authority in several cases in U.S. District Court, and anticipates further cases if the federal regulations granting the Federal Subsistence Board broad regulatory authority become final.

PROTECTION OF SALMON RESOURCES: The department is fighting to protect Alaska's salmon resources on several fronts. First, we provide legal advice to the Department of Fish and Game in the Pacific Salmon Treaty arena. In this capacity, we work closely with Alaska's treaty negotiators to develop strategy for treaty negotiations within the United States Section and bilaterally with the Government of Canada. Second, we handle any litigation which arises out of the Pacific Salmon Treaty. Currently, we are defending a suit filed against Alaska by the Province of British Columbia, where they allege the U.S. Section has failed to fulfill its international treaty obligations to Canada. Finally, we remain in litigation against the Pacific Northwest Indian Tribes in *United States v. Washington*. In this case, the Tribes seek a ruling that the treaties they entered with the United States in the 1850's entitle them to a share of the salmon caught in Southeast Alaska.

**ADDITIONAL
EXPLANATION
FORM**
Revised 8/26/98

AGENCY Department of Law

BRU STATEHOOD DEFENSE

COMPONENT Statehood Defense #2125

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Revised Date:

FY 2000

000481

CONTACT: Joanne Grace, Assistant Attorney General, 269-5100

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

1. To continue to litigate to protect the State's fisheries management authority.

- The federal courts hold that the United States does not have authority to regulate hunting and fishing on lands that have been selected, but not conveyed.

- The federal courts hold that the United States does not have authority to regulate fisheries off "public lands" as defined in ANILCA.

2. To protect Alaska's salmon resources in the Pacific Salmon Treaty.

- Southern U.S. treaty parties adhere to long-term agreement for the sharing of Chinook Salmon.

3. To protect access to state and private lands and on public waters across Alaska.

- Alaska continues to litigate title to the RS 2477 right-of-way known as the Harrison Creek-Portage Creek Trail.

- Alaska files suit or otherwise acts to protect access on navigable waters restricted by upland owners.

- Alaska publishes maps and pamphlets to educate the public about their rights to access public waterways and the limits on use of private uplands.

- Alaskans are able to exercise their rights to access state and private lands through federal lands.

STATUTORY/REGULATORY CITATIONS

AS 44.23.002				

**COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES**
Form CF2
REVISED 8/26/98

AGENCY Department of Law

BRU Statehood Defense

COMPONENT Statehood Defense #2125

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Revised Date:

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000482

CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: (continued from page 1)

Alaska files suit to quiet title to the submerged lands underlying the marine waters of the Tongass National Forest.

5. To litigate to protect Alaska against unreasonable restrictions on harvest levels of salmon listed under the Endangered Species Act, when Alaska's take has little measurable effect on the number of fish returning to spawn.

- The federal government focuses on the true causes of the decline of endangered salmon stocks instead of restricting the harvest of Alaska's fishers.

6. To litigate to protect Alaska's jurisdiction to manage, protect, and use its own resources against challenges by or on behalf of the federal government.

- Alaska will be free to regulate activities on navigable waters and on state and private lands without interference from the United States.

ADDITIONAL
EXPLANATION
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AGENCY Department of Law

BRU STATEHOOD DEFENSE

COMPONENT Statehood Defense #2125

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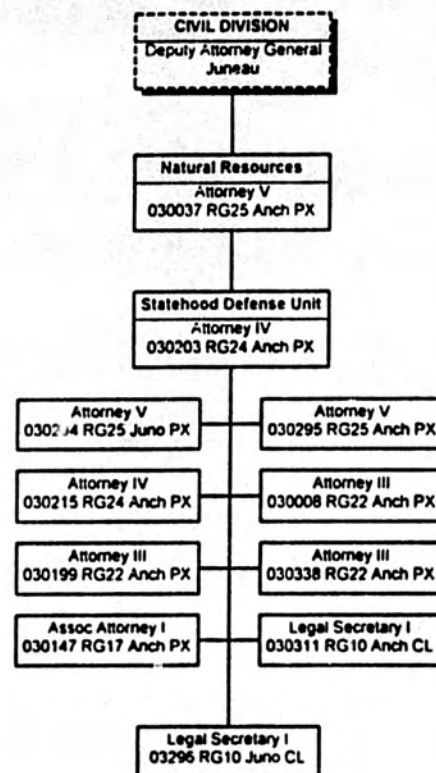
Revised Date:

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00483

STATEHOOD DEFENSE

Statehood Defense



12/4/98

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CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES:

Most of the state's operating revenues are derived from oil and gas corporate income taxes, production taxes, and royalties upon Alaska North Slope ("ANS") crude oil. The value of that crude for production tax and royalty purposes is largely determined by the price that ANS commands in its destination markets, less the costs of transporting it to those markets. The transportation costs, in turn, consist primarily of the tariffs charged by the Trans-Alaska Pipeline System ("TAPS") and the producers' tanker costs. Accurately determining ANS destination values, allowable transportation costs, and corporate income ensures the integrity of the state's fiscal system.

The Oil and Gas Litigation and Legal Services appropriation funds legal services related to these and other oil and gas development issues. These services include tariff disputes with the owners of TAPS and its feeder pipelines and the assessment and collection of unpaid royalties and taxes from oil and gas producers. Also funded are services involving disputes related to oil and gas income tax issues. Legal services related to lease sales, drafting and interpreting oil and gas statutes and regulations, pipeline right-of-way issues, and oil and gas conservation are also funded by this appropriation, as are the contracts with outside counsel and expert consultants on large or complex oil and gas cases.

Because legal services related to oil and gas development have a significant effect on that development and the amount of state revenue derived from it, these services are funded separately within the Department of Law's operating budget. This enhances the ability of the governor and the legislature to ensure that an appropriate level of funding is made for these services. *(continued on page 2)*

SUMMARY OF BRU ISSUES:

As the table below indicates, appropriations for Oil and Gas Litigation have steadily declined over the past few years. In FY94, \$32.9 million was appropriated for these purposes. In FY99, the appropriation was \$6.4 million. The department is requesting the same amount in FY00. Approximately \$3.4 million of the total is budgeted for outside counsel and experts in all cases, and \$2.95 million for oil and gas related legal services in the department's Oil, Gas, and Mining section. Detailed individual case estimates cannot be disclosed without prejudicing the state and exposing it to greatly increased litigation costs.

The amounts appropriated in the past few years are:

FY94 \$32,900,000
FY95 \$29,900,000
FY96 \$20,000,000
FY97 \$11,939,800
FY98 \$ 7,850,000
FY99 \$ 6,366,100

The amount appropriated to the department for FY99 was less than the amount the department requested. The amount requested for this BRU over the last several years reflects a sharp reduction in the use of outside counsel and a major shift of responsibility for major oil and gas litigation from outside counsel to staff attorneys. The department attorneys are expected to litigate most tax cases with little or no assistance from outside counsel *(continued on page 3)*

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**BRU
OVERVIEW**
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AGENCY Department of Law

BRU Oil & Gas Litigation and Legal Services

000495

CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES: (continued from page 1)

Tariff cases

The state has expended substantial resources to monitor compliance with the 1985 TAPS settlement. The department performs this function by reviewing and challenging tariff filings by the owners of the pipelines operating in the state. This vigilance can earn the state millions of dollars annually. As production of oil continues to decline in Alaska, this monitoring is becoming more and more important because transportation costs through TAPS are a major component of total transportation costs to destination markets. Most of the major disputes with the TAPS owners have settled within the past year. One case that has not been resolved involves a dispute with some of the TAPS owners over the effects on tariffs caused by quality bank adjustments, which is an adjustment made to reflect the different qualities of crudes flowing through TAPS. Some of the parties (including the state) have agreed to a settlement but two other parties are opposing the settlement.

A TAPS shipper has protested intrastate tariffs before the Alaska Public Utilities Commission. Intrastate and interstate tariffs are set according to the TAPS Settlement Methodologies (TSM), agreed to in 1985. The state has achieved significant benefits from the TSM, both interstate and intrastate, and is contractually obligated to defend the methodologies. While the state regularly monitors tariffs to ensure that the methodologies are correctly followed, the protest raised in this case threatens to undermine and perhaps unravel the TSM itself. As a major rate case, the matter requires significant assistance from contract counsel and experts.

The department also will finance an annual audit of Alyeska Pipeline Services Company and the major owner companies to determine if certain operating and capital costs are properly included in the TAPS tariff. Information revealed during the audit forms the basis for future tariff protests. Litigation may result if Alyeska and the owners fail to respond adequately to the state's requests for information.

The department will continue to work with Alyeska Pipeline Services Company and the owner companies to implement the terms of the corrosion settlement, which calls for the parties to work together on a program to provide additional protection against corrosion to TAPS. Most of the work by the state is being conducted by contract corrosion experts.

Tax cases

This department is pursuing hundreds of millions of dollars in past-due taxes and interest that are owed by oil and gas producers to the state. In some cases, tens of thousands of documents have to be examined and numerous potential witnesses have to be interviewed or deposed in order to prepare for hearing. These hearings can last for months. Nevertheless, the department will be expending far less money on these cases in FY00 than it has in the not-too-distant past, as a consequence of its successful efforts to resolve most of the state's major disputes with its oil and gas producers.

The department also anticipates that it may litigate several complex property tax cases involving the Trans-Alaska Pipeline and other oil and gas properties during FY00. These cases will require the advice and testimony of expert witnesses, and may require the assistance of contract counsel.

(continued on page 3)

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BRU Oil and Gas Litigation

COMPONENT Oil and Gas Litigation #2094

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CONTINUATION OF FORM: BRU OVERVIEW

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES: *(continued from page 2)*

Royalty cases

A number of royalty disputes regularly arise between the oil and gas producers and the state. Although the department handles most of these disputes in-house, assistance from outside counsel and experts is sometimes necessary. For example, some of the producers might reopen negotiations over the recently settled Alaska North Slope royalty disputes based on marketplace changes and the department will require assistance from some of the outside attorneys and experts originally involved in the royalty dispute.

SUMMARY OF BRU ISSUES: *(continued from page 1)*

and consultants. However, the department will continue to require substantial amounts to cover the cost of experts and document handling for these cases.

Although the amounts requested to pursue the state's oil and gas litigation efforts are large, they will return substantial revenues to the state treasury. Expenditures by producers in the past have far exceeded the state's. For this reason, the section is careful to ensure that the state's litigation resources are managed to their best advantage, particularly with respect to containing outside counsel costs by close contract supervision and shifting substantial responsibility to staff attorneys. A recent legislative audit report confirmed that attorneys in the section take an active leadership role in cases involving contract counsel and that these contracts are well managed and administered.

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BRU Oil and Gas Litigation

COMPONENT Oil and Gas Litigation #2094

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Revised Date:

FY 2000

000497

CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

COMPONENT GOALS:

To maximize the state's revenues by enforcing the state's oil and gas royalty and taxation statutes and regulations;

To maximize the state's revenues through monitoring expenses that reduce oil and gas valuation;

To protect valuable state lands and resources against title and lease challenges.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services			
Other Program Costs		5,990.4	5,990.4
Total		5,990.4	5,990.4
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund		5,496.9	5,496.9
GF Program Receipts			
GF Mental Health			
Other Funds		493.5	493.5
Total		5,990.4	5,990.4
STAFFING:			
Permanent Full-Time			
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The legislature first identified the Oil and Gas Litigation component of the Oil and Gas Litigation and Legal Services BRU as a separate allocation in FY99. Prior to that, the services covered by the component were an undifferentiated part of the Oil and Gas Litigation BRU. The component covers services performed by attorneys and staff in the Oil, Gas and Mining Section of the Department of Law, and by contract counsel and expert consultants, that fall within one or more of the following categories:

- A. Cases in court or at the administrative hearing stage (including tax disputes at the informal conference stage).
- B. Advice to agencies in disputes with taxpayers, leaseholders, citizens' groups or other parties, even if the matter has not yet proceeded to court or an administrative hearing.
- C. Assistance to and preparation of agencies in anticipation of possible litigation, including work in anticipation of the filing of a complaint, protest, or appeal.

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
AND SERVICES**

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AGENCY Department of Law

BRU Oil & Gas Litigation and Legal Services

COMPONENT Oil & Gas Litigation #2312

Page 1 of 1

Revised Date: .

FY 2000

000198

CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To defend state's tariff settlement agreements during the period of the agreements to ensure that the state receives the benefits of those agreements.

Settlement methodologies remain in place.

Tariffs are consistent with agreed-to methodologies.

To reduce the tariffs charged for oil transported through the Trans-Alaska Pipeline System (TAPS) and other pipelines to an amount that reflects proper ratemaking methodology and equitable cost factors.

The amount of tariffs are reduced on a cents per barrel basis.

To pursue legal remedies that will determine the cost of processing the state's royalty share of natural gas liquids.

The per barrel "value" of state royalty increases directly if the cost of processing decreases as a result of litigation.

To resolve disputes with the federal government over implementation of the United States Supreme Court *Dinkum Sands* decision.

Consistent with the *Dinkum Sands* decision, state holds title to lands with high oil and gas potential.

(continued on page 2)

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

**COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES
Form CF2
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AGENCY Department of Law

BRU Oil & Gas Litigation and Legal Services

COMPONENT Oil & Gas Litigation #2312

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Revised Date:

FY 2000

000429

CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: *(continued from page 1)*

To prosecute oil and gas tax assessments made by state tax auditors in both the oil and gas audit and income and excise tax divisions.

The amount of tax is collected.

To guard the state's interests in net profit sharing of oil leases.

State collects money owed under on net profit sharing leases.

To promote further oil and gas development in the state.

Assist resource agencies in drafting regulations, defending lease sales, etc., in aid of development.

ADDITIONAL
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AGENCY Department of Law

BRU Oil and Gas Litigation

COMPONENT Oil and Gas Litigation #2312

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Revised Date:

FY 2000

000500

CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

COMPONENT GOALS:

To maximize the state's revenues by enforcing the state's oil and gas royalty and taxation statutes and regulations;

To maximize the state's revenues through monitoring expenses that reduce oil and gas valuation;

To protect valuable state lands and resources against title and lease challenges.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services			
Other Program Costs		375.7	375.7
Total		375.7	375.7
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund		375.7	375.7
GF Program Receipts			
GF Mental Health			
Other Funds			
Total		375.7	375.7
STAFFING:			
Permanent Full-Time			
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The legislature first identified the Oil and Gas Legal Services component of the Oil and Gas Litigation and Legal Services BRU as a separate allocation in FY99. Prior to that, the services covered by the component were an undifferentiated part of the Oil and Gas Litigation BRU. The component covers services performed by attorneys and staff in the Oil, Gas and Mining Section of the Department of Law that fall within one or more of the following categories:

- A. General advice to agencies on matters in which no litigation is anticipated.
- B. Assistance to agencies in drafting, editing, or reviewing legislation or regulations in a non-litigation context.
- C. Assistance to agencies in negotiating unit agreements or other contracts.

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
AND SERVICES**

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AGENCY Department of Law

BRU Oil & Gas Litigation and Legal Services

COMPONENT Oil & Gas Legal Services #2313

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Revised Date:

FY 2000

000505

CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To defend state's tariff settlement agreements during the period of the agreements to ensure that the state receives the benefits of those agreements.

Settlement methodologies remain in place.

Tariffs are consistent with agreed-to methodologies.

To reduce the tariffs charged for oil transported through the Trans-Alaska Pipeline System (TAPS) and other pipelines to an amount that reflects proper ratemaking methodology and equitable cost factors.

The amount of tariffs are reduced on a cents per barrel basis.

To pursue legal remedies that will determine the cost of processing the state's royalty share of natural gas liquids.

The per barrel "value" of state royalty increases directly if the cost of processing decreases as a result of litigation.

To resolve disputes with the federal government over implementation of the United States Supreme Court *Dinkum Sands* decision.

Consistent with the *Dinkum Sands* decision, state holds title to lands with high oil and gas potential.

(continued on page 2)

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

AS 44.23.020				

**COMPONENT
OBJECTIVES AND
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MEASURES**
Form CF2
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BRU Oil & Gas Litigation and Legal Services

COMPONENT Oil & Gas Legal Services #2313

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Revised Date:

FY 2000

• 000506

CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: *(continued from page 1)*

To prosecute oil and gas tax assessments made by state tax auditors in both the oil and gas audit and income and excise tax divisions.

The amount of tax is collected.

To guard the state's interests in net profit sharing of oil leases.

State collects money owed under on net profit sharing leases.

To promote further oil and gas development in the state.

Assist resource agencies in drafting regulations, defending lease sales, etc., in aid of development.

ADDITIONAL
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BRU Oil & Gas Litigation and Legal Services

COMPONENT Oil & Gas Legal Services #2313

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Revised Date:

FY 2000

002507

CONTACT: Tina Kobayashi, Assistant Attorney General, 465-3600

COMPONENT GOALS:

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services			
Other Program Costs	8,462.7		
Total	8,462.7		
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	7,152.7		
GF Program Receipts			
GF Mental Health			
Other Funds	1,310.0		
Total	8,462.7		
STAFFING:			
Permanent Full-Time			
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

DESCRIPTION OF COMPONENT CHANGES:

This BRU was restructured in the FY99 budget. See new Oil and Gas Litigation and Legal Services BRU.

COMPONENT GOALS
AND SERVICES

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AGENCY Department of Law

BRU Oil & Gas Litigation

COMPONENT Oil & Gas Litigation #2094

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Revised Date: •

FY 2000

000510

CONTACT: Bruce M. Botelho, Attorney General, 465-2133

SUMMARY OF BRU SERVICES AND RESPONSIBILITIES:

The Administration and Support BRU includes the Office of the Attorney General and the Administrative Services Division.

The Office of the Attorney General provides overall management of the Department of Law. The Attorney General, as the principal executive officer of the department, is responsible for both the legal and the administrative aspects of the department's operations. The Office of the Attorney General provides leadership, support, and oversight of department operations that make it possible for the department to provide legal services to state agencies, to ensure that the civil and criminal laws of the state are followed, to defend the state in legal actions, and to implement the Executive Branch Ethics Act. In addition, the Office of the Attorney General is involved in a variety of interdepartmental efforts to improve government service to Alaskans and provides staff support for a variety of interdepartmental and public/private groups focused on specific issues facing the state.

The Administrative Services Division provides the core administrative services that are essential to the day-to-day operation of the Department of Law and to managing the resources of the department. These include budgeting, personnel and payroll, procurement, accounting, computer services, data processing, timekeeping and billing, and monitoring and forecasting departmental expenses.

also mail service

SUMMARY OF BRU ISSUES:

Services provided by the Administration and Support BRU will remain essentially the same in FY00.

The Office of the Attorney General will continue to manage the department to serve Alaskans and provide legal services to state agencies. Support of new programs and initiatives discussed elsewhere in this budget document will add to the responsibility of the Attorney General as an administrator and provide additional ways in which the department can work to ensure that the civil and criminal laws of the state are enforced.

The Administrative Services Division will also continue to provide the same range of services to the department and to client agencies.

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AGENCY Department of Law

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Revised Date:

FY 2000

000517

CONTACT: Bruce M. Botelho, Attorney General, 465-2133

COMPONENT GOALS:

To ensure that the civil and criminal laws of the state are followed.

To provide legal advice to state agencies and officers.

To represent and defend the state in legal actions.

To implement the Executive Branch Ethics Act.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	233.2	236.4	241.3
Other Program Costs	98.7	97.8	92.9
Total	331.9	334.2	334.2
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	331.9	334.2	334.2
GF Program Receipts			
GF Mental Health			
Other Funds			
Total	331.9	334.2	334.2
STAFFING:			
Permanent Full-Time	3	3	3
Permanent Part-time			
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

The Attorney General is the principal executive officer of the Alaska Department of Law. In this role he is responsible for both the legal and administrative aspects of the department's operations. This component supports the Attorney General and his immediate staff as he carries out his statutorily defined functions.

The Attorney General serves as legal advisor for the governor and other state officers. In addition, the Attorney General is responsible for representing the state in all civil actions to which it is a party; prosecuting all cases involving violation of state law; administering state legal services, including furnishing written legal opinions and giving advice on laws or proposed legislation; drafting legal instruments for the state; and bringing, prosecuting, and defending all necessary actions in the name of the state for the collection of revenue. (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

None.

**COMPONENT GOALS
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BRU Administration and Support

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Revised Date: *

FY 2000

COMPONENT OFFICE: Office of the Attorney General #2162

000515

CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

The Office of the Attorney General coordinates the activities of the department's three divisions: Civil, Criminal, and Administrative Services. The Office of the Attorney General is also involved in a variety of interdepartmental efforts to improve government service to Alaskans and provides staff support for interdepartmental and public/private groups focused on specific issues facing the state.

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BRU Administration and Support

COMPONENT Office of the Attorney General #2162

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Revised Date:

FY 2000

000519

CONTACT: Bruce M. Botelho, Attorney General, 465-2133

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

To manage the department's resources effectively and efficiently to provide support for the work of the department's employees.

To protect the state's resources by providing effective legal advice and representation to state agencies and officers.

To protect the interests of Alaska citizens by ensuring that quality legal services are provided to state agencies and officers and that the civil and criminal laws of the state are enforced.

To participate actively in interdepartmental efforts to improve government services to Alaskans.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

**COMPONENT
OBJECTIVES AND
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AGENCY Department of Law

BRU Administration and Support

COMPONENT Office of the Attorney General, #2162

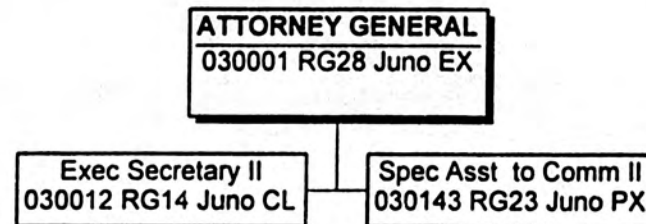
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FY 2000

000590

ADMINISTRATIVE AND SUPPORT
Attorney General's Office



CONTACT: Kathryn A. Daughhetee, Acting Director, 465-3673

COMPONENT GOALS:

To provide core services essential to the day-to-day operation of the Department of Law through:

1. informing and assisting the Attorney General and the Deputy Attorneys General in the management of resources by accurately monitoring and forecasting departmental expenditures and the complexity of revenue fund sources in the face of unexpectedly changing litigation demands;
2. providing timely and efficient support services to the entire department in budgeting, timekeeping, personnel and payroll, procurement, accounting, computing and information technology services; and,
3. building and maintaining positive relationships with client agencies through the accuracy and timeliness of billing services and the equability of billing rates.

	FY 98 ACTUAL	FY 99 AUTHORIZED	FY 2000 GOVERNOR
EXPENDITURES:			
Personal Services	1,175.5	962.4	1,007.5
Other Program Costs	149.4	140.3	95.2
Total	1,324.9	1,102.7	1,102.7
FUNDING SOURCES:			
Federal Receipts			
General Fund Match			
General Fund	500.2	503.2	503.2
GF Program Receipts	45.9	46.2	46.2
GF Mental Health			
Other Funds	778.8	553.3	553.3
Total	1,324.9	1,102.7	1,102.7
STAFFING:			
Permanent Full-Time	22	17	17
Permanent Part-time	1	1	1
Temporary			

DESCRIPTION OF COMPONENT SERVICES:

1. Financial management and forecasting - regular review, monitoring and reporting of expenditures and revenues with the additional emphasis on forecasting authorization balances through the end of the fiscal year.
 2. Budgeting - annual preparation of the operating and capital budget request for the entire department.
 3. Accounting - performing all accounting functions for the department with centralized accounts payable/receivable, review and payment of professional services contracts; federal grant and sub-grant reporting.
- (continued on page 2)

DESCRIPTION OF COMPONENT CHANGES:

There are no changes to this component in FY00.

**COMPONENT GOALS
AND SERVICES**

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BRU Administration and Support

COMPONENT Administrative Services #2164

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Revised Date:

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000529

CONTINUATION OF FORM: COMPONENT GOALS AND SERVICES

DESCRIPTION OF COMPONENT SERVICES: *(continued from page 1)*

4. Personnel and Payroll Support: Personnel and payroll management; training in personnel management; assisting managers and supervisors with employee relations and position review and classification; monitoring and providing advice about compliance with personnel rules and labor relations rulings.

5. Procurement: Managing the procurement process for outside legal counsel and expert contracts as well as property control and centralized supply purchases.

6. Timekeeping: Calculate and revise the federally approved cost allocation plans and the department's attorney and paraprofessional rate structure; managing the Civil Division's full-time attorney and paraprofessional time reporting system; generating client billings.

ADDITIONAL
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AGENCY Department of Law

BRU Administration and Support

COMPONENT Administrative Services #2164

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Revised Date:

FY 2000

000530

CONTACT: Kathryn A. Daughetee, Acting Director, 465-3673

OBJECTIVES AND ACCOMPLISHMENT MEASURES:

Objective: To complete information technology system conversions which will resolve mission-critical Year 2000 issues in the Department of Law

Accomplishment Measure: Implementation of new timekeeping and billing system for the Civil Division and the new prosecution system in the Criminal Division will be completed before fiscal year 2000 begins.

Objective: To provide LAN/WAN support to all Department of Law offices to allow the remote District Attorney offices access to the e-mail and the new Criminal Division Prosecution System (CRIMES).

Accomplishment Measure: WAN/LAN hookups will be installed in Sitka, Kotzebue, and Dillingham. CRIMES will be implemented via a distributed network environment.

Objective: To develop management reports that will provide the basis for more timely business decisions regarding Civil Division staff and funding resources.

Accomplishment Measure: Through the new timekeeping and billing report application, capabilities for extracting a variety of standard and special reports will enhance the timeliness and provide variety in the formatting of management information. Administrative Services will offer reporting services and also provide training to attorney supervisors and managers in the retrieval of a number of standard reports that can be pulled from most desktops. Literally up-to-date information will be available with respect to any particular case, fund source, section, or individual attorney's work.

STATUTORY/REGULATORY CITATIONS

AS 44.23.020

AS 44.23.020				

**COMPONENT
OBJECTIVES AND
ACCOMPLISHMENT
MEASURES
Form CF2
REVISED 8/26/98**

AGENCY Department of Law

BRU Administration and Support

COMPONENT Administrative Services #2164

Page 1 of 2

Revised Date:

FY 2000

000501

CONTINUATION OF FORM: COMPONENT OBJECTIVES AND ACCOMPLISHMENT MEASURES

OBJECTIVES AND ACCOMPLISHMENT MEASURES: *(continued from page 1)*

Objective: To improve Human resources management support throughout the department in order to help facilitate better management resources, provide for more quality training and assistance to managers and supervisors, and to ensure the department's ability to absorb a growing delegation of responsibility to line agencies in specialized areas by the Division of Personnel.

Accomplishment Measure: 1) new and refined technological applications to address increased workload; 2) specialized training for department administrative staff to ensure correct application of state personnel systems, regulations, policies and collective bargaining provisions. 3) reorganization of section resources to provide for more focus in the areas of reporting systems, special projects, and procedure development that is needed to address the effects of a growing department, new laws that affect human resource programs and the delegation of broader responsibilities by the Division of Personnel to the agency in the functional areas, i.e , labor relations, classification, and recruitment and examining.

Objective: To continue to improve outside counsel contract management and ensure consistent administration of these contracts by attorney project managers.

Accomplishment Measure: Publication of outside counsel contract management guidelines on the department's web site. Implementation of a program requiring the department's contracting officer to randomly sample and audit contract invoices to determine compliance with contract terms and conditions.

ADDITIONAL
EXPLANATION
FORM
Revised 8/26/98

AGENCY Department of Law

BRU Administration and Support

COMPONENT Administrative Services #2164

Page 2 of 2

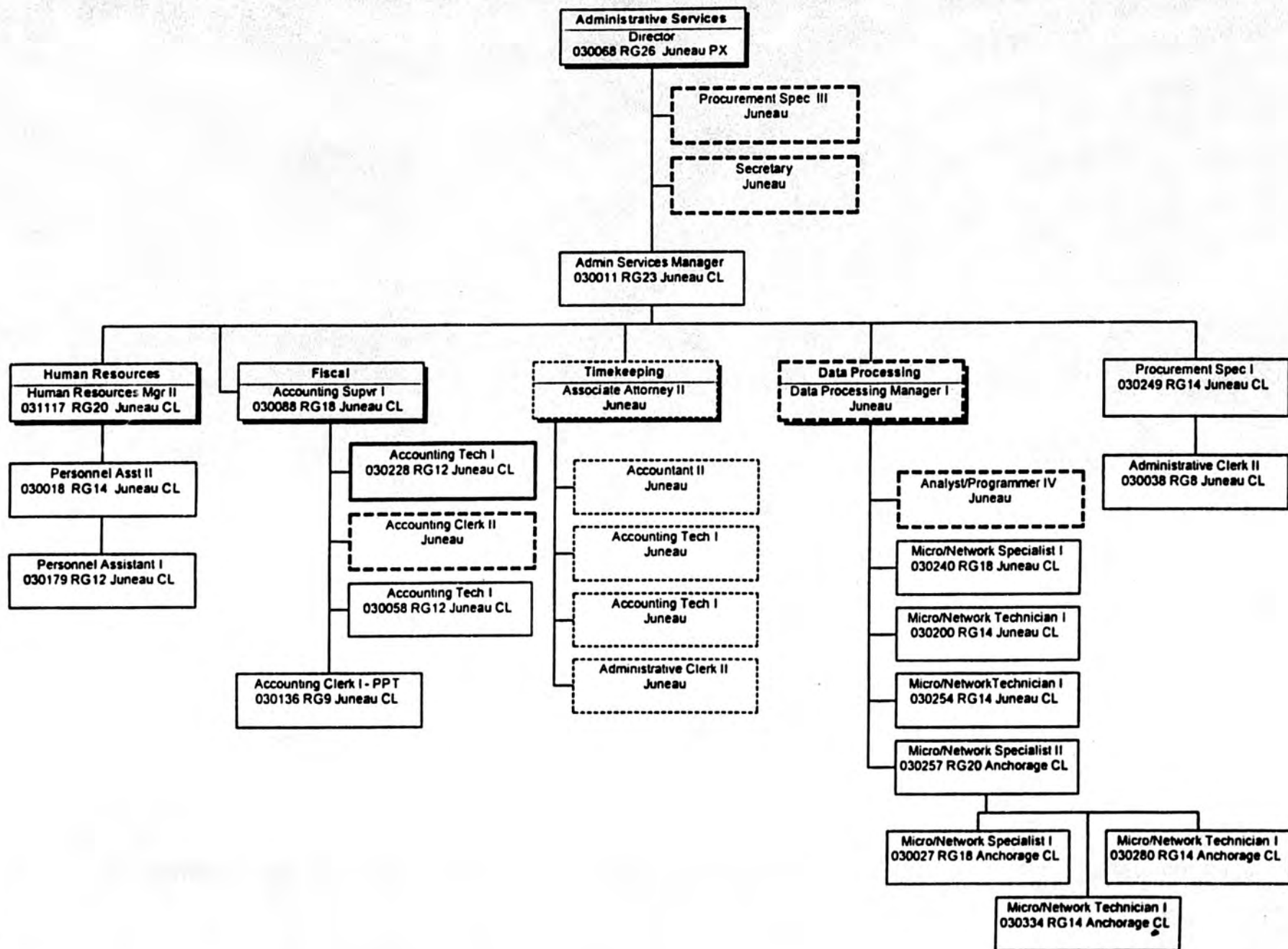
Revised Date:

FY 2000

000532

ADMINISTRATION AND SUPPORT

Administrative Services Division



**FACSIMILE TRANSMISSION
COVER SHEET**

Office of the Attorney General
Dimond Courthouse, 123 Fourth Street, 4th Floor
P.O. Box 110300
Juneau, AK 99811-0300
PHONE: (907) 465-5370 FAX: (907) 465-2075

DATE: October 4, 1999

FROM: JOAN KASSON
SPECIAL ASSISTANT
Joan_Kasson@law.state.ak.us

Total number of pages including this cover sheet: 2

Please deliver the following pages to:

SCOTT BRANDT-ERICHSEN, 247-6625
BLAKE CALL, 263-8320
REP. JOHN COWDERY, 269-0223
MARK JOHNSON, 273-5382
RICHARD MCVEIGH, 373-8036
WILLIAM OBERLY, 258-7282
BETTY ROLLINS, 488-6614
BILL SATTERBERG, 452-4454
BRUCE WEYHRAUCH, hand delivered

MESSAGE:

As requested by Mr. Satterberg, attached is the list of tort litigation contracts, with total expenditures to date.

In preparing this spreadsheet, we discovered that two more have been closed than was indicated on the original list of contracts by type of legal services sent to you on August 31. The line for "Tort Litigation" should read 8 single matter and 2 multi-matter contracts closed, and 6 single matter contracts open.

**Please inform us immediately
if you do not receive this transmission in full
(907) 465-2133 Ask for: Kathy**

**TORT LITIGATION CONTRACTS
FY94-FY99**

FIRM	CLIENT	LITPROJ	SUBJECT	BEGINDAT	ENDDATE	TOTAL EXP
Atkinson, et al.	Revenue	AHFC Legal Counsel	Tort Litigation	7/1/94	6/30/98	\$177,905
Bankston & McCollum	Admin/RM	Davis v. State	Tort Litigation	2/18/98	1/1/2015	\$455,355
Birch Horton et al.	Revenue	AHFC Legal Counsel	Tort Litigation	7/1/94	6/30/98	\$203,298
Delaney Willes et al.	Admin/RM	Peel v. State	Tort Litigation	12/21/93	6/30/98	\$439,436
Delaney Willes et al.	Admin/RM	Weiden v. State	Tort Litigation	12/11/95	1/1/2015	\$846,190
Delaney Willes et al.	Admin/RM	Bartek v. State	Tort Litigation	12/1/98	1/1/2015	\$155,494
DeLato Moran et al.	Admin/RM	Sanders v. State	Tort Litigation	7/12/94	6/30/98	\$99,827
DeLato Moran et al.	Admin/RM	McCubbins v. State	Tort Litigation	10/10/94	1/1/2015	\$188,307
Jamin, Ebell, et al.	Admin/RM	Martham v. Gamache	Tort Litigation	9/27/94	6/30/97	\$22,832
Kozol, Frank S.	Admin/RM	Dinamore v. Hall	Tort Litigation	11/8/95	6/30/98	\$27,889
Lesemaisier & Winters	Admin/RM	Frederick v. State	Tort Litigation	4/17/95	2/19/99	\$80,776
Lesemaisier & Winters	Admin/RM	Runk v. State	Tort Litigation	4/25/95	1/1/2015	\$125,058
Moran & Sarraf	Admin/RM	McKenzie v. State	Tort Litigation	1/29/96	9/30/97	\$7,509
Robertson, et al.	Admin/RM	Sandness v. Whitaker	Tort Litigation	1/29/96	1/1/2015	\$44,012
Stephan H. Williams	Admin/RM	Noblet v. State	Tort Litigation	9/11/95	6/30/97	\$22,870
Young Sanders et al.	Law	Hallen v. State	Tort Litigation	5/8/93	6/30/94	\$17,005

TORT LITIGATION CONTRACTS FY94-FY99

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Atkinson, et al.	Revenue	AHFC Legal Counsel	Tort Litigation	7/1/94		6/30/98	\$177,905
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Delaney Willes et al.	Admin/RM	Bartek v. State	Tort Litigation	12/1/98		1/1/2015	\$155,494
DeLiso Moran et al.	Admin/RM	Sanders v. State	Tort Litigation	7/12/94		6/30/98	\$98,827
DeLiso Moran et al.	Admin/RM	McCubbins v. State	Tort Litigation	10/10/94		1/1/2015	\$189,307
Jamin, Ebell, et al.	Admin/RM	Marlham v. Gernache	Tort Litigation	9/27/94		6/30/97	\$22,832
Kozio, Frank S.	Admin/RM	Dinamore v. Hall	Tort Litigation	11/5/95		6/30/98	\$27,989
Leemaster & Winters	Admin/RM	Frederick v. State	Tort Litigation	4/17/95		2/19/99	\$90,776
Leemaster & Winters	Admin/RM	Brunk v. State	Tort Litigation	4/25/95		1/1/2015	\$125,058
Moran & Sarafin	Admin/RM	McKenzie v. State	Tort Litigation	1/29/96		9/30/97	\$7,509
Robertson, et al.	Admin/RM	Sandness v. Whitaker	Tort Litigation	1/29/96		1/1/2015	\$44,012
Stephen H. Williams	Admin/RM	Noblett v. State	Tort Litigation	9/11/95		6/30/97	\$22,870
Young Sanders et al.	Law	Hellen v. State	Tort Litigation	5/5/93		6/30/94	\$17,005

Dept Law
Meeting
Oct 7
11:30 am

TORT LITIGATION CONTRACTS FY94-FY99

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DeLisio Moran et al.	Admin/RM	Sanders v. State	Tort Litigation	7/12/94		6/30/98	\$98,827
DeLisio Moran et al.	Admin/RM	McCubbins v. State	Tort Litigation	10/10/94		1/1/2015	\$188,307
Jemin, Ebell, et al.	Admin/RM	Markham v. Gamache	Tort Litigation	9/27/94		6/30/97	\$22,632
Kozio, Frank S.	Admin/RM	Dismore v. Hall	Tort Litigation	11/5/95		6/30/98	\$27,689
Lessmeier & Winters	Admin/RM	Frederick v. State	Tort Litigation	4/17/95		2/19/99	\$90,776
Lessmeier & Winters	Admin/RM	Brunk v. State	Tort Litigation	4/25/95		1/1/2015	\$125,058
Moran & Sarafin	Admin/RM	McKenzie v. State	Tort Litigation	1/29/96		9/30/97	\$7,509
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KETCHIKAN GATEWAY BOROUGH

Office of the Borough Attorney • 344 Front Street • Ketchikan, Alaska 99901

Scott A. Brandt-Erichsen
Borough Attorney

(907) 228-6635
Fax: (907) 247-6625
E-Mail: boroatty@ktn.net

October 8, 1999

Mark K. Johnson, Esq.
Attorney at Law
13631 Windward Circle
Anchorage, AK 99516

Dear Mark:

At the close of our October 7th teleconference, you requested that committee members forward ideas for the Committee Report to your attention. This letter sets out some of my thoughts.

The suggested outline for Committee Reports contains thirteen items identified by Roman numerals. Items I through IX are based upon existing data available from the Department of Law, and do not involve significant issues for recommendation or subcommittee input. The primary committee input is with respect to Items X through XIII identifying existing privatization practices, if any, evaluating them for effectiveness and public accountability; making recommendations per Section 5 in SB 33, including suggestions for new legislation; explaining the rationale for each recommendation, the number of votes for and against it; and listing problems or barriers to implementing the proposed privatization.

For describing existing privatization practices, the information provided by the attorney general's office describes the existing practices. I would suggest that appropriate excerpts from this information be included in the subcommittee report. Regarding effectiveness and accountability, it is my view that effectiveness is difficult to evaluate without more data on cost comparisons or examining objectives in specific cases. The accountability can be evaluated from the information provided. The current level of documentation of the Department of Law's rationale for contracting out does not appear adequate for evaluation of contracting out decisions. There are not written findings as to whether particular

contracting decisions are more cost effective in-house or through contract counsel. There is a lack of information collection, and there are no procedures set up for documenting the "pay-to-play" issue.

Regarding recommendations based upon the information received and the comments of committee members and others, the following are my general recommendations:

1. Criminal matters.

The majority of the criminal prosecution function does not lend itself to contracting for services primarily due to the prosecutorial discretion and the governmental nature of the exercise of that discretion. However, once a case has been screened and a decision to prosecute made, the implementation of that decision is less discretionary and more of a ministerial type function to be performed by a qualified professional. As such, much of the work could be performed either in-house or on a contract basis with equal competence. Whether it makes sense to contract out this function then would be largely dependent upon the costs. For trial work, I suspect that in-house prosecution may be cheaper and more significantly tied to other state functions such as supplementary investigation activity. For appeals, however, if the in-house rate is \$92.00 per hour, and there are attorneys willing to handle appellate work at the OPA rate, contracting out some of those cases may be more efficient.

2. Civil matters.

A. Contractor selection

I would favor dividing the type of work performed into those functions which are contracted out based upon the need for specialized expertise and those which are contracted out due to staffing levels or representational conflicts. Where the justification for contracting out is something other than the need for specialized expertise, there does not appear to be any rationale for a subjective selection system. Rather, the selection system could be from a rotating list of "pre-qualified" attorneys or some other objective method (which could be as random as drawing names out of a hat). If individual persons or firms are deemed unqualified, this disqualification could be established

separately prior to a determination of the need for contracting services.

Similarly, "pre-qualified" lists of attorneys for specialties could be maintained as well to reduce the appearance of favoritism or subjectivity in selection of specialist contractors.

I think that it would be inappropriate to impose restrictions such as those I suggest without allowing the Department of Law the opportunity to deviate in particular cases where a deviation is justified. However, I would recommend that where a deviation occurs a written justification of the supporting rationale be required so that there is accountability for the decision. Such rationale should show a reasonable basis for deviating from an objective award system.

B. Contractor billing

I would suggest that for routine work the State determine a set rate, that is less than its in-house rate, which it will pay for such services. It should then use that rate in soliciting contractors for inclusion on an approved contractor list. The model for this approach can be seen from the current method for OPA work. If this is adequate for routine legal matters in the criminal field, why should it not work in the civil field for routine matters.

Initially, it is my view that application of a process modeled after the OPA contracts would be used only for services currently contracted to outside counsel. However, I would be interested in the Department of Law's views as to adverse impacts if the same template is applied to more routine matters currently handled in-house, such as child support enforcement cases.

The screening of outside counsel billings is something which I generally support, but I lack sufficient information as to whether that service is available in a form which would be cost effective for the level of contracting which the State uses. Therefore, I feel that I lack sufficient information to recommend one way or the other on the issue.

C. Pay-to-Play

Finally, with respect to the "pay-to-play" issue, I would endorse a disclosure approach calling for the contractor to disclose financial or other relationships with either individuals in the chain of authority for the contracting decision, or elected officials who would be in a position to influence the contracting. I do not have a recommendation as to the method for requiring this disclosure, but I would recommend that the issue be addressed by the attorney general's office in a proactive manner.

I look forward to reviewing the recommendations of other committee members.

Sincerely,

KETCHIKAN GATEWAY BOROUGH



Scott A. Brandt-Erichsen
Borough Attorney

rim/l/johnson

cc: All members
Subcommittee on the Department of Law
Commission on Privatization and Delivery
of Government Services

TRANSACTION REPORT

P. 01

AUG-30-1999 MON 11:16 AM

BROADCAST

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
AUG-30	11:15 AM	919074886614	2' 30"	2	SEND	OK	(01) 148	
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TOTAL : 6M 2S PAGES: 9



and Delivery of Government Services

www.privatizealaska.org

NOTICE OF SUBCOMMITTEE MEETINGS

Subcommittee Name: **DEPARTMENT OF LAW**
 Chairperson: **Mark Johnson**
 Phone: 345-3850

Committee Members:

Mark Johnson	Scott Brant-Erichsen
John Cowdery	William Oberly
Betty Rollins	Bruce Weyrauch
Bill Satterburg	Joan Kasson
Richard McVeigh	Call Blake

Date:

THURSDAY, September 9, 11:30 AM

Thursday, September 16, 11:30 AM

Thursday, September 30, 11:30 AM

Thursday, October 14, 11:30 AM

Place:



and Delivery of Government Services

www.privatizealaska.org

NOTICE OF SUBCOMMITTEE MEETINGS

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Chairperson: Mark Johnson
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Richard McVeigh	Call Blake

Date: **THURSDAY, September 9, 11:30 AM**
Thursday, September 16, 11:30 AM
Thursday, September 30, 11:30 AM
Thursday, October 14, 11:30 AM

Place: Legislative Information Office
716 W. 4th Avenue
Second Floor Conference Room
Juneau, Mat-Su, Ketchikan, Fairbanks & Anchorage
LIO Teleconference On-line

If you have any questions please call Representative John Cowdery's office at 269-0222 or Senator Wards office at 269-0106.

The web site has a current list of members and schedule of meetings posted daily!

www.privatizealaska.org

Department of Law Subcommittee Membership							
Johnson	Mark	345-3850	N/A		balto@corecom.net		
Cowdery	John	269-0222	269-0223	Alaska State Legislature - House	Representative_John_Cowdery@legis.state.ak.us		Anchorage
Rollins	Betty	488-9030	488-6614	Paralegal, founder Badger Safe Water Assn.	santame@hotmail.com	488-6614	Fairbanks
Satterburg	Bill	452-4454	452-3988	Lawyer	lowrs@mosquitonet.com		Fairbanks
McVeigh	Richard	373-8035	373-8036		mcveighrichard@netscape.net		Wasilla
Brant-Erichsen	Scott	228-6635	247-6625	Ketchikan Gateway Borough	boroatty@ktn.net		Ketchikan
Call	Blake	274-7522	263-8320	Hughes, Thomess, Powell, Huddleston & Bauman			
Oberly	William	276-8500	258-7282				
Weyrauch	Bruce	463-5566	463-5858		whyrock@ptialaska.net		Juneau
Kasson	Joan	465-5370	465-2075	Dept Of Law - Department Contact	Joan_Kasson@law.state.ak.us		Juneau

WHAT DOES THE CIVIL DIVISION DO?

1. Represent and defend the state against lawsuits
2. Prosecute actions on behalf of the state
 - Child protection
 - Juvenile delinquency
 - Collect taxes and royalties owed
 - Child support enforcement
 - Collect fines and judgments owed
 - Actions against federal government to protect and enhance the state's rights
 - Occupational licensing enforcement
 - Environmental enforcement
 - Civil forfeiture actions for fish & game violations
 - Consumer protection
 - Antitrust enforcement
3. Provide legal advice to all state departments and agencies, officers, boards, commissions, and the legislature
4. Prepare and review legislation and regulations
5. Enforce the Executive Branch Ethics Act
6. Ensure accountability through timekeeping

KEY TO CASE FILE TYPE CODES

- 02 Oral Advice
- 06 Minor Agency Matter
- 22 General Litigation
- 26 Executions
- 27 Criminal Fines
- 28 Criminal Defense Fees
- 30 Insurance Tenders
- 33 CSE Proceedings
- 44 Childrens' Proceedings
- 55 Welfare Fraud Investigations
- 66 Aid to Agency
- 70 Welfare Fraud Litigation
- 75 Medicaid Provider Fraud Investigations
- 77 Legislative Drafting
- 80 Medicaid Provider Fraud Litigation
- 88 Legislative Review
- 99 Regulation Review

Department of Law - Open* Case Files by Section by Type

Section:	02	22	26	28	30	33	44	55	66	70	75	77	88	99	Total
ANC-Collections & Support	0	225	220	3	0	503	186	0	71	0	0	0	0	2	1,210
ANC-Commerical	0	141	12	0	0	1	2	0	125	0	0	0	0	0	281
ANC-Enviromental Affairs	0	23	0	0	4	0	0	0	69	0	0	0	0	6	102
ANC-Fair Business Practices	0	109	0	0	0	0	11	0	128	0	0	0	0	12	260
ANC-Gas, Oil & Mining	0	143	0	0	0	0	0	0	103	0	0	0	0	5	251
ANC-Govt Affairs & Contr	0	164	0	0	0	5	12	0	284	0	0	0	0	8	473
ANC-Human Services	0	518	0	0	0	39	1,788	0	84	0	0	0	0	0	2,429
ANC-Natural Resources	0	141	6	0	0	4	1	0	237	0	0	1	0	12	402
ANC-Special Litigation	0	2	0	0	199	0	0	0	146	0	0	0	0	0	347
ANC-Transportation	0	44	0	0	0	0	0	0	132	0	0	0	0	2	178
ANC-Welfare Fraud	0	36	11	0	0	4	0	36	10	92	0	0	0	0	189
Barrow Office	0	0	0	0	0	0	94	0	0	0	0	0	0	0	94
Bethel AGO	0	0	0	0	0	0	155	0	2	0	0	0	0	0	157
FAI-Collections & Support	0	31	0	0	0	257	11	0	1	0	0	0	0	0	300
FAI-General Civil	0	17	0	0	1	4	5	0	13	0	0	0	0	0	40
FAI-Human Services	0	20	0	0	0	7	355	0	24	0	0	0	0	0	406
FAI-Natural Resources	0	8	0	0	0	0	0	0	107	0	0	0	0	1	116
FAI-Special Litigation	0	9	0	0	23	0	1	0	36	0	0	0	0	0	69
FAI-Transporation	0	58	0	0	8	0	2	0	175	0	0	0	0	0	243
Jun-Commercial	0	142	15	0	0	0	0	0	65	0	0	0	0	27	249
Jun-Govt Affairs & Contr	1	157	0	0	2	0	0	0	195	0	0	0	0	4	359
Jun-Human Services	0	90	0	0	0	66	186	0	254	0	0	0	0	32	628
Jun-Legis/Regs	0	0	0	0	0	0	0	0	8	0	0	2	1	13	24
Jun-Natural Resources	0	53	0	0	0	0	0	0	111	0	0	0	0	7	171
Jun-Oil, Gas & Mining	0	100	0	0	0	2	0	0	37	0	0	0	0	1	140
Jun-Special Litigation	0	5	0	0	44	1	0	0	14	0	0	0	0	0	64
Jun-Transportation	0	45	0	0	5	0	0	0	40	0	0	0	0	2	92
Total	1	2,281	264	3	286	893	2,809	36	2,471	92	0	3	1	134	9,274

*Open Case Files - For the purposes of this report an "Open" case file is any case file that is currently open in Javelan timekeeping and billing purposes, and does not indicate or imply the legal status of a particular matter.

ATTORNEY GENERAL*Juneau***CIVIL DIVISION****Deputy Attorney General***Juneau***Transportation***Anchorage, Fairbanks, Juneau*

- construction/operations of public facilities, including ferries, airports, highways, harbors, buildings, and communications facilities

Human Services*Anchorage, Fairbanks, Juneau*

- child abuse and neglect
- juvenile delinquency prosecutions
- public assistance programs
- social and health services legal issues
- education issues; labor issues

Environmental Law*Anchorage, Fairbanks, Juneau*

- environmental enforcement/defense including contaminated sites cleanup and restoration
- water and air quality
- Exxon Valdez cost recovery; Trustee Council

Oil, Gas and Mining*Anchorage, Juneau*

- oil and gas tax and royalty claims
- oil and gas lease sale challenges
- pipeline tariff cases
- Beaufort Sea (Dinkum Sands)
- resource development (NorthStar, Alpine)

Commercial*Anchorage, Juneau*

- banking, securities, investments, gaming, corporations and insurance
- occupational licensing (Juneau)
- collection/enforcement of state taxes
- public housing; alcoholic beverage control

Special Litigation*Anchorage, Fairbanks, Juneau*

- tort claims and admiralty/personal injury cases against state
- workers' compensation cases where state is employer

Collections and Support*Anchorage, Fairbanks, Juneau*

- collection of debts, fines and judgments owed the state
- child support enforcement litigation

Governmental Affairs*Anchorage, Juneau*

- public finance/budget legal issues
- employment/labor law; employee benefits
- elections; campaign finance
- procurement; Medicaid rate
- state/local government relations

Legislation/Regulations*Juneau*

- preparation of governor's legislation
- review and analysis of all legislation before the governor takes action
- review of all regulations

Fair Business Practices*Anchorage*

- public utility regulation and oil and gas pipelines
- occupational licensing
- postsecondary education
- student loan program

Natural Resources*Anchorage, Fairbanks, Juneau*

- land management issues
- fish and game management and enforcement
- Commercial Fisheries Entry Commission
- coastal zone management

Consumer Protection*Anchorage*

- consumer protection
- antitrust law enforcement

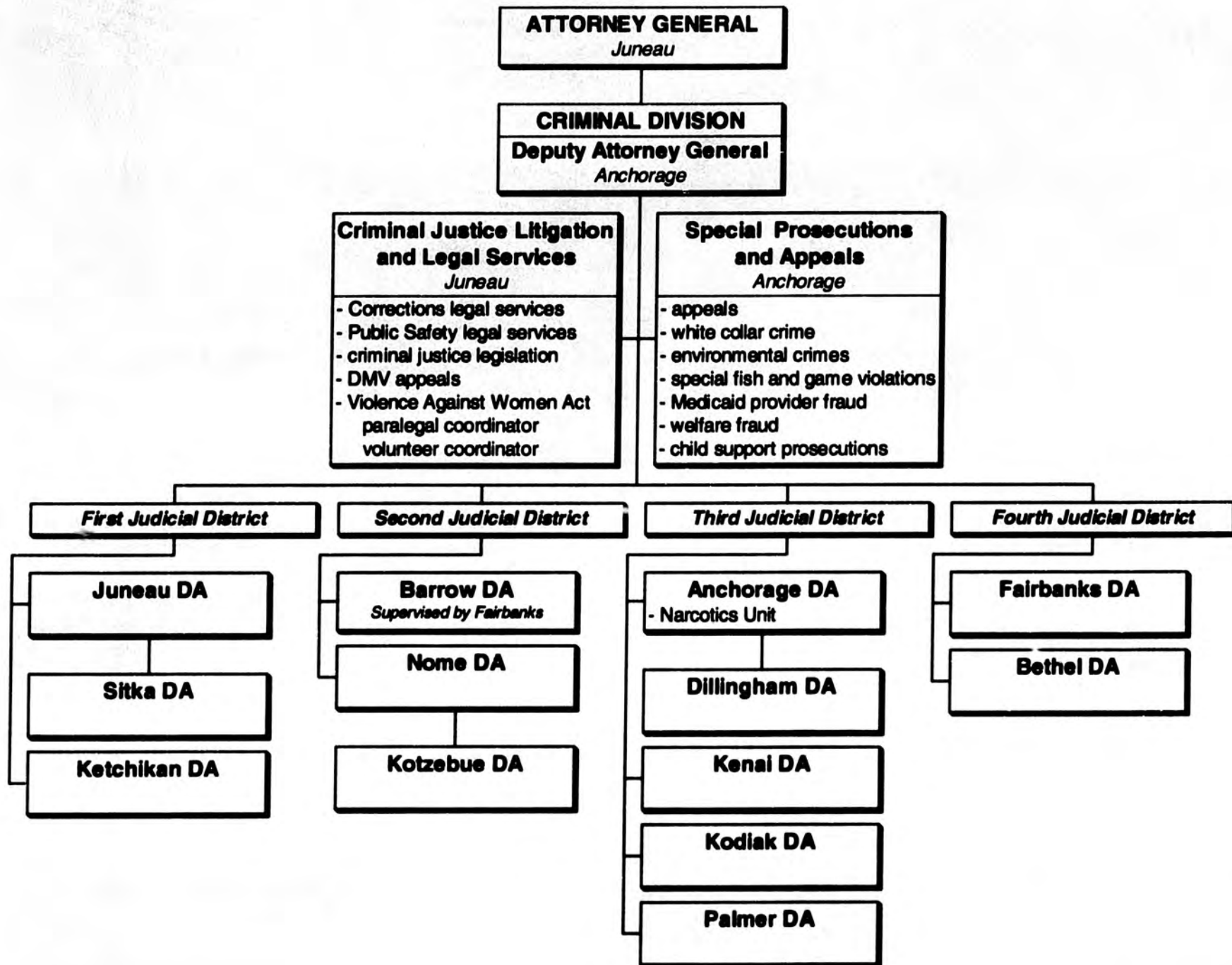
Statehood Defense*Anchorage, Juneau*

- submerged lands and navigability
- Native sovereignty
- RS2477 and access cases
- ANILCA challenges
- salmon treaty; ESA

Mental Health Lands*Anchorage*

- *Weiss v. State*
- settlement implementation
- trust administration issues
- 3rd party claims for damages

*pilot prog -
FBP - privatize it
collection??*



"APPEALS"

APPEAL #1

Direct appeal in Alaska Court of Appeals
Discretionary review by Alaska Supreme Court
Discretionary review by United States Supreme Court

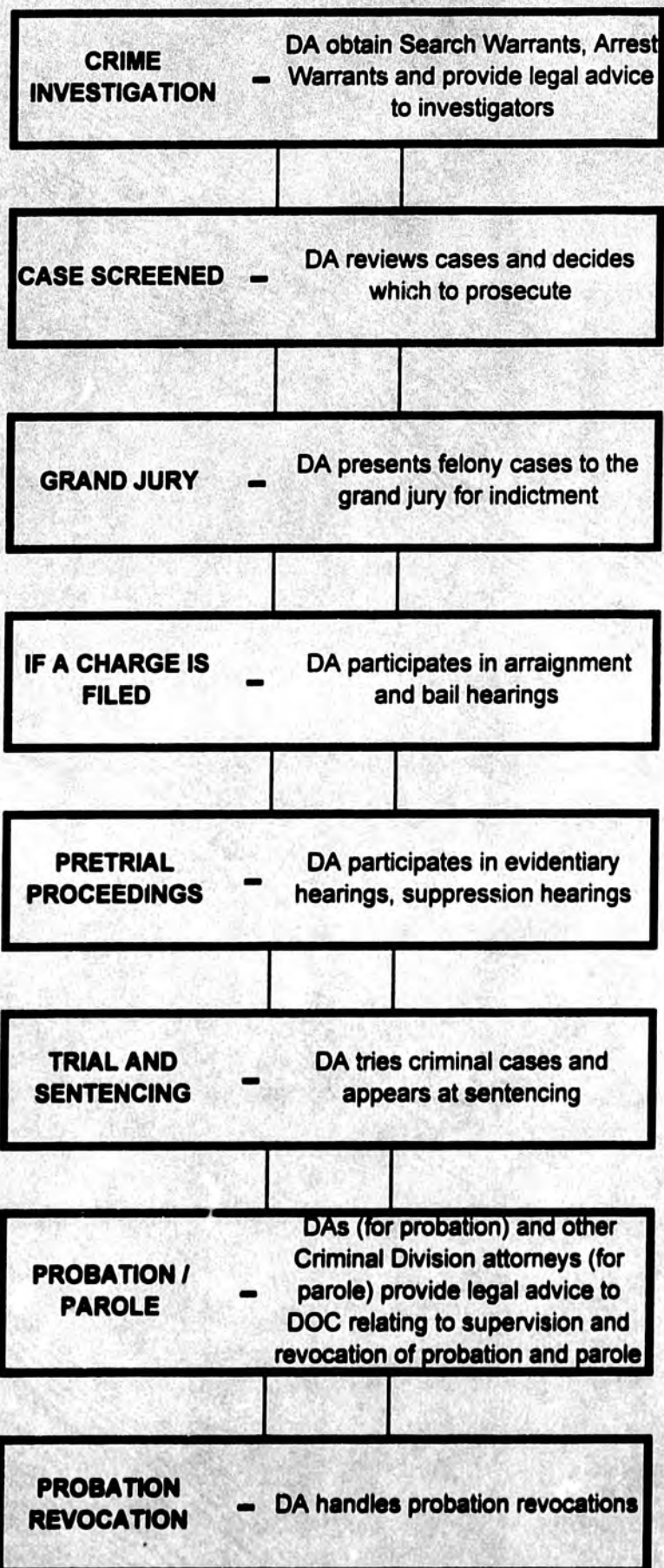
APPEAL #2

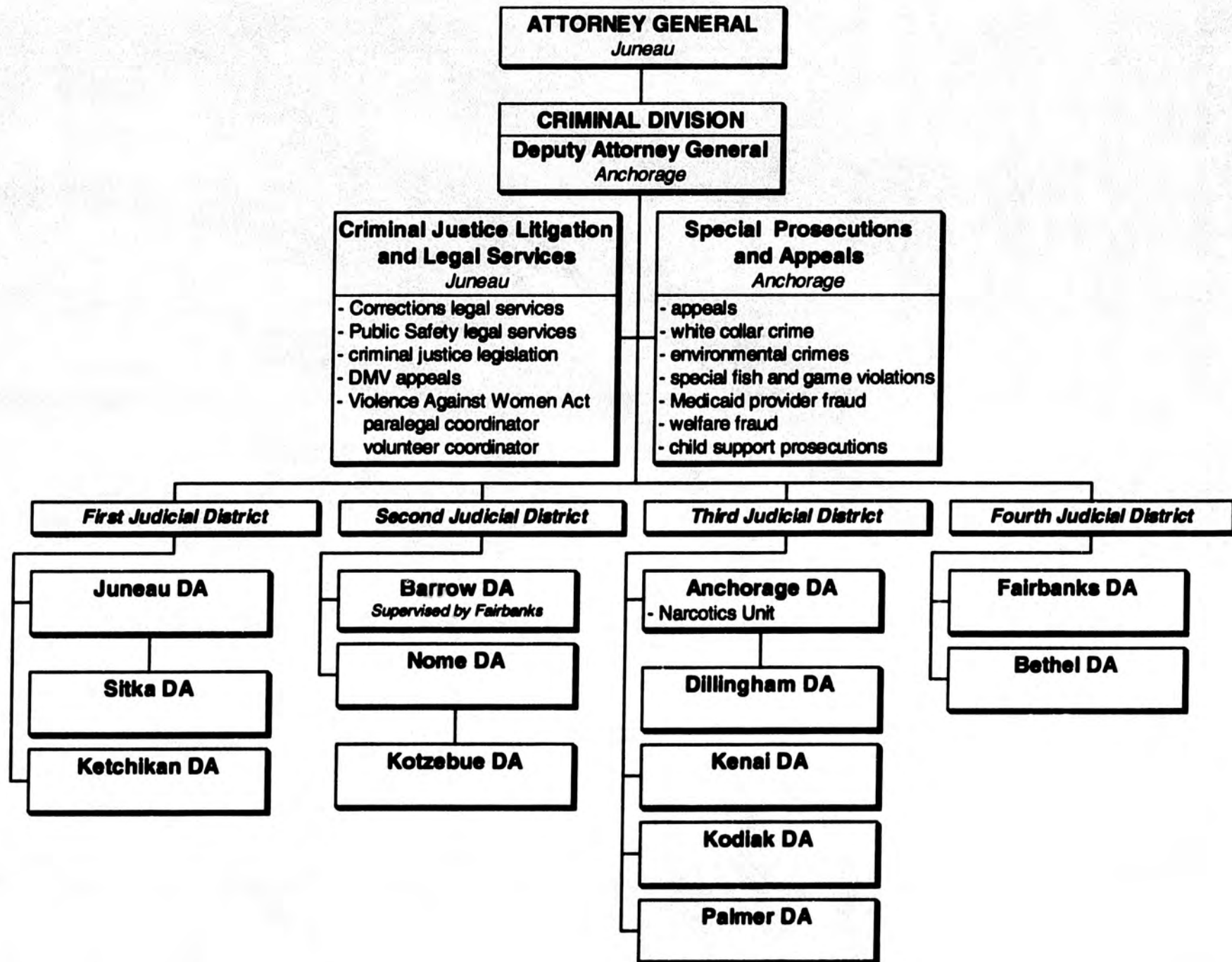
Post conviction relief in Alaska trial court
Direct appeal in Alaska Court of Appeals
Discretionary review by Alaska Supreme Court
Discretionary review by United States Supreme Court

APPEAL #3

Habeas corpus in federal district court
Direct appeal to Ninth Circuit
Discretionary review by United States Supreme Court

CRIMINAL PROSECUTIONS





ATTORNEY GENERAL*Juneau***CIVIL DIVISION****Deputy Attorney General***Juneau***Transportation***Anchorage, Fairbanks, Juneau*

- construction/operations of public facilities, including ferries, airports, highways, harbors, buildings, and communications facilities

Human Services*Anchorage, Fairbanks, Juneau*

- child abuse and neglect
- juvenile delinquency prosecutions
- public assistance programs
- social and health services legal issues
- education issues; labor issues

Environmental Law*Anchorage, Fairbanks, Juneau*

- environmental enforcement/defense including contaminated sites cleanup and restoration
- water and air quality
- Exxon Valdez cost recovery; Trustee Council

Oil, Gas and Mining*Anchorage, Juneau*

- oil and gas tax and royalty claims
- oil and gas lease sale challenges
- pipeline tariff cases
- Beaufort Sea (Dinkum Sands)
- resource development (NorthStar, Alpine)

Commercial*Anchorage, Juneau*

- banking, securities, investments, gaming, corporations and insurance
- occupational licensing (Juneau)
- collection/enforcement of state taxes
- public housing; alcoholic beverage control

Special Litigation*Anchorage, Fairbanks, Juneau*

- tort claims and admiralty/personal injury cases against state
- workers' compensation cases where state is employer

Collections and Support*Anchorage, Fairbanks, Juneau*

- collection of debts, fines and judgments owed the state
- child support enforcement litigation

Governmental Affairs*Anchorage, Juneau*

- public finance/budget legal issues
- employment/labor law; employee benefits
- elections; campaign finance
- procurement; Medicaid rate
- state/local government relations

Legislation/Regulations*Juneau*

- preparation of governor's legislation
- review and analysis of all legislation before the governor takes action
- review of all regulations

Fair Business Practices*Anchorage*

- public utility regulation and oil and gas pipelines
- occupational licensing
- postsecondary education
- student loan program

Natural Resources*Anchorage, Fairbanks, Juneau*

- land management issues
- fish and game management and enforcement
- Commercial Fisheries Entry Commission
- coastal zone management

Consumer Protection*Anchorage*

- consumer protection
- antitrust law enforcement

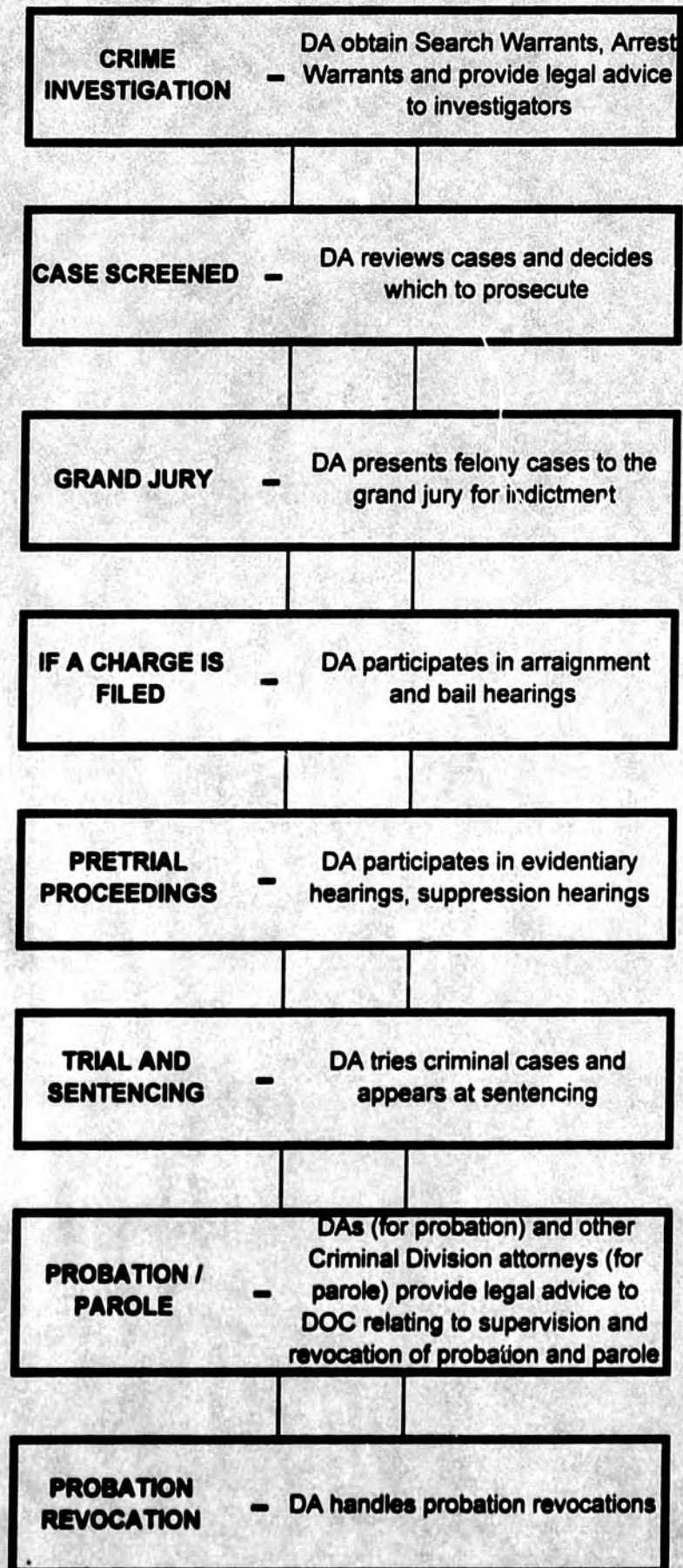
Statehood Defense*Anchorage, Juneau*

- submerged lands and navigability
- Native sovereignty
- RS2477 and access cases
- ANILCA challenges
- salmon treaty; ESA

Mental Health Lands*Anchorage*

- Weiss v. State
- settlement implementation
- trust administration issues
- 3rd party claims for damages

CRIMINAL PROSECUTIONS



"APPEALS"

APPEAL #1

Direct appeal in Alaska Court of Appeals
Discretionary review by Alaska Supreme Court
Discretionary review by United States Supreme Court

APPEAL #2

Post conviction relief in Alaska trial court
Direct appeal in Alaska Court of Appeals
Discretionary review by Alaska Supreme Court
Discretionary review by United States Supreme Court

APPEAL #3

Habeas corpus in federal district court
Direct appeal to Ninth Circuit
Discretionary review by United States Supreme Court

WHAT DOES THE CIVIL DIVISION DO?

- 1. Represent and defend the state against lawsuits**
- 2. Prosecute actions on behalf of the state**
 - Child protection**
 - Juvenile delinquency**
 - Collect taxes and royalties owed**
 - Child support enforcement**
 - Collect fines and judgments owed**
 - Actions against federal government to protect and enhance the state's rights**
 - Occupational licensing enforcement**
 - Environmental enforcement**
 - Civil forfeiture actions for fish & game violations**
 - Consumer protection**
 - Antitrust enforcement**
- 3. Provide legal advice to all state departments and agencies, officers, boards, commissions, and the legislature**
- 4. Prepare and review legislation and regulations**
- 5. Enforce the Executive Branch Ethics Act**
- 6. Ensure accountability through timekeeping**

KEY TO CASE FILE TYPE CODES

- 02 Oral Advice
- 06 Minor Agency Matter
- 22 General Litigation
- 26 Executions
- 27 Criminal Fines
- 28 Criminal Defense Fees
- 30 Insurance Tenders
- 33 CSE Proceedings
- 44 Childrens' Proceedings
- 55 Welfare Fraud Investigations
- 66 Aid to Agency
- 70 Welfare Fraud Litigation
- 75 Medicaid Provider Fraud Investigations
- 77 Legislative Drafting
- 80 Medicaid Provider Fraud Litigation
- 88 Legislative Review
- 99 Regulation Review

Department of Law - Open* Case Files by Section by Type

Section:	02	22	26	28	30	33	44	55	66	70	75	77	88	99	Total
ANC-Collections & Support	0	225	220	3	0	503	186	0	71	0	0	0	0	2	1,210
ANC-Commerical	0	141	12	0	0	1	2	0	125	0	0	0	0	0	281
ANC-Enviromental Affairs	0	23	0	0	4	0	0	0	69	0	0	0	0	6	102
ANC-Fair Business Practices	0	109	0	0	0	0	11	0	128	0	0	0	0	12	260
ANC-Gas, Oil & Mining	0	143	0	0	0	0	0	0	103	0	0	0	0	5	251
ANC-Govt Affairs & Contr	0	164	0	0	0	5	12	0	284	0	0	0	0	8	473
ANC-Human Services	0	518	0	0	0	39	1,788	0	84	0	0	0	0	0	2,429
ANC-Natural Resources	0	141	6	0	0	4	1	0	237	0	0	1	0	12	402
ANC-Special Litigation	0	2	0	0	199	0	0	0	146	0	0	0	0	0	347
ANC-Transportation	0	44	0	0	0	0	0	0	132	0	0	0	0	2	178
ANC-Welfare Fraud	0	36	11	0	0	4	0	36	10	92	0	0	0	0	189
Barrow Office	0	0	0	0	0	0	94	0	0	0	0	0	0	0	94
Bethel AGO	0	0	0	0	0	0	155	0	2	0	0	0	0	0	157
FAI-Collections & Support	0	31	0	0	0	257	11	0	1	0	0	0	0	0	300
FAI-General Civil	0	17	0	0	1	4	5	0	13	0	0	0	0	0	40
FAI-Human Services	0	20	0	0	0	7	355	0	24	0	0	0	0	0	406
FAI-Natural Resources	0	8	0	0	0	0	0	0	107	0	0	0	0	1	116
FAI-Special Litigation	0	9	0	0	23	0	1	0	36	0	0	0	0	0	69
FAI-Transporation	0	58	0	0	8	0	2	0	175	0	0	0	0	0	243
Jun-Commercial	0	142	15	0	0	0	0	0	65	0	0	0	0	27	249
Jun-Govt Affairs & Contr	1	157	0	0	2	0	0	0	195	0	0	0	0	4	359
Jun-Human Services	0	90	0	0	0	66	186	0	254	0	0	0	0	32	628
Jun-Legis/Regs	0	0	0	0	0	0	0	0	8	0	0	2	1	13	24
Jun-Natural Resources	0	53	0	0	0	0	0	0	111	0	0	0	0	7	171
Jun-Oil, Gas & Mining	0	100	0	0	0	2	0	0	37	0	0	0	0	1	140
Jun-Special Litigation	0	5	0	0	44	1	0	0	14	0	0	0	0	0	64
Jun-Transportation	0	45	0	0	5	0	0	0	40	0	0	0	0	2	92
Total	1	2,281	264	3	286	893	2,809	36	2,471	92	0	3	1	134	9,274

*Open Case Files - For the purposes of this report an "Open" case file is any case file that is currently open in Javelan timekeeping and billing purposes, and does not indicate or imply the legal status of a particular matter.

Agency Totals - FY00 Operating Budget

Agency: Department of Law

	FY98 Act	FY99 CC	FY99Auth	Gov Amd	House	Senate	ConfComm	FY99Auth to ConfComm	
Totals for Agency	50,149.3	43,577.5	43,780.4	45,051.3	43,710.6	43,739.7	43,453.1	-327.4	-0.7%
<u>Objects of Expenditure:</u>									
Personal Services	30,063.2	30,393.5	30,576.2	31,437.1	30,923.4	31,220.6	30,907.1	330.9	1.1%
Travel	1,129.5	1,191.4	1,181.7	1,122.3	1,111.1	1,058.6	1,047.9	-133.8	-11.3%
Contractual	15,264.3	11,567.0	11,338.5	11,822.2	11,172.7	11,022.5	10,938.0	-400.5	-3.5%
Commodities	477.2	654.3	635.5	638.0	631.4	639.4	635.1	-0.4	-0.1%
Equipment	282.5	42.3	48.5	31.7	0.0	33.3	14.6	-33.9	-69.9%
Lands/Buildings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	%
Grants, Claims	2,932.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	%
Miscellaneous	0.0	-271.0	-0.0	-0.0	-128.0	-234.7	-89.7	-89.7	%
<u>Funding Sources:</u>									
1002 Fed Rcpts	271.6	474.8	476.1	476.1	476.1	476.1	476.1	0.0	0.0%
1003 G/F Match	90.4	156.9	157.3	157.3	157.3	157.3	157.3	0.0	0.0%
1004 Gen Fund	30,588.4	26,586.1	26,716.7	26,831.7	25,229.2	24,646.6	24,657.6	-2,059.1	-7.7%
1005 GF/Prgm	438.3	566.4	568.3	568.3	468.3	468.3	468.3	-100.0	-17.6%
1007 I/A Rcpts	16,357.9	14,646.8	14,684.8	15,293.5	15,248.5	15,293.5	15,248.5	563.7	3.8%
1024 Fish/Game	103.7	125.6	125.8	125.8	125.8	125.8	125.8	0.0	0.0%
1037 GF/MH	62.8	62.8	63.0	63.0	63.0	63.0	63.0	0.0	0.0%
1044 Debt Ret	816.5							0.0	%
1053 Invst Loss	167.9		29.5	-0.0	0.0	-0.0	0.0	-29.5	-100.0%
1055 IA/OIL HAZ	437.5	464.6	465.4	465.4	465.4	465.4	465.4	0.0	0.0%
1103 AHFC Rcpts	320.8							0.0	%
1105 PFund Rcpt	493.5	493.5	493.5	493.5	1,477.0	1,477.0	1,477.0	983.5	199.3%
1108 Stat Desig						180.0	180.0	180.0	%
1119 Tobac Setl				576.7	0.0	386.7	134.0	134.0	%
<u>Positions:</u>									
Perm Full Time	427.0	443.0	443.0	451.0	446.0	453.0	449.0	6.0	1.4%
Perm Part Time	11.0	13.0	14.0	14.0	11.0	12.0	11.0	-3.0	-21.4%
Non-Perm	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	%

Component Summary - FY00 Operating Budget

Agency: Department of Law

Page	Budget Component	FY98 Act	FY99 CC	FY99Auth	Gov Amd	House	Senate	ConfComm	FY99Auth to ConfComm	
Criminal Division										
1	First Judicial District	1,162.5	1,164.0	1,167.7	1,180.6	1,180.6	1,180.6	1,180.6	12.9	1.1%
2	Second Judicial District	794.3	820.8	822.5	818.4	818.4	818.4	818.4	-4.1	-0.5%
3	Third Judicial District	5,603.9							0.0	0.0%
4	Third Judic. District; Anch.		3,407.7	3,492.5	3,536.1	3,440.4	3,681.1	3,585.4	92.9	2.7%
5	Third Judic Dist; Outside Anch		2,112.9	2,119.1	2,138.0	2,138.0	2,138.0	2,138.0	18.9	0.9%
6	Fourth Judicial District	2,679.2	2,707.8	2,715.6	2,683.9	2,683.9	2,683.9	2,683.9	-31.7	-1.2%
7	Criminal Justice Litigation	1,586.3	1,404.0	1,407.0	1,450.4	1,368.2	1,450.4	1,368.2	-38.8	-2.8%
8	Criminal Appeals/Special Lit	1,709.8	2,488.9	2,495.3	2,495.3	2,482.4	2,495.3	2,482.4	-12.9	-0.5%
9	Medicaid Fraud	362.9							0.0	0.0%
10	Welfare Fraud	201.7							0.0	0.0%
	* BRU Total	14,100.6	14,106.1	14,219.7	14,302.7	14,111.9	14,447.7	14,256.9	37.2	0.3%
Civil Division										
11	Dep. Attny General's Office	3,325.8	202.3	202.8	202.8	202.8	77.8	202.8	0.0	0.0%
12	Collections and Support	1,622.9	1,855.2	1,860.4	1,773.0	1,773.0	1,773.0	1,773.0	-87.4	-4.7%
13	Commercial Section	1,785.7	1,478.9	1,486.9	1,674.8	1,674.8	1,674.8	1,674.8	187.9	12.6%
14	Environmental Law	1,681.3	1,380.1	1,383.1	1,354.2	1,254.2	1,254.2	1,254.2	-128.9	-9.3%
15	Fair Business Practices	1,058.1	1,089.8	1,092.9	1,471.3	1,236.3	1,461.3	1,416.3	323.4	29.6%
16	Governmental Affairs	2,747.9	2,088.1	2,091.8	2,190.7	2,190.7	2,095.0	2,095.0	3.2	0.2%
17	Human Services	3,245.3	3,017.4	3,049.9	3,548.8	3,238.9	3,548.8	3,372.9	323.0	10.6%
18	Legislation/Regulations	446.0	494.2	495.4	495.4	495.4	495.4	495.4	0.0	0.0%
19	Mental Health Lands	224.2	251.5	252.3	236.0	236.0	189.0	189.0	-63.3	-25.1%
20	Natural Resources	1,011.5	1,341.3	1,344.6	1,281.2	1,281.2	1,281.2	1,281.2	-63.4	-4.7%
21	Oil and Gas and Mining	2,817.4	3,024.4	3,033.1	2,948.2	2,948.2	2,948.2	2,948.2	-84.9	-2.8%
22	Special Litigation	1,831.2	1,839.6	1,844.3	2,149.0	2,149.0	2,149.0	2,149.0	304.7	16.5%
23	Transportation Section	2,711.5	1,891.4	1,895.3	1,895.3	1,895.3	1,895.3	1,895.3	0.0	0.0%
24	Timekeeping & Support		718.4	719.9	719.9	719.9	719.9	719.9	0.0	0.0%
	* BRU Total	24,508.8	20,672.6	20,752.7	21,940.6	21,295.7	21,562.9	21,467.0	714.3	3.4%
Statehood Defense										
25	Statehood Defense	1,420.4	1,002.4	1,005.0	1,005.0	980.0	980.0	980.0	-25.0	-2.5%
	* BRU Total	1,420.4	1,002.4	1,005.0	1,005.0	980.0	980.0	980.0	-25.0	-2.5%
Oil and Gas Litigation										
26	Oil and Gas Litigation	8,462.7							0.0	0.0%
	* BRU Total	8,462.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Oil and Gas Litigation and Legal Services										
27	Oil & Gas Litigation		5,990.4	5,990.4	5,990.4	5,590.4	5,362.4	5,362.4	-628.0	-10.5%

Component Summary - FY00 Operating Budget

Agency: Department of Law

Page	Budget Component	FY98 Act	FY99 CC	FY99Auth	Gov Amd	House	Senate	ConfComm	FY99Auth to ConfComm	
Oil and Gas Litigation and Legal Services										
28	Oil & Gas Legal Services		375.7	375.7	375.7	295.7	295.7	295.7	-80.0	-21.3%
	* BRU Total	0.0	6,366.1	6,366.1	6,366.1	5,886.1	5,658.1	5,658.1	-708.0	-11.1%
Administration and Support										
29	Office of the Attorney General	331.9	333.5	334.2	334.2	334.2	334.2	334.2	0.0	0.0%
30	Administrative Services	1,324.9	1,096.8	1,102.7	1,102.7	1,102.7	1,102.7	1,102.7	0.0	0.0%
31	Unallocated Reduction						-345.9	-345.9	-345.9	0.0%
	* BRU Total	1,656.8	1,430.3	1,436.9	1,436.9	1,436.9	1,091.0	1,091.0	-345.9	-24.1%
*** Total Agency Expenditure		50,149.3	43,577.5	43,780.4	45,051.3	43,710.6	43,739.7	43,453.0	-327.4	-0.7%
Federal Funds		271.6	474.8	476.1	476.1	476.1	476.1	476.1	0.0	0.0%
General Funds		31,179.9	27,372.2	27,505.3	28,197.0	25,917.8	25,721.9	25,480.2	-2,025.1	-7.4%
Other Funds		18,697.8	15,730.5	15,799.0	16,378.2	17,316.7	17,541.7	17,496.7	1,697.7	10.7%

TRANSACTION REPORT

P. 01

AUG-26-1999 THU 11:15 AM

BROADCAST

DATE	START	RECEIVER	TX TIME	PAGES	TYPE	NOTE	M#	DP
AUG-26	11:01 AM	919074563346	2' 31"	11	SEND	OK	132	
	11:04 AM	919072258546	4' 24"	11	SEND	OK	132	
	11:08 AM	919074652864	3' 57"	11	SEND	OK	132	
	11:13 AM	919073766180	2' 32"	11	SEND	OK	132	

TOTAL : 13M 24S PAGES: 44

Law
11:30
Aug 26
FKS, Wasilla, Ketch
Anchorage

1-LS0317B

CONFERENCE CS FOR SENATE BILL NO. 33

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE CONFERENCE COMMITTEE

Offered: 5/14/99

Sponsor(s): SENATOR WARD

REPRESENTATIVE Kohring

A BILL

FOR AN ACT ENTITLED

- 1 "An Act relating to contracts for the performance of certain state functions
- 2 previously performed by state employees and to the Commission on Privatization