

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Law  
Governmental Affairs Section  
Component

## **Component: Governmental Affairs Section**

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### **Component Mission**

Mission statement is included at the department summary level.

### **Component Services Provided**

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. The section 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. It also provides legal assistance on issues associated with the conduct of elections. Legal services are provided to the Departments of Administration, Labor and Workforce Development, and Community and Economic Development, Office of the Governor, Office of the Lieutenant Governor, Office of Management and Budget, the Permanent Fund Corporation, AIDEA, Alaska Public Offices Commission, Human Rights Commission, Division of Elections, and the Alaska Court System.

### **Component Goals and Strategies**

Provide legal services to the Departments of Administration, Labor and Workforce Development, and Community and Economic Development, 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.

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.

Provide representation and legal advice to client agencies, department staff, and others as assigned by the attorney general, including making or defending claims for violation of fiduciary obligations owed to the state, rural education attendance areas, or a municipality.

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.

Advise the state personnel board as it carries out its quasi-judicial function.

Defend the state in procurement bid protests and appeals not involving construction.

Advise the Division of Elections concerning the conduct of state and local elections supervised by that division.

Advise the Local Boundary Commission regarding incorporation, annexation, detachment, and other related boundary changes, including court proceedings instituted to review actions of the commission.

Serve as chief counsel to AIDEA, the Alaska Energy Authority, and the Alaska Permanent Fund Corporation, including the supervision of specialized contract counsel for these public corporations.

Provide advice to the Division of Retirement and Benefits as it performs the function of sponsor of state retirement systems.

## **Key Component Issues for FY2001 – 2002**

The Governmental Affairs section is representing the state in two major cases with potential significant budget impacts. The first case involves a claim that the Bank of America failed to properly manage and account for debt service paid on state and municipal bonds dating back to statehood and then, after the bonds matured, kept any unclaimed remainder rather than escheat them to the state as required by law. The second case involves a sweeping claim by tribal organizations and individuals seeking to disrupt the flow of federal funds on the ground that the state has discriminated against 165 isolated Native villages in the way in which it provides police protection through the Alaska State Troopers and village public safety officer program.

## **Major Component Accomplishments for FY2000**

The Governmental Affairs section provided legal assistance to the Division of Elections during the course of a special election called by the legislature. The result of the election was not successfully contested.

The section also represented the Division of Retirement and Benefits before the PERS and TRS boards on an ever-increasing number of benefit appeals.

Attorneys of the section represented the state in trials involving cases brought alleging employment-related claims and obtained just results.

The state's primary system was changed to comply with United States Supreme Court precedent and this change was successfully defended in state and federal court.

The state's campaign finance act was successfully defended when the United States Supreme Court denied a petition for writ of certiorari.

The section is defending legal challenges to a voter-approved ballot measure to make English the state's official language.

The section provided legal advice to the Department of Corrections relating to the financing of new correctional facilities.

## **Statutory and Regulatory Authority**

AS 44.23.020

**Governmental Affairs Section  
Component Financial Summary**

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	1,757.9	1,746.9	1,808.5
72000 Travel	35.6	20.2	20.5
73000 Contractual	1,025.8	1,377.4	833.0
74000 Supplies	28.2	31.6	33.6
75000 Equipment	21.6	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>2,869.1</b>	<b>3,176.1</b>	<b>2,695.6</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	1,081.4	1,178.5	1,039.5
1007 Inter-Agency Receipts	1,787.7	1,341.0	1,331.1
1053 Investment Loss Trust Fund	0.0	4.8	0.0
1108 Statutory Designated Program Receipts	0.0	651.8	325.0
<b>Funding Totals</b>	<b>2,869.1</b>	<b>3,176.1</b>	<b>2,695.6</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
None.		0.0	0.0	0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>						
Interagency Receipts	51015	1,787.7	1,341.0	1,825.3	1,331.1	1,339.6
Statutory Designated Program Receipts	51063	0.0	651.8	200.0	325.0	0.0
Investment Loss Trust Fund	51393	0.0	4.8	0.0	0.0	0.0
<b>Restricted Total</b>		<b>1,787.7</b>	<b>1,997.6</b>	<b>2,025.3</b>	<b>1,656.1</b>	<b>1,339.6</b>
<b>Total Estimated Revenues</b>		<b>1,787.7</b>	<b>1,997.6</b>	<b>2,025.3</b>	<b>1,656.1</b>	<b>1,339.6</b>

**Governmental Affairs Section****Proposed Changes in Levels of Service for FY2002**

Attorneys working in the Governmental Affairs section are some of the department's most senior and experienced staff. This section handles a wide variety of complex cases including cases dealing with intergovernmental relations, public finance, procurement, elections, and labor relations and employment law. To enable staff attorneys to better manage the more difficult aspects of these cases, paralegal assistance is required. Paralegal assistance will increase efficiency in processing these cases, which often require that numerous witnesses and thousands of documents be organized for the discovery phase of litigation, and ultimately, for trial. These cases also require specialized research on matters such as legislative history, or caselaw from other jurisdictions that can be delegated to a paralegal assistant.

The Governmental Affairs budget includes a request for an increment of \$90,000. This funding would provide for an additional Associate Attorney II position.

**Summary of Component Budget Changes****From FY2001 Authorized to FY2002 Governor***All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>1,183.3</b>	<b>0.0</b>	<b>1,992.8</b>	<b>3,176.1</b>
<b>Adjustments which will continue current level of service:</b>				
-Convert Special FY2001 Labor Cost Fund Sources to GF	1.8	0.0	-1.8	0.0
-Year 2 Labor Costs - Net Change from FY 2001	-5.4	0.0	-9.9	-15.3
-Reduce Funding - Bank of America Investigation Carryforward	-230.2	0.0	-325.0	-555.2
<b>Proposed budget increases:</b>				
-Associate Attorney Position and Funding	90.0	0.0	0.0	90.0
<b>FY2002 Governor</b>	<b>1,039.5</b>	<b>0.0</b>	<b>1,656.1</b>	<b>2,695.6</b>

**Governmental Affairs Section****Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	20	21	Annual Salaries	1,448,719
Part-time	1	1	COLA	30,776
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	399,344
			<i>Less 3.74% Vacancy Factor</i>	<i>(70,339)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>21</b>	<b>22</b>	<b>Total Personal Services</b>	<b>1,808,500</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Attorney IV	6	0	3	0	9
Attorney V	3	0	3	0	6
Attorney VI	1	0	0	0	1
Legal Secretary I	2	0	1	0	3
Legal Secretary II	1	0	1	0	2
Paralegal Asst II	0	0	1	0	1
<b>Totals</b>	<b>13</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>22</b>