

State of Alaska FY2006 Governor's Operating Budget

Department of Law

Department of Law

Mission

The mission of the Department of Law is to provide legal services to state government and to prosecute crime.

Core Services

The Department of Law's core services are reflected in its three divisions also known as results delivery units (RDUs):

The Criminal Division RDU protects the public by prosecuting all violations of state criminal law committed by adults, and a large portion of the serious crimes committed by juveniles, and by placing them under appropriate controls. The Criminal Division provides assistance to victims and witnesses of crimes and supports the efforts of criminal justice agencies to detect and punish crime through investigation, trial, and conviction; it also provides general legal services to the Departments of Corrections and Public Safety relating to their criminal justice activities. The Criminal Division has District Attorney offices in thirteen Alaskan communities.

The Civil Division RDU 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 all civil litigation to which the state is a party, and handles legal matters for and provides legal advice to the governor, executive branch agencies, and -- upon request -- the legislative and judicial branches. The Civil Division BRU includes components supporting 14 sections: (1) the Deputy Attorney General's Office; (2) Collections and Support; (3) Commercial and Fair Business Practices; (4) Environmental Law; (5) Human Services; (6) Labor and State Affairs; (7) Natural Resources; (8) Oil, Gas and Mining; (9) Opinions, Appeals and Ethics; (10) Regulatory Affairs and Public Advocacy; (11) Statehood Defense; (12) Torts and Workers' Compensation; (13) Transportation; and (14) Timekeeping and Support.

The Administration and Support Division RDU includes the Office of the Attorney General, the Legislation and Regulations Section 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. Within the Office of the Attorney General, 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 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.

End Results	Strategies to Achieve Results
<p>A: Improve Public Protection</p> <p><u>Target #1:</u> Increase to 75% the number of cases on which the State prevailed on the merits at final resolution</p> <p><u>Measure #1:</u> Percentage of cases on which the State prevailed on the merits at final resolution</p>	<p>A1: One: Improving Public Safety Against Serious Assault</p> <p><u>Target #1:</u> Reduce the rate of violent crime reported in Alaska by 1% per year.</p> <p><u>Measure #1:</u> Percent violent crimes per 100,000 population reported</p> <p>A2: Two: Enhance the welfare of children</p> <p><u>Target #1:</u> Reducing the number of children in foster care in Alaska by 5%</p> <p><u>Measure #1:</u> Percent change in the number of children in foster care in Alaska</p>

	<p><u>Target #2:</u> Increase the amount of support received by families through CSED by 1% each year <u>Measure #2:</u> Percent change in total dollar amount of child support received by families through CSED each year</p> <p><u>Target #3:</u> Reduce the number of child sexual abuse cases by 5% <u>Measure #3:</u> Percent change in the number of child sexual abuse cases reported each year</p> <p>A3: Three: Enhance the protection of victims of crimes and delinquent acts</p> <p><u>Target #1:</u> Reduce to zero the number of submitted complaints from victims <u>Measure #1:</u> The number of submitted complaints from victims</p>
End Results	Strategies to Achieve Results
<p>B: Increase Effectiveness of Legal Services</p> <p><u>Target #1:</u> Increase to 75% the number of cases on which the State prevailed on the merits at final resolution <u>Measure #1:</u> Percentage of cases on which the State prevailed on the merits at final resolution</p>	<p>B1: Four: Increase Consumer Protection in Alaska</p> <p><u>Target #1:</u> 5% increase per year in successful resolution of consumer complaints and enforcement action <u>Measure #1:</u> Percent change in number of consumer complaints resolved and enforcement actions taken</p> <p>B2: One: Improve Agency Decision Making</p> <p><u>Target #1:</u> 5% per year reduction in legal challenges to final agency decisions through: <u>Measure #1:</u> Percent change in number of challenges to agency decisions per year</p> <p><u>Target #2:</u> Increase to 100% the number of requests for advice and regulation review delivered on time <u>Measure #2:</u> Percent change in the number of responses to requests for advice and request for regulation review delivered on time</p>
End Results	Strategies to Achieve Results
<p>C: Efficiently Provide Highest Quality Legal Services to the State</p> <p><u>Target #1:</u> Increase to 75% the percentage of state agencies responding that rank the quality of legal services provided as good to excellent <u>Measure #1:</u> Percentage of state agencies responding that rank the quality of legal services provided as good to excellent</p>	<p>C1: Two: Improve Prosecution and Defense of Civil Claims</p> <p><u>Target #1:</u> 5% improvement per year in percentage of cases in which the state obtains a fair resolution through: <u>Measure #1:</u> Percent change in number of cases resolved in which the state obtains a fair outcome</p> <p>C2: One: Improve Civil Division Structure and Organization</p> <p><u>Target #1:</u> Implement all Conference of Western Attorneys General recommendations approved by the Attorney General. <u>Measure #1:</u> Number of CWAG Recommendations Approved Implemented.</p>

FY2006 Resources Allocated to Achieve Results

FY2006 Department Budget: \$55,634,800	Personnel:	
	Full time	508
	Part time	10
	Total	518

Performance Measure Detail

A: Result - Improve Public Protection

Target #1: Increase to 75% the number of cases on which the State prevailed on the merits at final resolution
Measure #1: Percentage of cases on which the State prevailed on the merits at final resolution

A1: Strategy - One: Improving Public Safety Against Serious Assault

Target #1: Reduce the rate of violent crime reported in Alaska by 1% per year.
Measure #1: Percent violent crimes per 100,000 population reported

A2: Strategy - Two: Enhance the welfare of children

Target #1: Reducing the number of children in foster care in Alaska by 5%
Measure #1: Percent change in the number of children in foster care in Alaska

Target #2: Increase the amount of support received by families through CSED by 1% each year
Measure #2: Percent change in total dollar amount of child support received by families through CSED each year

Target #3: Reduce the number of child sexual abuse cases by 5%
Measure #3: Percent change in the number of child sexual abuse cases reported each year

A3: Strategy - Three: Enhance the protection of victims of crimes and delinquent acts

Target #1: Reduce to zero the number of submitted complaints from victims
Measure #1: The number of submitted complaints from victims

B: Result - Increase Effectiveness of Legal Services

Target #1: Increase to 75% the number of cases on which the State prevailed on the merits at final resolution
Measure #1: Percentage of cases on which the State prevailed on the merits at final resolution

B1: Strategy - Four: Increase Consumer Protection in Alaska

Target #1: 5% increase per year in successful resolution of consumer complaints and enforcement action

Measure #1: Percent change in number of consumer complaints resolved and enforcement actions taken

B2: Strategy - One: Improve Agency Decision Making

Target #1: 5% per year reduction in legal challenges to final agency decisions through:

Measure #1: Percent change in number of challenges to agency decisions per year

Target #2: Increase to 100% the number of requests for advice and regulation review delivered on time

Measure #2: Percent change in the number of responses to requests for advice and request for regulation review delivered on time

C: Result - Efficiently Provide Highest Quality Legal Services to the State

Target #1: Increase to 75% the percentage of state agencies responding that rank the quality of legal services provided as good to excellent

Measure #1: Percentage of state agencies responding that rank the quality of legal services provided as good to excellent

C1: Strategy - Two: Improve Prosecution and Defense of Civil Claims

Target #1: 5% improvement per year in percentage of cases in which the state obtains a fair resolution through:

Measure #1: Percent change in number of cases resolved in which the state obtains a fair outcome

C2: Strategy - One: Improve Civil Division Structure and Organization

Target #1: Implement all Conference of Western Attorneys General recommendations approved by the Attorney General.

Measure #1: Number of CWAG Recommendations Approved Implemented.

Key Department Challenges

CRIMINAL DIVISION

INCREASING FELONY CASELOAD

There has been an increase of 60% in felonies and 10% in misdemeanors in the last decade sent to the Criminal Division for prosecution. Appellate cases saw an increase of 45%. In FY2005, the governor requested, and the legislature appropriated funds for 6 new attorneys in Kenai, Palmer and Anchorage. Recognizing that new positions cannot be filled on July 1 of the fiscal year in which they are authorized, the request was scaled back. To complete the funding and allow the positions to be filled year round, increments totaling \$272,400 are needed.

PROVIDING PROSECUTORS WITH THE TOOLS THEY NEED

The Criminal Division is requesting an increase of \$228,100 in FY2006 in order to add 2 Victim-Witness Paralegal positions in Palmer and Kenai. Victim-Witness paralegals play a critical role in the District Attorney's offices. They provide litigation support to the attorneys, but they are also the office's primary contact with victims and the person primarily responsible for ensuring that victim rights are properly fulfilled. As caseloads increase, the responsibility on the paralegals to meet all these responsibilities increase. The creation of the Office of Victim's Rights, as well as other legislation, which enhances and increases the rights of victims, continues to be passed without any specific increase in

resources to the Department of Law. Four additional positions are necessary in order to properly meet these responsibilities.

\$80,000 is requested to pay the annual maintenance fee on our nearly fully deployed criminal management information system known as CRIMES. Annual maintenance and operation of this system is an operating budget expense and this increment is needed to prevent the loss of a prosecutor and victim witness paralegal that would otherwise be eliminated in order to pay this bill.

INCREASING CYBER AND WHITE COLLAR CRIME

There is an abundance of crime being committed through the use of computers and high technology. However, there is a shortage of law enforcement assets to address these crimes. As a result, computer related crimes are being under investigated and under prosecuted. A determined online predator stands a good chance of eventually victimizing a child. Reactive law enforcement means that we often do not get involved until a tragedy has already occurred. Alaska needs a proactive approach so troopers can go online and intercept would-be sex offenders before they can offend, and the offenders can be prosecuted.

Internet related fraud, and specifically identity theft, is also an area that is under investigated and prosecuted; it is an area where proactive efforts could be useful. Alaska specific frauds are being committed online constantly. Some cases involve Alaskans as the victims, while in other cases the Alaska nexus may be the fraudulent sale of Alaska real estate or the use of a stolen credit card which leaves the Alaskan business without payment. Due to lack of enforcement tools, these crimes are often only addressed with civil action (if at all), leaving the perpetrators to continue their criminal activities. Dedicated resources are needed to combat these insidious crimes.

The Department of Law proposes a budget increment of \$353,200 to add a dedicated prosecutor, a half time paralegal, funding for training and expert witnesses so that legal support can be provided through every step of a cybercrime investigation as well as the ultimate prosecution of the case. The anticipated increase of caseload by adding a prosecutor will require the support of a half-time paralegal. \$100,000 of this request will fund expert witnesses, needed because high technology crimes are getting more complex, while at the same time courts are placing greater obstacles in the way of law enforcement. For instance, recently child pornography case law in some jurisdictions not only requires that prosecutors prove that the person depicted in a picture is a child, but now must *preemptively rebut* the notion that the picture is faked, even if the defense never makes a bona fide challenge to authenticity. A simple possession of child pornography case might now require both a forensic pediatrician who can testify as to age and computer image expert who can analyze the image and testify about authenticity. In this highly complex and changing arena, dedicating \$25,000 of this request toward training will ensure that the skills necessary for a number of prosecutors, on a statewide level, are continually refreshed and sharpened.

CIVIL DIVISION

CHILD PROTECTION

The Division continues to be extremely concerned about child protection workloads. Statutory changes at the state and federal level have reduced the amount of time that children may remain in the child protection legal system. These statutory changes have accelerated the pace of these cases so that if reunification with the family is not in the child's best interest, the child can more quickly be legally eligible for placement in a permanent home. The changes also mandate additional court proceedings to ensure a more timely permanent plan for the child. The accelerated schedules, additional hearings, and accompanying document preparation have greatly expanded attorney workloads. To meet this increasing demand, additional resources were added in FY2005 but were not fully funded for the entire fiscal year. In FY2006, maintaining and fully funding of current attorney positions is necessary in order for us to effectively manage this important responsibility. To complete the funding and allow the positions to be filled year round, an additional increment of \$63,200 is needed in FY2006. Adequate attorney resources are also necessary in order to help the Office of Children's Services meet certain goals for the purpose of receiving federal funding of foster care and administrative expenses involved in child protection and helping to maximize federal reimbursement.

INCREASING STATE REVENUE COLLECTION

One of the primary challenges facing the division is the ability to efficiently increase monies collected for the state and victims of crime. The collections unit handles thousands of collection matters for the state and also collects restitution

on behalf of victims of crimes and delinquent acts. The unit is presently constrained by its limited and outdated computer system. The division cannot electronically download the vast majority of the information it receives from the court system and must re-type the information manually into its own collection system database. Additionally, the current collections database is at maximum capacity and cannot add more data fields for collection. The unit estimated revenues of up to \$750,000 per year could be collected from the correctional facility surcharge enacted by the legislature in FY2004. In addition, over the past several years, there have been an increasing number of new types of judgments and surcharges available for the unit to collect, such as the Police Standards surcharge assessed in all criminal convictions. New computer hardware and software is critical for the efficient, highly automated computerized system to process and collect all civil and criminal judgements, interest, surcharges and restitution owing to the state. The new system would permit electronic downloading of judgments directly from the court system as well as automated systems allowing personnel to focus on collecting fines and restitution instead of manual data entry. The new system would allow the department to more completely meet its responsibilities for both obligors, the State, and victims owed restitution. The division estimates the combined hardware and software costs in the range of \$250,000. With a relatively small investment in a new computer database application, it should be possible to capture additional revenues owed the state in a highly cost effective manner.

PROTECTING CONSUMERS - MAINTAINING OUR EFFORTS

Alaska is a target state for many types of consumer fraud. Under the Consumer Protection Act, the Attorney General is authorized to investigate and bring enforcement action against businesses that engage in unfair or deceptive trade practices. Enforcement activities are directed at fraud affecting a large number of consumers or involving large dollar amounts, and often we do not have sufficient resources even for those cases. Nevertheless, we continue to increase enforcement activity because of additional statutory designated program receipt resources appropriated to this component beginning in FY 2000 and increased again for FY 2004. To help ensure the receipt of these revenues, the division must maintain the section's participation in multi-state investigation and enforcement activities involving national companies that have committed unfair or deceptive practices impacting Alaskan consumers. These multi-state cases often take years to litigate and the timing of the litigation is not within the division's control since other states are also involved. The division is attempting to undertake all appropriate steps to ensure receipt of statutory designated program receipts (SDPR) on a regular basis. However, for FY 2006, a shortfall in SDPR is anticipated and we need to convert \$300,000 in SDPR authority funding back to GF funding to effectively manage and maintain the consumer protection program.

PROTECTING CONSUMERS: SENIOR FRAUD

Alaska led the nation in fraud complaints per capita filed with the FTC for the most recent year statistics are available (1,165 fraud complaints made to the FTC in 2003). Fraud on seniors is on the rise and often goes unreported because they are too embarrassed, fearful, or confused to report what has happened to them. Seniors are hit hard by fraud, in terms of personal dignity and financial security. Because of their age, trust, and good intentions, seniors are often targeted by professional scam artists, sweepstakes rip-offs, and telemarketers and paid solicitors. In some scams, 80% or more of the victims are 65 or older. In addition, identity theft of seniors nationwide has increased by 218 percent between 2000 and 2001. Internet related fraud also is increasing. The high number of Alaska seniors who use or have access to the Internet means they will be exposed to increasing numbers and types of Internet scams.

The division has identified fraud against Alaska's senior citizens as an area where additional resources should be targeted. With a rapidly aging population in Alaska, we can expect senior fraud, abuse, and exploitation to be a continuing and growing problem. The division proposes to create and implement such a program or initiative statewide. The proposal will have two components: education and enforcement. The education component will involve senior education and community outreach addressing a range of issues affecting seniors including fraud, abuse, and financial exploitation. The enforcement component will put priority on consumer fraud and deception cases where Alaska seniors are victims. We anticipate a substantial increase in the section's workload arising out of this proposal. The addition of two attorneys and one investigator is needed to implement the proposal and to accommodate the resulting increased workload. The Governor's FY2006 budget request includes an increment for \$430,300 to fund such a proposal.

COMPLETING FUNDING FOR FY 2005 POSITIONS

Steady increases in the frequency and complexity of lawsuits and other disputes involving labor relations and employment issues have increased demands on the attorneys in the Labor & State Affairs section. To meet this increasing demand, additional resources were added in FY2005 but were not fully funded for the entire fiscal year. In

FY2006, full funding of current attorney positions is necessary to provide the timely advice other state agencies need to make sound labor and employment decisions and to represent state agencies effectively in court. To complete the funding and allow the positions to be filled year round, an additional increment of \$144,000 is needed in FY2006.

The Opinions, Appeals and Ethics section is currently overseeing the work of the civil division on over 100 active appeals pending in state and federal court. At any given time, the section has between 90 and 110 civil appeals pending in the courts, about 25 of those being in the area of child abuse and neglect (CINA). Ethics is another key challenge for the section. The section handles scores of ethics issues, investigations, opinions, and oral and written advice. These issues come up literally every day from all over state government. We anticipate this area of law and legal services to be a continuing challenge for the section. In the FY2005 budget, the governor requested and the legislature authorized \$247,800 for the addition of 2 attorney positions. Recognizing that new positions cannot be filled on July 1 of the fiscal year in which they are authorized, the request reflects some positions funded for 10 or 11 months rather than 12. To complete the funding and allow the positions to be filled year round, an additional increment of \$75,000 is needed in FY2006.

GAS PIPELINE

The division has as a top priority for FY2006, the legal work involved in expediting the arrangements to construct a gasline to transport Alaska North Slope gas to market. The known gas resource on Alaska's North Slope is huge. The potential gas resource on unexplored lands on the North Slope is much larger. Developing these resources is one of the most promising opportunities to strengthen and support Alaska's economic future.

The key to unlocking the North Slope gas resource is the construction of a pipeline to transport this gas to market. To expedite the construction of the needed gas transportation system, the state legislature enacted the Stranded Gas Development Act in its current form in 2003. The Stranded Gas Development Act provides an opportunity for the negotiation of Fiscal Contracts to tailor the state's fiscal terms (taxes and royalties) pertinent to North Slope gas development to enhance the likelihood of the construction of the needed transportation system.

Three potential project sponsors—(1) TransCanada Corporation, (2) the major North Slope producers (ConocoPhillips, BP, and ExxonMobil), and (3) Enbridge Inc.—have applied for fiscal contracts under the Stranded Gas Development Act. In preparing this budget the division has assumed the state will successfully negotiate a fiscal contract with at least one of the applicants. Further, the division believes the contract will provide for state ownership of some portion of the project.

During FY2006 we anticipate there will be one or more legal challenges to the constitutionality of the Stranded Gas Development Act and the legality of the contract. In addition, there will be a very large amount of on-going legal work relating to the state's participation in financing the project and to the many commercial and technical matters that the state must deal with in such a huge enterprise.

Assuming the state successfully negotiates a Stranded Gas contract and takes an ownership interest in the project, the division estimates the amount required for FY2005 and FY2006 for outside counsel gasline related legal work will total \$9.0 million. The division intends to request a capital appropriation to pay for this work.

STATEHOOD DEFENSE

During FY2006, the Statehood Defense unit will continue working to secure and protect access to state and private lands for Alaskans. We expect to be in litigation against the United States to quiet title to several RS 2477 rights-of-way. We intend to devote additional attorney resources to RS 2477 cases from money previously appropriated for this purpose. We will also continue working with federal land managers to ensure that the access provisions of ANILCA are interpreted and implemented fairly.

The Statehood Defense unit will continue to work with the Department of Natural Resources and the Department of Fish and Game to file additional applications for recordable disclaimers of interest for submerged lands with the Bureau of Land Management. We also hope to be working to implement new federal legislation, referred to as "BLM 2009", to complete conveyances from the United States to the State and to Alaska's Native corporations by 2009. Attorneys in the Statehood Defense unit will continue to closely monitor the federal subsistence program and challenge actions by the Federal Subsistence Board when necessary.

The Statehood Defense unit will continue to represent the state in Alaska v. United States, Original No. 128, before the United States Supreme Court. The state filed this action to quiet title to the submerged lands underlying the marine waters of the Tongass National Park and Glacier Bay National Park. While the Court will likely hear oral argument and issue a decision in FY2005, state attorneys will continue follow-up work on issues involving a final judgment and possibly boundary determinations.

Significant Changes in Results to be Delivered in FY2006

CRIMINAL DIVISION

If funds are approved to add the resources sought by the Attorney General and the Criminal Division in the FY 2006 budget request, the following targeted results could be achieved:

55% of violent felony referrals accepted for prosecution will be resolved with a felony conviction (rather than a misdemeanor conviction)

25% of violent felony crimes accepted for prosecution will be resolved with a felony conviction that has not been reduced

67% of misdemeanor DV assaults accepted for prosecution will be convicted of a class A misdemeanor, rather than a lesser offense

It is premature to anticipate how many additional convictions will result from funding and staffing the cybercrime/white collar crime request. An additional attorney dedicated to this area of crime is likely to double the number of convictions we currently experience. We anticipate we will generate additional cases through proactive rather than merely reactive efforts.

CIVIL DIVISION

CONSUMER PROTECTION: Replacing declining Statutory Designated Program Receipts as well as approval to add two attorneys and an investigator for consumer protection will allow the section to implement a statewide program aimed at better protecting all Alaskans, with a new special emphasis on seniors, from fraud, abuse and financial exploitation. With the advent of the new senior fraud program, the division will conduct education programs and community outreach throughout the state that will train seniors to recognize and avoid the common forms of consumer fraud and encourage them to report scams to the Attorney General. The division will prioritize for investigation cases involving consumer fraud with senior victims and will vigorously pursue prosecution of fraud perpetrators. The division anticipates that the results from this program will reduce fraud against seniors.

HUMAN SERVICES: In FY2005, the Human Services section obtained additional attorney resources to handle child protection cases statewide. With the addition of new attorneys, CINA caseloads should be reduced to a more manageable and reasonable caseload. More importantly, as a result of the additional resources, Alaska's children will benefit from moving to permanent home placements more quickly because the legal work necessary in order to make them available for adoption will be able to be completed more quickly. The reduction of cases per attorney will enhance the section's ability to increase compliance with federal requirements, thus increasing federal reimbursement to the Department of Health and Social Services, which in turn helps to fund CINA attorneys. The division is hopeful that recruitment and retention of CINA attorneys will improve as caseload pressures on existing staff is lessened.

LABOR & STATE AFFAIRS: The addition of attorney resources to assist in providing the advice and representation needed with employment, labor, constitutional, and related issues will directly improve the section's ability to assist other state agencies in improving their decision making and thereby positively affect the number of cases in which the state prevails at the outcome. The additional staffing also supports the goal of avoiding costly employment litigation by increasing our responsiveness to agencies' requests for legal advice and guidance to resolve labor and employment disputes when they arise.

OPINIONS, APPEALS AND ETHICS: One of the new attorney positions added as a result of new funding in FY 2005 was assigned to CINA appeals. This additional staffing will result in significant improvements in the areas of civil appeals

in CINA cases. Two attorneys in the section are now taking on all new appeals in child abuse and neglect cases. The consolidation and expertise will bring the state better results and it will allow our over-loaded CINA trial attorneys to focus on trial work. The second new attorney position has been assigned to both Indian law and Executive Branch Ethics. Previously, both of these important functions were short-changed because of inadequate staffing. The new attorney will enable us to focus on timely ethics advice, investigations and training. The additional staff will also enable an attorney with expertise in the area to devote more time to Indian law issues in FY2006.

STATEHOOD DEFENSE: In FY2006, continued funding of a new attorney position will result in the ability to provide legal assistance in protecting the state's interests in access rights, especially RS 2477 rights-of-way and ANILCA-guaranteed access. We also intend to increase the number of applications for recordable disclaimers of interest for submerged lands, and to assert state ownership and management of its navigable waters.

Major Department Accomplishments in 2004

CRIMINAL DIVISION:

- Completed the transition of all juvenile delinquency prosecutions from the Civil Division to the Criminal Division. Transfer to the criminal division was initiated in order to enhance criminal law expertise of the assigned attorneys and therefore increase public safety and responsiveness to victims.
- Worked with the Legislature to successfully pass new crime legislation.
- Handled 6,611 felony referrals with 4,416 accepted. Handled 22,028 misdemeanor referrals with 19,598 accepted.

CIVIL DIVISION:

- Child Protection: The division prosecuted approximately 2,000 ongoing Child In Need of Aid cases, moving toward the goal of achieving permanency for children, whether it be reunification with their family or other permanent placement, such as adoption or guardianship.
- Collections and Support: The division collected over \$4.1 million in FY 2004 in criminal fines, cost of appointed counsel, cost of imprisonment, civil judgments owed to the State of Alaska, and victim restitution. Of this amount, the division collected and disbursed to victims over \$1.1 million in restitution.
- Commercial: The division advised and represented the Director for the Alaska Division of Insurance and the division staff in review, analysis, and hearing on the Premera Blue Cross Blue Shield proposal to convert from non-profit to a for-profit entity. The two year review process culminated in a week long hearing in FY2004, which resulted in a decision to disapprove the proposal as not being in the best interest of the public and Premera's Alaska insureds in absence of further amendments and conditions to the proposal.
- Consumer Protection and Antitrust Enforcement: The division collected \$153,000 from five consumer protection cases. \$75,000 came from Alaska's participation in two multistate enforcement cases. The remaining \$78,000 came from state cases and includes \$48,000 of consumer and vendor restitution from fraud actions against a local travel operator.
- Environmental: In a case before the United States Supreme Court, the division defended against the federal EPA, the right of the state to make decisions on the technology that a company must use to control emissions at the Red Dog Mine.
- Natural Resources: The division successfully defended in the Alaska Supreme Court the state's decision not to add Cook Inlet beluga whales to the state's endangered species list.
- Oil and Gas: The division continued negotiations with the TAPS carriers on a methodology to replace the TSM for determining TAPS tariff rates.
- Oil and Gas: The division provided legal support for the implementation of the Stranded Gas Act including drafting a proposed fiscal contract for the proposed North Slope gas project.

- Opinions, Appeals and Ethics: The division provided legal advice on over 100 ethics issues, rendered several Ethics opinions and memoranda of advise on topics such as outside employment, post-state employment, gifts, and contracts, and investigated and resolved several ethics complaints.
- Statehood Defense: The state filed 8 new applications with the Bureau of Land Management for recordable disclaimers of interest for lands underlying navigable waters. The state has now filed a total of 13 applications to BLM for 31 waterbodies. BLM has issued Recordable Disclaimers of Interest for two water bodies in Alaska. These are the first in the nation that have been issued to a state for waterbodies.

ADMINISTRATION AND SUPPORT

Office Lease Procurement

- In cooperation with the Division of General Services, completed relocation of the Fairbanks District Attorney's Office into new leased office space.
- In cooperation with the Division of General Services, negotiated the Section 83, lease extension for our Anchorage offices and completed remodeling project associated with the reconfiguration of the Anchorage Criminal Division offices.

Contracting & Supply Procurement

- With Legislative approval of several special appropriations, initiated the carpet replacement project on the fifth floor of the Dimond Courthouse and the procurement and installation of a high capacity records storage system for the Fairbanks DAO.
- Undertook the procurement of outside legal and expert witnesses to assist the State in new and ongoing litigation and administrative disputes including: the cancellation of the State's contract with ACS; oil and gas royalty re-openers; the victims rights challenge, Murtaugh v. State; the U.S. Supreme Court appeal, State v. EPA; and the abortion/parental consent appeal to name just a few.
- In the wake of the Enron, WorldCom, and other corporate governance scandals, the section continues to facilitate the expedited procurement of securities litigation counsel on behalf of the Alaska Permanent Fund Corporation and its Board of Directors.

Information Technology

- Continued to improve power systems at critical locations to protect servers from power interruptions. This will not only result in increased availability of the servers, it will help guard against lost or corrupted data associated with power failures.
- Continued installation of a new Help Desk system and began its configuration. When fully implemented, it will improve response time to user issues, help identify trends and/or weak spots in our support structure and ensure no problems "fall through the cracks".
- Upgraded network backbone in several locations to increase bandwidth and network reliability.
- Upgraded Network operating systems to latest version (approximately 50% completed) for our file and print servers. The upgrade has provided a much more stable platform for our servers resulting in less downtime as well as allowed us to take advantages of new features of the operating system such as greater remote server management and troubleshooting resulting in greater efficiency of the IS staff.
- Upgraded email/calendar software to the latest version. (approximately 50% completed) The upgrade provides a greater reliability of the email/calendar system, resulting in less downtime for Department staff and less maintenance time by IS staff.
- Installed wireless access points in a few trial locations in both Juneau and Anchorage. Initial trials were successful and could lead to larger deployment and access to data and email by Department employees from wireless devices.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

The mission of the department of law is to provide legal services to state agencies and prosecute crime. In defining the priority order of services delivered, we looked to the mission statement and listed those services which most directly impact public protection first.

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Department Budget Summary by RDU

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<u>Formula Expenditures</u>	None.											
<u>Non-Formula Expenditures</u>												
Criminal Division	14,391.7	886.7	1,454.3	16,732.7	16,577.3	761.0	2,043.2	19,381.5	18,027.4	654.3	2,199.0	20,880.7
Civil Division	15,574.3	0.0	14,786.1	30,360.4	13,042.9	0.0	19,359.4	32,402.3	13,543.4	0.0	18,279.5	31,822.9
Administration and Support	1,252.5	0.0	622.2	1,874.7	1,860.9	0.0	969.4	2,830.3	1,932.9	0.0	998.3	2,931.2
Agy-wide Unallocated Reduction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	31,218.5	886.7	16,862.6	48,967.8	31,481.1	761.0	22,372.0	54,614.1	33,503.7	654.3	21,476.8	55,634.8

Funding Source Summary

All dollars in thousands

Funding Sources	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
1002 Federal Receipts	886.7	761.0	654.3
1003 General Fund Match	129.3	165.8	169.2
1004 General Fund Receipts	30,546.3	30,836.2	32,846.0
1005 General Fund/Program Receipts	392.8	412.0	420.8
1007 Inter-Agency Receipts	14,069.4	16,684.0	17,457.3
1018 Exxon Valdez Oil Spill Settlement	117.6	1,382.4	
1037 General Fund / Mental Health	150.1	67.1	67.7
1055 Inter-agency/Oil & Hazardous Waste	485.2	508.1	508.6
1092 Mental Health Trust Authority Authorized Receipts			12.5
1105 Alaska Permanent Fund Corporation Receipts	1,477.0	1,477.0	1,477.0
1108 Statutory Designated Program Receipts	567.8	844.5	550.3
1114 Exxon Valdez Oil Spill Restoration Fund	73.0	27.0	
1134 Fish and Game Criminal Fines and Penalties	72.6	135.7	135.7
1141 RCA Receipts		1,313.3	1,335.4
Totals	48,967.8	54,614.1	55,634.8

Position Summary

Funding Sources	FY2005 Management Plan	FY2006 Governor
Permanent Full Time	501	508
Permanent Part Time	9	10
Non Permanent	0	0
Totals	510	518

FY2006 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Management Information System	0	0	1,000,000	1,000,000
Collections Database	250,000	0	0	250,000
Department Total	250,000	0	1,000,000	1,250,000

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

From FY2005 Management Plan to FY2006 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	31,481.1	761.0	22,372.0	54,614.1
Adjustments which will continue current level of service:				
-Criminal Division	355.0	-106.7	143.3	391.6
-Civil Division	-212.0	0.0	-1,504.9	-1,716.9
-Administration and Support	56.9	0.0	28.9	85.8
Proposed budget increases:				
-Criminal Division	1,095.1	0.0	12.5	1,107.6
-Civil Division	712.5	0.0	425.0	1,137.5
-Administration and Support	15.1	0.0	0.0	15.1
FY2006 Governor	33,503.7	654.3	21,476.8	55,634.8