

**State of Alaska  
FY2006 Governor's Operating Budget**

**Department of Law  
Civil Division  
Results Delivery Unit Budget Summary**

## Civil Division Results Delivery Unit

### Contribution to Department's Mission

The mission of the Civil Division is to protect the human, financial, and natural resources of the state.

### Core Services

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; under the direction and in coordination with the Office of the Attorney General's Legislation and Regulations Section, 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 neglect, enforce child support obligations, guarantee that state programs are administered fairly and that money owed to the state is collected, defend the state's interests relative to the federal government, and defend 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 RDU includes 14 budget components: (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. A short description of each budget component follows.

(1) The Deputy Attorney General's Office supports the Deputy for the Civil Division as the deputy assists the Attorney General and the department in carrying out its statutorily prescribed functions. The deputy 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 sections in the four locations of the 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 collection 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 penalties. In 2002, the collections unit began collecting restitution on behalf of victims in criminal and juvenile delinquency proceedings. The child support unit represents the Child Support Services Division (CSSD) in court, provides legal support in matters relating to administrative child support enforcement actions, drafts legislation and regulations, and provides general legal advice to CSSD.

(3) The Commercial and Fair Business Practices section 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, certified teachers and legal advice concerning review of orders issued by the commission overseeing public utilities. The section also protects the public by handling enforcement actions in occupational licensing cases. The 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 student loan program and other lending programs; and protects the public through fair interpretation, implementation, enforcement, defense, or adoption of statutes and regulations governing charitable gaming, banking, securities, and corporations. The section serves the Income and Excise Audit Division, Permanent Fund Corporation, Permanent Fund Dividend Division, Alaska Housing Finance Corporation, Division of Occupational Licensing, Division of

Insurance, Division of Investments, Regulatory Commission of Alaska, Investments Division, Banking, Securities and Corporations Division, Office of the Commissioner of Commerce, Community and Economic Development, Department of Education and Early Development, Alaska Commission on Postsecondary Education, Professional Teaching Practices Commission, and the Alaska Student Loan Corporation.

(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. It also provides legal advice on environmental matters, including legal representation to state agencies for the defense and prosecution of claims regarding the EXXON VALDEZ oil spill and prosecuting cruise lines that foul Alaska's air and waters. The section's work helps to protect the state's environment; 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 homeland security measures can be implemented consistent with Alaska's environmental laws; to ensure that the costs of the available restoration funds from the EXXON VALDEZ settlement are expended in accordance with the law and for the maximum benefit of the Alaska environment; and to ensure that the coastal management program is fairly applied. The section also provides legal advice to DEC on public health issues including food safety.

(5) The Human Services section provides legal advice and representation to the Department of Health and Social Services on issues arising from the state's health services, social services, childcare licensing, and welfare programs. The section represents the Department of Health and Social Services in all child abuse and neglect cases, mental commitment proceedings, foster care licensing cases, and public assistance and public health matters, including Medicaid recipient/provider hearings and appeals. The section will be taking on additional duties by staffing a new position in Nome to handle Nome and Kotzebue Child in Need of Aid cases. Additionally, at the request of the Division of Health Care Services, the section will be taking on the responsibility of enforcing statutory subrogation and lien rights when an individual becomes a Medicaid recipient as the result of the actions of a third party.

(6) The Labor and State 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 homeland security matters. 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 all state agencies for employment and labor relations issues as well as to the Departments of Administration, Community and Economic Development, Education and Early Development, the Offices of the Governor and Lieutenant Governor, Health and Social Services, the Alaska Industrial Development and Export Authority, the Alaska Public Offices Commission, the Employment Security Division, the Human Rights Commission, the Division of Elections, Military and Veteran's Affairs, Division of Motor Vehicles, the Department of Labor and Workforce Development, and the Alaska Court System.

(7) The Natural Resources section provides legal advice and representation to state departments, boards, and commissions that regulate Alaska's lands, waters, and fish and game. 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 the state's natural resource agencies, and pursuing legal actions against persons who are illegally using, damaging, or destroying Alaska's lands, waters, or renewable natural resources. It advises state agencies on issues relating to mental health lands and Native allotments and represents the state in legal actions involving those lands. It also provides legal advice to the Agricultural Revolving Loan Fund. The Natural Resources section supervisor also oversees the activities of the Statehood Defense component.

(8) The Oil, Gas, and Mining section is responsible for litigating oil, gas, and mining resource disputes involving the state. It protects Alaskans' interests by ensuring that the state receives the royalty and tax revenues to which it is entitled for current and past production. It also defends against challenges to state oil and gas lease sale programs, monitors and protests tariffs charged for transportation of oil and gas production through pipelines, and protects the state's title to resource-rich lands.

(9) The Opinions, Appeals and Ethics section provides specialized legal services and representation to state government on all legal opinions, civil appeals in state and federal court, and executive branch ethics. The section's primary functions include improving the state's advocacy in civil appellate work, improving the quality of Attorney General opinions, providing more timely and comprehensive services on executive branch ethics for all state government, and providing specialized legal expertise in certain areas including public finance and Indian law.

(10) The Regulatory Affairs and Public Advocacy section was created in July 2004. The section carries out the Attorney General's responsibility to represent the public interest in regulatory affairs by performing the public advocacy function in utility and pipeline carrier matters before the Regulatory Commission of Alaska.

(11) The Statehood Defense group located in the Natural Resources section 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.

(12) The Torts and Workers' Compensation section 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 section also defends the state in contested workers' compensation claims, and provides advice and training to reduce the state's liability exposure. The section 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 section enhances the department's ability to efficiently provide the public infrastructure necessary for the safety and well-being of 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.

(14) The Timekeeping and Support section, 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 section provides day-to-day support to the legal staff by ensuring that resources necessary to perform their jobs are available. The section 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.

End Results	Strategies to Achieve Results
<p><b>A: Improve Client-Agency Decision Making</b></p> <p><u>Target #1:</u> 5% reduction per year in legal challenges to final agency decisions</p> <p><u>Measure #1:</u> % reduction in legal challenges to agency decisions per year</p>	<p><b>A1: Improve Client Decision Making - Reduce time for response to agency requests for legal advice</b></p> <p><u>Target #1:</u> 100% on-time response</p> <p><u>Measure #1:</u> % response delivered within mutually agreed time</p> <p><b>A2: Improve Client Decision Making - Increase agency training</b></p> <p><u>Target #1:</u> 1 training per agency per year</p> <p><u>Measure #1:</u> # of agencies receiving one training per year</p> <p><b>A3: Improve Client Decision Making - Implement review of existing agency regulations to ensure clarity and statutory consistency</b></p> <p><u>Target #1:</u> 2 reviews per year</p> <p><u>Measure #1:</u> # of reviews completed per year</p> <p><b>A4: Improve Client Decision Making - Reduce time for legal reviews of agency approved regulations</b></p> <p><u>Target #1:</u> 100% on-time response</p>

	<p><u>Measure #1:</u> % response delivered within mutually agreed time</p> <p><b>A5: Improve Client Decision Making - Increase public awareness of agency regulation adoption process</b></p> <p><u>Target #1:</u> Hold 1 informational meeting for the public per year  <u>Measure #1:</u> Number of informational meetings held per year</p> <p><b>A6: Improve Client Decision Making - Encourage and facilitate agency use of alternative dispute resolution</b></p> <p><u>Target #1:</u> Train agencies in ADR use  <u>Measure #1:</u> # of agencies trained in ADR use</p> <p><b>A7: Improve Client Decision Making - Issue more attorney general opinions</b></p> <p><u>Target #1:</u> Increase formal and informal Attorney General opinions by 5%  <u>Measure #1:</u> % increase in Attorney General opinions</p> <p><b>A8: Improve Client Decision Making - Increase communication between client agencies and Department of Law</b></p> <p><u>Target #1:</u> Implement annual senior staff meetings with each agency  <u>Measure #1:</u> # of agency senior staff meetings per year</p> <p><b>A9: Improve Client Decision Making - Increase review of agency policies and procedures</b></p> <p><u>Target #1:</u> 2 agency reviews per year  <u>Measure #1:</u> # of reviews completed per year</p> <p><b>A10: Improve Client Decision Making - Enhance compliance with state ethics laws</b></p> <p><u>Target #1:</u> Train 3 agencies in ethics per year  <u>Measure #1:</u> # of agencies trained each year</p> <p><u>Target #2:</u> 5% increase in informal advice to agencies on ethics  <u>Measure #2:</u> % increase in ethics advice provided to agencies</p> <p><u>Target #3:</u> Increase timeliness of response in ethics matters  <u>Measure #3:</u> % responses delivered within established timeframe.</p>
<b>End Results</b>	<b>Strategies to Achieve Results</b>
<p><b>B: Enhance the Welfare of Children</b></p> <p><u>Target #1:</u> Reduce the number of children in foster care in</p>	<p><b>B1: Enhance the Welfare of Children - Increase the number of cases in which appropriate judicial findings are contained in the initial court order and in</b></p>

Alaska by 5% per year

Measure #1: % reduction in the number of children in foster care in Alaska

Target #2: Increase the amount of child support received by families through CSED by 1% per year

Measure #2: The total dollar amount of child support received by families through CSED

**permanency orders in Child-in-Need-of-Aid cases.**

Target #1: Two training sessions per year for AGO staff and OCS staff.

Measure #1: # of training sessions completed each year

Target #2: 100% Quality assurance review of all initial court orders prepared by AGO staff within 5 business days of receipt

Measure #2: Percentage of initial court orders reviewed within 5 days of receipt

Target #3: 100% completion of project to modify all form court orders in Child-in-Need-of-Aid cases

Measure #3: % completion of revision of forms

Target #4: 100% of deficient court orders remedied within 30 days of notification by DHSS

Measure #4: % of cases in which deficiencies have been remedied within 30 days of notification

**B2: Enhance the Welfare of Children - Increase the number of child support orders that comply with state child support guidelines**

Target #1: Take action in 90% of child support modification files within 30 days of receipt of file from CSED

Measure #1: % of modification files in which action is taken within 30 days of receipt by this office.

**B3: Enhance the Welfare of Children - Improve administrative decision-making at the administrative review and formal hearing level**

Target #1: Complete two training sessions per year for establishment and modification personnel at CSED

Measure #1: # of training sessions completed each year

Target #2: Quarterly meetings with CSED's formal hearing team and Revenue's formal hearing examiners

Measure #2: # of quarterly meetings completed each year

Target #3: Review 100% of establishment and modification regulations and procedures on an annual basis to assure compliance with state and federal requirements

Measure #3: % of annual review completed each year

Target #4: Provide written feedback to CSED modification personnel in 100% of cases in which there is an error in the calculation of support amount

Measure #4: % of files in which there is a calculation error for which written feedback was prepared for CSED

Target #5: Provide monthly report to CSED summarizing supreme court decisions relating to child support and recommending many changes to CSED regulations, policies, or procedures as a result of those decisions

	<p><u>Measure #5:</u> # of monthly reports completed each year</p> <p><b>B4: Enhance the Welfare of Children - Increase the use of civil and criminal enforcement remedies in cases where routine administrative collection actions have failed</b></p> <p><u>Target #1:</u> Increase the number of criminal non-support cases accepted for prosecution by 10% each year  <u>Measure #1:</u> % increase in number of criminal non-support cases accepted for prosecution each year</p> <p><u>Target #2:</u> Conduct two meetings with CSED enforcement personnel each year to discuss and provide training with respect to screening and investigating cases for complex civil enforcement remedies  <u>Measure #2:</u> # of meetings held with CSED enforcement personnel each year</p> <p><u>Target #3:</u> Increase the number of cases accepted for complex civil enforcement action – including civil contempt, fraudulent transfer, piercing the corporate veil, seek work orders, or license enforcement – by 5% per year  <u>Measure #3:</u> % increase in the number of cases referred by CSED that are accepted for complex civil enforcement</p>
End Results	Strategies to Achieve Results
<p><b>C: Enhance The Protection of Victims of Crimes and Delinquent Acts</b></p> <p><u>Target #1:</u> Zero complaints from victims of crimes and delinquent acts submitted to the Office of Victims Rights, the Attorney General's Office, the Commissioner of Health and Social Services, or the Office of the Governor.  <u>Measure #1:</u> The number of complaints submitted by victims to the offices designated above.</p>	<p><b>C1: Enhance the Protection of Victims of Crimes - Increase collection of restitution on behalf of victims</b></p> <p><u>Target #1:</u> In 90% of cases referred to the collections unit, send the initial notice of collection services to the victim within 5 business days after the unit receives an enforceable restitution judgment and all necessary information from court or DJJ  <u>Measure #1:</u> % of notices of collections services to victims within 5 business days of receipt of enforceable restitution judgment and all necessary information</p> <p><u>Target #2:</u> Respond to 90% of phone calls from victims to collections unit within 24 hours of receipt of phone call by the unit  <u>Measure #2:</u> % of phone calls from victims to collections unit that are returned within 24 hours of receipt</p> <p><u>Target #3:</u> Respond to 90% of written communications from victims to collections unit (including by e-mail) within 3 business days of receipt of the communication by the unit  <u>Measure #3:</u> % of written communications from victims to the collections unit to which a response is sent within 3 business days of receipt</p> <p><u>Target #4:</u> Disburse 90% of all restitution payments to victims within 10 business days after receipt of the payment, excluding the 30-day hold for personal checks  <u>Measure #4:</u> % of disbursements that are completed</p>

	<p>within 10 business days of receipt of payment, not including the 30-day hold for personal checks</p> <p><u>Target #5:</u> Increase the overall restitution collections by 5% each year  <u>Measure #5:</u> % increase in total restitution collections each year</p> <p><u>Target #6:</u> Increase the collection rate for restitution by 3% each year  <u>Measure #6:</u> % increase in the collection rate for restitution, as measured by the total value of the restitution judgments received for the prior year as compared to the total collections for that year</p> <p><u>Target #7:</u> Increase by 10%the use of civil enforcement remedies in cases where permanent fund dividend attachments have failed  <u>Measure #7:</u> % increase in number of cases in which one or more of the following actions have been taken: (1) bank sweeps; (2) wage garnishments; and (3) liens recorded</p>
End Results	Strategies to Achieve Results
<p><b>D: Increase Consumer Protection in Alaska</b></p> <p><u>Target #1:</u> Increase by 5% per year in successful resolution of consumer complaints and enforcement actions  <u>Measure #1:</u> % increase in number of consumer complaints resolved and enforcement actions taken</p>	<p><b>D1: Increase Consumer Education in Alaska - Increase consumer education</b></p> <p><u>Target #1:</u> At least 4 consumer education initiatives completed per year  <u>Measure #1:</u> Number of initiatives completed in a year</p> <p><b>D2: Increase Consumer Education in Alaska - Develop stronger consumer protection laws and regulations</b></p> <p><u>Target #1:</u> Propose two consumer protection or antitrust legislative initiatives or regulations per year.  <u>Measure #1:</u> Number of legislative initiatives submitted and regulations drafted per year</p> <p><b>D3: Increase Consumer Education in Alaska - More effective enforcement</b></p> <p><u>Target #1:</u> 5% increase in investigations and prosecutions  <u>Measure #1:</u> % increase in number of investigations and prosecutions initiated</p> <p><b>D4: Increase Consumer Education in Alaska - Reduce unfair methods of competition</b></p> <p><u>Target #1:</u> 10% increase in antitrust investigations  <u>Measure #1:</u> % increase in number of antitrust investigations initiated</p> <p><b>D5: Increase Consumer Education in Alaska - More Effective Implementation of Registration Laws</b></p> <p><u>Target #1:</u> 100% of annual registration applications processed within 30 days  <u>Measure #1:</u> % of actual applications processed within 30</p>

End Results	Strategies to Achieve Results
<p><b>E: Improve Regulatory Advocacy On Behalf Of The Public</b></p> <p><u>Target #1:</u> 5% decrease in consumer complaints filed w/ RCA</p> <p><u>Measure #1:</u> % decrease in consumer complaints w/ RCA</p>	<p>days</p> <p><b>E1: Improve Regulatory Advocacy - Increase effectiveness of A.G.'s advocacy of public interest in RCA dockets</b></p> <p><u>Target #1:</u> 70% success rate in representing public interest</p> <p><u>Measure #1:</u> % of cases AG's public interest position is adopted by decision or settlement</p> <p><b>E2: Improve Regulatory Advocacy - Enhance operational expertise and public awareness of public advocacy role</b></p> <p><u>Target #1:</u> One training opportunity a year for AAGs and RCA staff; at least 1 in-house expert in area of finance, economics, and engineering; at least 1 contract w/ outside experts in key areas of utility discipline</p> <p><u>Measure #1:</u> # of training and public outreach opportunities completed; # of in-house experts; # of outside expert contracts</p>
End Results	Strategies to Achieve Results
<p><b>F: Improve Prosecution and Defense of Civil Claims</b></p> <p><u>Target #1:</u> 5% increase per year in percentage of cases in which the state obtains a fair resolution</p> <p><u>Measure #1:</u> % increase in cases resolved each year in which the state obtains a fair outcome</p>	<p><b>F1: Improve Prosecution and Defense of Civil Claims - Prevention of monetary and non-monetary claims against the state</b></p> <p><u>Target #1:</u> 5% reduction of the number of claims against the state</p> <p><u>Measure #1:</u> % of decrease in claims against the state</p> <p><b>F2: Improve Prosecution and Defense of Civil Claims - More efficient prosecution of monetary and non-monetary claims by the state</b></p> <p><u>Target #1:</u> 10% increase in claims pursued on behalf of the state</p> <p><u>Measure #1:</u> % increase in number of claims pursued on behalf of the state</p> <p><b>F3: Improve Prosecution and Defense of Civil Claims - Fair resolution of more claims prior to litigation</b></p> <p><u>Target #1:</u> 80% of claims resolved fairly prior to litigation</p> <p><u>Measure #1:</u> % of claims resolved prior to litigation in which the outcome is consistent with the Department's reasonable expectation</p> <p><b>F4: Improve Prosecution and Defense of Civil Claims - Successful litigation of claims</b></p> <p><u>Target #1:</u> 100% of litigated claims resolved by a fair outcome for the state</p> <p><u>Measure #1:</u> % of litigated claims in which the outcome is consistent with the Department's reasonable expectation</p>

End Results	Strategies to Achieve Results
<p><b>G: Enhance State Revenue From Mineral Resources</b></p> <p><u>Target #1:</u> Increase state revenue from mineral resource development by 20% (adjusted for changes in oil and gas prices) over current baseline projections, over the next ten years</p> <p><u>Measure #1:</u> % progress toward increase in state revenue from mineral resource development over current baseline projections, each year over the next ten years</p>	<p><b>G1: Enhance State Revenue From Mineral Resources - Assist Policymakers in Creation of a More Competitive Investment Environment for Mineral Exploration Companies</b></p> <p><u>Target #1:</u> Increase by 25% the number of exploration wells drilled in Alaska over the next five years in comparison with the prior five years</p> <p><u>Measure #1:</u> % increase in the number of exploration wells drilled in Alaska over the next five years in comparison with the prior five years</p> <p><b>G2: Enhance State Revenue From Mineral Resources - Assist state agencies in achieving a project to market Alaska's North Slope Gas</b></p> <p><u>Target #1:</u> Within eight years have a transportation system completed to carry North Slope gas to market</p> <p><u>Measure #1:</u> Number of years required for completion of a transportation system to carry North Slope gas to market</p> <p><b>G3: Enhance State Revenue From Mineral Resources - Negotiate new TAPS tariff settlement methodology (TSM)</b></p> <p><u>Target #1:</u> Fairly renegotiate TSM within one year</p> <p><u>Measure #1:</u> Time required to fairly negotiate TSM</p>

FY2006 Resources Allocated to Achieve Results							
<p>FY2006 Results Delivery Unit Budget: \$31,822,900</p>	<p><b>Personnel:</b></p> <table> <tr> <td>Full time</td> <td>267</td> </tr> <tr> <td>Part time</td> <td>8</td> </tr> <tr> <td><b>Total</b></td> <td><b>275</b></td> </tr> </table>	Full time	267	Part time	8	<b>Total</b>	<b>275</b>
Full time	267						
Part time	8						
<b>Total</b>	<b>275</b>						

**Performance Measure Detail**

**A: Result - Improve Client-Agency Decision Making**

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

**A1: Strategy - Improve Client Decision Making - Reduce time for response to agency requests for legal advice**

**Target #1:** 100% on-time response  
**Measure #1:** % response delivered within mutually agreed time

**A2: Strategy - Improve Client Decision Making - Increase agency training**

**Target #1:** 1 training per agency per year

**Measure #1:** # of agencies receiving one training per year

**A3: Strategy - Improve Client Decision Making - Implement review of existing agency regulations to ensure clarity and statutory consistency**

**Target #1:** 2 reviews per year

**Measure #1:** # of reviews completed per year

**A4: Strategy - Improve Client Decision Making - Reduce time for legal reviews of agency approved regulations**

**Target #1:** 100% on-time response

**Measure #1:** % response delivered within mutually agreed time

**A5: Strategy - Improve Client Decision Making - Increase public awareness of agency regulation adoption process**

**Target #1:** Hold 1 informational meeting for the public per year

**Measure #1:** Number of informational meetings held per year

**A6: Strategy - Improve Client Decision Making - Encourage and facilitate agency use of alternative dispute resolution**

**Target #1:** Train agencies in ADR use

**Measure #1:** # of agencies trained in ADR use

**A7: Strategy - Improve Client Decision Making - Issue more attorney general opinions**

**Target #1:** Increase formal and informal Attorney General opinions by 5%

**Measure #1:** % increase in Attorney General opinions

**A8: Strategy - Improve Client Decision Making - Increase communication between client agencies and Department of Law**

**Target #1:** Implement annual senior staff meetings with each agency

**Measure #1:** # of agency senior staff meetings per year

**A9: Strategy - Improve Client Decision Making - Increase review of agency policies and procedures**

**Target #1:** 2 agency reviews per year

**Measure #1:** # of reviews completed per year

### A10: Strategy - Improve Client Decision Making - Enhance compliance with state ethics laws

**Target #1:** Train 3 agencies in ethics per year

**Measure #1:** # of agencies trained each year

**Target #2:** 5% increase in informal advice to agencies on ethics

**Measure #2:** % increase in ethics advice provided to agencies

**Target #3:** Increase timeliness of response in ethics matters

**Measure #3:** % responses delivered within established timeframe.

### B: Result - Enhance the Welfare of Children

**Target #1:** Reduce the number of children in foster care in Alaska by 5% per year

**Measure #1:** % reduction in the number of children in foster care in Alaska

**Target #2:** Increase the amount of child support received by families through CSED by 1% per year

**Measure #2:** The total dollar amount of child support received by families through CSED

### B1: Strategy - Enhance the Welfare of Children - Increase the number of cases in which appropriate judicial findings are contained in the initial court order and in permanency orders in Child-in-Need-of-Aid cases.

**Target #1:** Two training sessions per year for AGO staff and OCS staff.

**Measure #1:** # of training sessions completed each year

**Target #2:** 100% Quality assurance review of all initial court orders prepared by AGO staff within 5 business days of receipt

**Measure #2:** Percentage of initial court orders reviewed within 5 days of receipt

**Target #3:** 100% completion of project to modify all form court orders in Child-in-Need-of-Aid cases

**Measure #3:** % completion of revision of forms

**Target #4:** 100% of deficient court orders remedied within 30 days of notification by DHSS

**Measure #4:** % of cases in which deficiencies have been remedied within 30 days of notification

### B2: Strategy - Enhance the Welfare of Children - Increase the number of child support orders that comply with state child support guidelines

**Target #1:** Take action in 90% of child support modification files within 30 days of receipt of file from CSED

**Measure #1:** % of modification files in which action is taken within 30 days of receipt by this office.

### B3: Strategy - Enhance the Welfare of Children - Improve administrative decision-making at the administrative review and formal hearing level

**Target #1:** Complete two training sessions per year for establishment and modification personnel at CSED

**Measure #1:** # of training sessions completed each year

**Target #2:** Quarterly meetings with CSED's formal hearing team and Revenue's formal hearing examiners

**Measure #2:** # of quarterly meetings completed each year

**Target #3:** Review 100% of establishment and modification regulations and procedures on an annual basis to assure compliance with state and federal requirements

**Measure #3:** % of annual review completed each year

**Target #4:** Provide written feedback to CSED modification personnel in 100% of cases in which there is an error in the calculation of support amount

**Measure #4:** % of files in which there is a calculation error for which written feedback was prepared for CSED

**Target #5:** Provide monthly report to CSED summarizing supreme court decisions relating to child support and recommending many changes to CSED regulations, policies, or procedures as a result of those decisions

**Measure #5:** # of monthly reports completed each year

### B4: Strategy - Enhance the Welfare of Children - Increase the use of civil and criminal enforcement remedies in cases where routine administrative collection actions have failed

**Target #1:** Increase the number of criminal non-support cases accepted for prosecution by 10% each year

**Measure #1:** % increase in number of criminal non-support cases accepted for prosecution each year

**Target #2:** Conduct two meetings with CSED enforcement personnel each year to discuss and provide training with respect to screening and investigating cases for complex civil enforcement remedies

**Measure #2:** # of meetings held with CSED enforcement personnel each year

**Target #3:** Increase the number of cases accepted for complex civil enforcement action – including civil contempt, fraudulent transfer, piercing the corporate veil, seek work orders, or license enforcement – by 5% per year

**Measure #3:** % increase in the number of cases referred by CSED that are accepted for complex civil enforcement

### C: Result - Enhance The Protection of Victims of Crimes and Delinquent Acts

**Target #1:** Zero complaints from victims of crimes and delinquent acts submitted to the Office of Victims Rights, the Attorney General's Office, the Commissioner of Health and Social Services, or the Office of the Governor.

**Measure #1:** The number of complaints submitted by victims to the offices designated above.

### C1: Strategy - Enhance the Protection of Victims of Crimes - Increase collection of restitution on behalf of victims

**Target #1:** In 90% of cases referred to the collections unit, send the initial notice of collection services to the victim within 5 business days after the unit receives an enforceable restitution judgment and all necessary information from court or DJJ

**Measure #1:** % of notices of collections services to victims within 5 business days of receipt of enforceable restitution judgment and all necessary information

**Target #2:** Respond to 90% of phone calls from victims to collections unit within 24 hours of receipt of phone call by the unit

**Measure #2:** % of phone calls from victims to collections unit that are returned within 24 hours of receipt

**Target #3:** Respond to 90% of written communications from victims to collections unit (including by e-mail) within 3 business days of receipt of the communication by the unit

**Measure #3:** % of written communications from victims to the collections unit to which a response is sent within 3 business days of receipt

**Target #4:** Disburse 90% of all restitution payments to victims within 10 business days after receipt of the payment, excluding the 30-day hold for personal checks

**Measure #4:** % of disbursements that are completed within 10 business days of receipt of payment, not including the 30-day hold for personal checks

**Target #5:** Increase the overall restitution collections by 5% each year

**Measure #5:** % increase in total restitution collections each year

**Target #6:** Increase the collection rate for restitution by 3% each year

**Measure #6:** % increase in the collection rate for restitution, as measured by the total value of the restitution judgments received for the prior year as compared to the total collections for that year

**Target #7:** Increase by 10% the use of civil enforcement remedies in cases where permanent fund dividend attachments have failed

**Measure #7:** % increase in number of cases in which one or more of the following actions have been taken: (1) bank sweeps; (2) wage garnishments; and (3) liens recorded

### D: Result - Increase Consumer Protection in Alaska

**Target #1:** Increase by 5% per year in successful resolution of consumer complaints and enforcement actions

**Measure #1:** % increase in number of consumer complaints resolved and enforcement actions taken

### D1: Strategy - Increase Consumer Education in Alaska - Increase consumer education

**Target #1:** At least 4 consumer education initiatives completed per year

**Measure #1:** Number of initiatives completed in a year

## D2: Strategy - Increase Consumer Education in Alaska - Develop stronger consumer protection laws and regulations

**Target #1:** Propose two consumer protection or antitrust legislative initiatives or regulations per year.

**Measure #1:** Number of legislative initiatives submitted and regulations drafted per year

## D3: Strategy - Increase Consumer Education in Alaska - More effective enforcement

**Target #1:** 5% increase in investigations and prosecutions

**Measure #1:** % increase in number of investigations and prosecutions initiated

## D4: Strategy - Increase Consumer Education in Alaska - Reduce unfair methods of competition

**Target #1:** 10% increase in antitrust investigations

**Measure #1:** % increase in number of antitrust investigations initiated

## D5: Strategy - Increase Consumer Education in Alaska - More Effective Implementation of Registration Laws

**Target #1:** 100% of annual registration applications processed within 30 days

**Measure #1:** % of actual applications processed within 30 days

## E: Result - Improve Regulatory Advocacy On Behalf Of The Public

**Target #1:** 5% decrease in consumer complaints filed w/ RCA

**Measure #1:** % decrease in consumer complaints w/ RCA

## E1: Strategy - Improve Regulatory Advocacy - Increase effectiveness of A.G.'s advocacy of public interest in RCA dockets

**Target #1:** 70% success rate in representing public interest

**Measure #1:** % of cases AG's public interest position is adopted by decision or settlement

## E2: Strategy - Improve Regulatory Advocacy - Enhance operational expertise and public awareness of public advocacy role

**Target #1:** One training opportunity a year for AAGs and RCA staff; at least 1 in-house expert in area of finance, economics, and engineering; at least 1 contract w/ outside experts in key areas of utility discipline

**Measure #1:** # of training and public outreach opportunities completed; # of in-house experts; # of outside expert contracts

## F: Result - Improve Prosecution and Defense of Civil Claims

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

**Measure #1:** % increase in cases resolved each year in which the state obtains a fair outcome

**F1: Strategy - Improve Prosecution and Defense of Civil Claims - Prevention of monetary and non-monetary claims against the state**

**Target #1:** 5% reduction of the number of claims against the state

**Measure #1:** % of decrease in claims against the state

**F2: Strategy - Improve Prosecution and Defense of Civil Claims - More efficient prosecution of monetary and non-monetary claims by the state**

**Target #1:** 10% increase in claims pursued on behalf of the state

**Measure #1:** % increase in number of claims pursued on behalf of the state

**F3: Strategy - Improve Prosecution and Defense of Civil Claims - Fair resolution of more claims prior to litigation**

**Target #1:** 80% of claims resolved fairly prior to litigation

**Measure #1:** % of claims resolved prior to litigation in which the outcome is consistent with the Department's reasonable expectation

**F4: Strategy - Improve Prosecution and Defense of Civil Claims - Successful litigation of claims**

**Target #1:** 100% of litigated claims resolved by a fair outcome for the state

**Measure #1:** % of litigated claims in which the outcome is consistent with the Department's reasonable expectation

**G: Result - Enhance State Revenue From Mineral Resources**

**Target #1:** Increase state revenue from mineral resource development by 20% (adjusted for changes in oil and gas prices) over current baseline projections, over the next ten years

**Measure #1:** % progress toward increase in state revenue from mineral resource development over current baseline projections, each year over the next ten years

**G1: Strategy - Enhance State Revenue From Mineral Resources - Assist Policymakers in Creation of a More Competitive Investment Environment for Mineral Exploration Companies**

**Target #1:** Increase by 25% the number of exploration wells drilled in Alaska over the next five years in comparison with the prior five years

**Measure #1:** % increase in the number of exploration wells drilled in Alaska over the next five years in comparison with the prior five years

**G2: Strategy - Enhance State Revenue From Mineral Resources - Assist state agencies in achieving a project to market Alaska's North Slope Gas**

**Target #1:** Within eight years have a transportation system completed to carry North Slope gas to market  
**Measure #1:** Number of years required for completion of a transportation system to carry North Slope gas to market

### **G3: Strategy - Enhance State Revenue From Mineral Resources - Negotiate new TAPS tariff settlement methodology (TSM)**

**Target #1:** Fairly renegotiate TSM within one year  
**Measure #1:** Time required to fairly negotiate TSM

## **Key RDU Challenges**

### **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.

### **COLLECTIONS**

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 current outdated collections database application seriously impairs the division from fully meeting its collection mission. As a result, a sizable state debt remains uncollected. For example, 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. Due primarily to the outdated computer system and its inability to add additional fields, the division is not able to collect these new surcharges. Certain judgments contain provisions for interest to accrue. The current computer system cannot be programmed to calculate interest. The unit is currently understaffed due to the manpower needed to manually process just the judgments it presently collects with the outdated computer system. It is imperative that the unit update and expand the computer system so that it can both electronically download from the court system all judgments, interest surcharges and restitution as well as add new fields for additional categories of collection.

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.

## CONSUMER PROTECTION AND ANTITRUST ENFORCEMENT

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. Because of our limited funding and staffing, and because the office has enforcement authority over the entire state, we are forced to turn away many legitimate cases of consumer fraud. We direct our enforcement activities to 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.

## CONSUMER PROTECTION: 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. Seniors are uniquely vulnerable. 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. We must increase our efforts to combat senior fraud both through education and law enforcement. Many states have developed consumer protection programs or initiatives to address issues and problems specific to seniors. To date, Alaska has not. 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.

## LABOR & STATE AFFAIRS

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. In the upcoming year, the section will continue to assist with a number of proposals to modify the state's relationship with its employees' unions and change various statutory provisions.

## NATURAL RESOURCES

The Natural Resources Section will continue to defend Alaska's right to charge nonresidents higher annual fees to participate in the state's commercial fisheries in a class action lawsuit. The Carlson case will be heard by the Alaska Supreme Court for a fourth decision on calculation of the allowable differential for nonresidents.

#### OIL, GAS, & MINING

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.

Most of the state's FY2005 legal work performed by outside contract counsel pertaining to the proposed gasline has been paid for from funds initially appropriated to the departments of Revenue and Natural Resources. The Department of Revenue informs us that it has sufficient unobligated funds for FY2005 to cover the anticipated additional outside counsel requirements for this fiscal year—an additional \$1.5-2.0 million. If it turns out that the Department of Revenue does not have sufficient funds, the Department of Law would necessarily be forced to seek a supplemental appropriation.

Assuming the state successfully negotiates a Stranded Gas contract and takes an ownership interest in the project, the division estimates the amount required for FY2006 and FY2007 for outside counsel gasline related legal work will total \$6.0 million. The division intends to request a capital appropriation to pay for this work.

#### OPINIONS AND APPEALS

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). The section handles appeals in cases that concern constitutional and legal issues of particular import, including an appeal involving Indian country issues and one concerning the 17<sup>th</sup> Amendment to the U.S. Constitution. A key challenge for the section is to be involved in the briefing and preparation of all civil appeals. 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. It is important that ethics advice be rendered promptly and in a consistent manner. Indian law issues continue to impact virtually every area of state government's responsibilities. The section is working to provide advice on a wide variety of issues including civil and criminal jurisdiction and authority, Indian gaming, waivers of sovereign immunity, Indian country, tribal status, and the Indian Child Welfare Act, Public Law 280. 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 months. To complete the funding and allow the positions to be filled year round, an additional increment of \$75,000 is needed in FY2006.

#### 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 Forest 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.

## TRANSPORTATION

In the coming year, the transportation section will assist with implementation of the Department of Transportation's plans relating to development of bridges to Gravina Island, access to Juneau, an extension of Abbot Loop Road in Anchorage, a Knik Arm Bridge, and resource development roads.

## Significant Changes in Results to be Delivered in FY2006

**CONSUMER PROTECTION:** Approval to add two attorneys and an investigator for consumer protection will allow the section to implement a statewide program aimed at better protecting Alaska seniors from fraud, abuse and financial exploitation. 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 include rapid response to reports of fraud against seniors; stepped up prosecution of perpetrators of fraud; education of intended senior victims and identification of trends and new developments of consumer fraud so that they can be targeted for enforcement.

**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:** As a result of budget increments for FY2005, two attorney positions were added to the section in October 2004. One new attorney position 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 RDU Accomplishments in 2004

- **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 successfully prosecuted and negotiated settlements in corporate income tax cases that resulted in \$1.3 million in taxes to the state.
- **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 cleanup:** The division recovered over \$ 1,370,000 for state costs and penalties related to violations of state environmental cases and obtained cleanup agreements with polluters with an estimated value of over \$ \$11,620,000, for a total benefit to the state of over \$ \$13,000,000.
- **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.
- **Natural Resources:** The division recovered \$750,000 as reimbursement for wildfire suppression costs in the Fish Creek fire.
- **Oil and Gas:** With the departments of Revenue and Natural Resources, the division collected approximately \$14 million (including interest) in back taxes and royalties owed by oil and gas companies.
- **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.
- Statehood Defense: The state successfully opposed extension of extraterritorial jurisdiction by the Secretary of the Interior to state-managed fisheries in state waters.

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**Civil Division  
RDU Financial Summary by Component**

*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
<b>Formula Expenditures</b>												
None.												
<b>Non-Formula Expenditures</b>												
Dep. Attny General's Office	4,563.8	0.0	0.0	4,563.8	228.0	0.0	0.0	228.0	231.2	0.0	0.0	231.2
Collections and Support	527.4	0.0	1,305.4	1,832.8	558.5	0.0	1,459.1	2,017.6	561.8	0.0	1,480.7	2,042.5
Commercial Section	418.1	0.0	1,271.2	1,689.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commercial and Fair Business	0.0	0.0	0.0	0.0	648.8	0.0	3,272.6	3,921.4	1,348.2	0.0	2,988.5	4,336.7
Environmental Law	331.5	0.0	903.0	1,234.5	808.6	0.0	2,281.6	3,090.2	829.4	0.0	900.3	1,729.7
Fair Business Practices	0.0	0.0	1,463.0	1,463.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Governmental Affairs	1,424.1	0.0	1,912.8	3,336.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Human Services	3,050.9	0.0	1,275.3	4,326.2	3,346.7	0.0	867.4	4,214.1	3,354.3	0.0	1,285.1	4,639.4
Legislation/Regulations	477.8	0.0	222.8	700.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Labor and State Affairs	0.0	0.0	0.0	0.0	1,409.5	0.0	2,698.5	4,108.0	1,568.2	0.0	2,706.5	4,274.7
Natural Resources	1,008.3	0.0	274.8	1,283.1	747.7	0.0	200.7	948.4	760.8	0.0	203.1	963.9
Oil, Gas and Mining	3,038.4	0.0	1,844.2	4,882.6	3,021.7	0.0	1,477.0	4,498.7	3,062.2	0.0	1,477.0	4,539.2
Opinions, Appeals and Ethics	0.0	0.0	0.0	0.0	761.4	0.0	371.3	1,132.7	841.3	0.0	373.6	1,214.9
Reg Affairs Public	0.0	0.0	0.0	0.0	0.0	0.0	1,313.3	1,313.3	0.0	0.0	1,335.4	1,335.4

**Civil Division  
RDU Financial Summary by Component**

*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
Advocacy Special Litigation	0.0	0.0	2,163.3	2,163.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Statehood Defense	734.0	0.0	0.0	734.0	1,416.4	0.0	0.0	1,416.4	890.4	0.0	0.0	890.4
Timekeeping and Support	0.0	0.0	568.5	568.5	14.1	0.0	820.1	834.2	14.1	0.0	896.8	910.9
Torts and Workers' Compensation	0.0	0.0	0.0	0.0	44.3	0.0	2,585.2	2,629.5	44.3	0.0	2,627.6	2,671.9
Transportation Section	0.0	0.0	1,581.8	1,581.8	37.2	0.0	2,012.6	2,049.8	37.2	0.0	2,004.9	2,042.1
<b>Totals</b>	<b>15,574.3</b>	<b>0.0</b>	<b>14,786.1</b>	<b>30,360.4</b>	<b>13,042.9</b>	<b>0.0</b>	<b>19,359.4</b>	<b>32,402.3</b>	<b>13,543.4</b>	<b>0.0</b>	<b>18,279.5</b>	<b>31,822.9</b>

**Civil Division**  
**Summary of RDU Budget Changes by Component**  
**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>
<b>FY2005 Management Plan</b>	<b>13,042.9</b>	<b>0.0</b>	<b>19,359.4</b>	<b>32,402.3</b>
<b>Adjustments which will continue current level of service:</b>				
-Dep. Attny General's Office	3.2	0.0	0.0	3.2
-Collections and Support	3.3	0.0	21.6	24.9
-Commercial and Fair Business	269.1	0.0	-284.1	-15.0
-Environmental Law	20.8	0.0	-1,406.3	-1,385.5
-Human Services	-55.6	0.0	17.7	-37.9
-Labor and State Affairs	14.7	0.0	8.0	22.7
-Natural Resources	13.1	0.0	2.4	15.5
-Oil, Gas and Mining	40.5	0.0	0.0	40.5
-Opinions, Appeals and Ethics	4.9	0.0	2.3	7.2
-Reg Affairs Public Advocacy	0.0	0.0	22.1	22.1
-Statehood Defense	-526.0	0.0	0.0	-526.0
-Timekeeping and Support	0.0	0.0	76.7	76.7
-Torts and Workers' Compensation	0.0	0.0	42.4	42.4
-Transportation Section	0.0	0.0	-7.7	-7.7
<b>Proposed budget increases:</b>				
-Commercial and Fair Business	430.3	0.0	0.0	430.3
-Environmental Law	0.0	0.0	25.0	25.0
-Human Services	63.2	0.0	400.0	463.2
-Labor and State Affairs	144.0	0.0	0.0	144.0
-Opinions, Appeals and Ethics	75.0	0.0	0.0	75.0
<b>FY2006 Governor</b>	<b>13,543.4</b>	<b>0.0</b>	<b>18,279.5</b>	<b>31,822.9</b>