

**State of Alaska
FY2007 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; 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 15 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) Legislation and Regulations; (8) Natural Resources; (9) Oil, Gas and Mining; (10) Opinions, Appeals and Ethics; (11) Regulatory Affairs and Public Advocacy; (12) Statehood Defense; (13) Torts and Workers' Compensation; (14) Transportation; and (15) 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 six 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. It provides legal representation, defense and advice to fifteen different divisions, commissions and corporations within the Departments of Revenue, Education and Early Development, and Commerce, Community and Economic Development. It provides legal services to the agencies that monitor insurance companies, and 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, charitable gaming, banking, securities, corporations, and the student loan program and other lending programs. The section also provides counsel concerning review of orders issued by the commission overseeing public utilities. The section acts as legal counsel for the Department Of Revenue Tax division (non-Oil and Gas), Treasury division, Permanent Fund Dividend division, Permanent Fund Corporation, Alaska State Pension Investment Board and the Alaska Housing Finance Corporation.

Within the Department of Commerce, Community and Economic Development, the section provides legal services to the Divisions of Insurance, Investments, Banking and Securities, Corporations, Business and Professional Licensing and the Regulatory Commission of Alaska. The section also represents the Alaska Student Loan Corporation, the Alaska Commission on Postsecondary Education and the Professional Teaching Practices Commission in the Department of Education and Early Development.

(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, prosecuting cruise lines that foul Alaska's air and waters, providing legal advice to the Department Of Natural Resources on the re-establishment of the ACMP under recent statutory changes, and provides advice on water quality issues including permitting for large mines, NPDES primacy, marine vessel wastewater discharges and drinking water. 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; and 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. The section also provides legal advice to DEC on public health issues including food safety, animal health and pesticides.

(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 consists of two units, the Child Protection unit and the Human Services unit. Attorneys in the Child Protection unit provide legal assistance to the Department of Health and Social Services, Office of Children's Services (OCS) on issues arising from the state's child protection laws. Attorneys in the section advise OCS social workers and if necessary, engage in litigation to remove children from abusive or neglectful homes. The child protection unit has attorneys located in six separate geographic areas of the state to ensure that communities are better served in child protection cases. Attorneys in the Human Services unit provide legal representation to the Department of Health and Social Services on issues arising from the state's health services, social services and welfare programs. The unit prosecutes foster care, assisted living and adult foster home licensing revocations; establishes senior guardianships and conservatorships; represents the state's psychiatric facility in mental commitments; represents the state in Medicaid recipient/provider hearings and appeals and other Medicaid issues; provides advice on the state's certificate of need program and in public health and public assistance matters. Additionally, at the request of the Division of Health Care Services, the section has taken 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. The section 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 virtually every agency in state government on personnel, employment and labor relations' issues. It also provides legal counsel to the Division of Motors Vehicles for revocation of driver's licenses. Agency recipients of the majority of legal services include the Departments of Administration, Community and Economic Development, Education and Early Development, Health and Social Services, Labor and Workforce Development and Military and Veteran's Affairs; the Offices of the Governor and Lieutenant Governor, the Governor's Office of Management and Budget; and the Alaska Industrial Development and Export Authority.

(7) The Legislation and Regulations Section drafts and edits legislation on behalf of the governor for introduction in the legislature, tracks and reviews all legislation for legal issues before the governor acts on it, and reviews virtually all regulations adopted by the executive branch for compliance with legal requirements. The section assists the governor's office in seeking passage of legislation introduced at the request of the governor. The section coordinates responses to legal questions and requests for information from legislators to the Department of Law. The section provides training on regulations and legislative matters to all state agencies and to assistant attorneys general. The section prepares the Drafting Manual for Administrative Regulations. The section frequently provides advice to state agencies regarding legal requirements for legislation, regulations, public records, and the Open Meetings Act. The regulations attorney serves as the executive branch representative to the National Conference of Commissioners on Uniform State Laws, which formulates model legislation on issues of nationwide concern.

(8) 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.

(9) 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.

(10) The Opinions, Appeals and Ethics section provides specialized legal services and expertise to all state departments, commissions, boards and agencies on 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 timely and comprehensive services on executive branch ethics for all state government, and providing specialized legal expertise in certain areas including public records act and Indian law. The attorneys in the section evaluate and make recommendations to the Attorney General on all civil appeals and petitions for review. The section also provides assistance with briefing and case preparation, and handles appeals where the case presents significant constitutional issues.

(11) 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 that come before the Regulatory Commission of Alaska.

(12) 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. The Statehood Defense group works on RS 2477 rights-of-way, access in National Forests and across other federal lands and ANCSA 17(b) and other easements. The unit provides ongoing legal advice to the Department of Fish and Game as it works to implement dual management of subsistence resources and closely monitors the actions of the Federal Subsistence Board. The unit also works on issues arising under the Endangered Species Act, the Pacific Salmon Treaty, the Magnuson-Stevens Fishery Conservation and Management Act, and other federal laws to protect state fishery and wildlife resources and the state's role in managing them. The unit frequently comments on drafts and amendments to bills before Congress on a wide range of resource related topics and provides advice to state agencies on matters of federal Indian law.

(13) 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.

(14) The Transportation section provides legal advice to and representation of the Department of Transportation and Public Facilities. The section assists the Department of Transportation's with project development and operation of 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.

(15) 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>A: Improve Client-Agency Decision Making</p> <p><u>Target #1:</u> 5% reduction per year in legal challenges to final agency decisions in which the state does not prevail</p> <p><u>Measure #1:</u> % reduction in legal challenges to agency decisions per year in which the state does not prevail</p>	<p>A1: Increase agency training</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>A2: Implement review of existing agency regulations to ensure clarity and statutory consistency</p> <p><u>Target #1:</u> 2 reviews per year</p> <p><u>Measure #1:</u> # of reviews completed per year</p> <p>A3: Reduce time for legal reviews of agency approved regulations</p> <p><u>Target #1:</u> 100% on-time response</p> <p><u>Measure #1:</u> % response delivered within mutually agreed time</p> <p>A4: Increase public awareness of agency regulation adoption process</p> <p><u>Target #1:</u> Hold 1 informational meeting for the public per year</p> <p><u>Measure #1:</u> Number of informational meetings held per year</p> <p>A5: Encourage and facilitate agency use of alternative dispute resolution</p> <p><u>Target #1:</u> Train two agencies in ADR use per year</p> <p><u>Measure #1:</u> # of agencies trained in ADR use per year</p> <p>A6: Increase communication between client agencies and Department of Law</p> <p><u>Target #1:</u> Implement annual senior staff meetings with each agency</p> <p><u>Measure #1:</u> # of agency senior staff meetings per year</p> <p>A7: Enhance compliance with state ethics laws</p> <p><u>Target #1:</u> Train 3 agencies in ethics per year</p> <p><u>Measure #1:</u> # of agencies trained each year</p> <p><u>Target #2:</u> 5% increase in informal advice to agencies on ethics</p> <p><u>Measure #2:</u></p> <p><u>Target #3:</u> Increase timeliness of response in ethics matters</p> <p><u>Measure #3:</u> % responses delivered within established timeframe.</p>

End Results	Strategies to Achieve Results
<p>B: Enhance the Welfare of Children</p> <p><u>Target #1:</u> Increase the percentage of cases in which a permanent legal resolution is obtained for children in the custody of the Department of Health and Social Services, Office of Children's Services</p> <p><u>Measure #1:</u> % of cases in which a permanent legal resolution is obtained for children in state custody.</p> <p><u>Target #2:</u> Increase the percentage of Child in Need of Aid cases that are eligible for federal reimbursement.</p> <p><u>Measure #2:</u> % of Child in Need of Aid cases that are eligible for federal reimbursement.</p> <p><u>Target #3:</u> Increase the percentage of child support cases successfully resolved</p> <p><u>Measure #3:</u> % of child support cases successfully resolved</p>	<p>B1: Increase the number of Petitions for Termination of Parental Rights or Petitions for Guardianship when a child has been in the custody of the department for 15 of the most recent 22 months when adoption of guardianship is the plan for the child</p> <p><u>Target #1:</u> Two training sessions per year for AGO staff and OCS staff.</p> <p><u>Measure #1:</u> # of training sessions completed each year</p> <p><u>Target #2:</u> File Petitions for Termination of Parental Rights within the timeframe mandated by statute in the cases in which the filing of such petitions is statutorily required</p> <p><u>Measure #2:</u> % of petitions filed within the statutorily mandated timeframe</p> <p><u>Target #3:</u> File Petitions for Guardianship with 60 days in the cases in which guardianship has been identified as the permanent goal for the child</p> <p><u>Measure #3:</u> % of petitions filed with within 60 days after guardianship has been identified as the permanent goal</p> <p>B2: Increase the number of child support orders that comply with state child support guidelines</p> <p><u>Target #1:</u> Take action in 90% of child support modification files within 30 days of receipt of file from CSED</p> <p><u>Measure #1:</u> % of modification files in which action is taken within 30 days of receipt by this office.</p> <p>B3: Improve administrative decision-making at the administrative review and formal hearing level</p> <p><u>Target #1:</u> Complete one training session per year for establishment and modification personnel at CSED</p> <p><u>Measure #1:</u> # of training sessions completed each year</p> <p><u>Target #2:</u> One annual meeting with CSSD's senior staff</p> <p><u>Measure #2:</u> # of meetings with CSSD's senior staff each year</p> <p><u>Target #3:</u> Provide monthly report to CSED summarizing supreme court decisions relating to child support and recommending changes to CSED regulations, policies, or procedures as a result of those decisions</p> <p><u>Measure #3:</u> # of monthly reports completed each year</p> <p>B4: Increase the use of civil enforcement remedies in cases where routine administrative collection actions have failed</p> <p><u>Target #1:</u> Conduct four meetings with CSSD</p>

	<p>enforcement personnel each year to discuss screening and investigating cases for complex civil enforcement remedies</p> <p><u>Measure #1:</u> # of meetings held with CSED enforcement personnel each year</p> <p><u>Target #2:</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 2% per year</p> <p><u>Measure #2:</u> % increase in the number of cases referred by CSED that are accepted for complex civil enforcement</p> <p>B5: Increase in 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</p> <p><u>Target #1:</u> Two training sessions per year for AGO staff and OCS staff</p> <p><u>Measure #1:</u> # of training sessions completed each year</p> <p><u>Target #2:</u> 100% Quality assurance review of all initial court orders prepared by AGO staff within 5 business days of receipt</p> <p><u>Measure #2:</u> % of initial court orders reviewed within 5 days of receipt</p> <p><u>Target #3:</u> 100% of deficient court orders remedied within 30 days of notification by DHSS</p> <p><u>Measure #3:</u> % of cases in which deficiencies have been remedied within 30 days of notification</p>
End Results	Strategies to Achieve Results
<p>C: Enhance The Protection of Victims of Crimes and Delinquent Acts</p> <p><u>Target #1:</u> Reduction in complaints from victims of crimes and delinquent acts submitted to the Office of Victims Rights, the Attorney General's Office, the State Ombudsman, or the Office of the Governor.</p> <p><u>Measure #1:</u> Change in the number of complaints submitted by victims to the offices designated above.</p>	<p>C1: Increase collection of restitution on behalf of victims</p> <p><u>Target #1:</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</p> <p><u>Measure #1:</u> % of disbursements that are completed within 10 business days of receipt of payment, not including the 30-day hold for personal checks</p> <p><u>Target #2:</u> Increase the overall restitution collections by 5% each year</p> <p><u>Measure #2:</u> % increase in total restitution collections each year</p> <p><u>Target #3:</u> Increase the collection rate for restitution by 3% each year</p> <p><u>Measure #3:</u> % increase in the collection rate for restitution, measured by the total value of the restitution judgments received for the prior year as compared to the total collections for that year</p>

End Results	Strategies to Achieve Results
<p>D: Enhance Consumer Protection in Alaska</p> <p><u>Target #1:</u> Increase effective consumer protection enforcement through successful resolution of consumer complaints, enforcement actions and consumer education</p> <p><u>Measure #1:</u> Increase in the number of consumer complaints resolved, enforcement actions taken, and consumer education initiatives completed</p>	<p>D1: Increase consumer education</p> <p><u>Target #1:</u> At least 4 consumer education initiatives completed per year</p> <p><u>Measure #1:</u> Number of initiatives completed in a year</p> <p>D2: Develop stronger consumer protection laws and regulations</p> <p><u>Target #1:</u> Propose two consumer protection or antitrust legislative initiatives or regulations per year.</p> <p><u>Measure #1:</u> Number of legislative initiatives submitted and regulations drafted per year</p> <p>D3: Effective enforcement</p> <p><u>Target #1:</u> 5% increase in investigations and prosecutions</p> <p><u>Measure #1:</u> % increase in number of investigations and prosecutions initiated</p> <p>D4: Effective antitrust enforcement</p> <p><u>Target #1:</u> Participate in multistate antitrust matters and investigate local matters implicating antitrust issues</p> <p><u>Measure #1:</u> Number of multistate antitrust joined and local antitrust investigations initiated</p> <p>D5: Effective implementation of registration laws</p> <p><u>Target #1:</u> 100% of annual registration applications processed within one year</p> <p><u>Measure #1:</u> % of actual applications processed within one year</p> <p>D6: Effective consumer complaint resolution</p> <p><u>Target #1:</u> Increase % of consumer complaints resolved through informal complaint process</p> <p><u>Measure #1:</u> % increase in consumer complaints resolved through informal complaint process</p>
End Results	Strategies to Achieve Results
<p>E: Improve Regulatory Advocacy On Behalf Of The Public</p> <p><u>Target #1:</u> 70% success rate in representing the public interest before the RCA</p>	<p>E1: Increase effectiveness of A.G.'s advocacy of public interest in RCA dockets</p> <p><u>Target #1:</u> 5% increase in success rate in representing public interest</p>

<p><u>Measure #1:</u> % of cases in which the position of the DOL RAPA section is adopted by decision or settlement</p>	<p><u>Measure #1:</u> % increase in cases in which the AG's public interest position is adopted by decision or settlement</p> <p>E2: Enhance operational expertise</p> <p><u>Target #1:</u> Provide one training opportunity a year for AAGs and RCA staff</p> <p><u>Measure #1:</u> # of training opportunities provided</p> <p>E3: Enhance public awareness of public advocacy role</p> <p><u>Target #1:</u> Publish Public Advocate Advisories for cases significantly affecting the public interest</p> <p><u>Measure #1:</u> # of Public Advocate Advisories published for cases significantly affecting the public interest</p>
<p>End Results</p>	<p>Strategies to Achieve Results</p>
<p>F: Enhance State Revenue From Mineral Resources</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>F1: Assist state agencies in achieving a project to market Alaska's North Slope Gas</p> <p><u>Target #1:</u> Within seven 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>F2: Defend non-discriminatory inter-state TAPS tariff</p> <p><u>Target #1:</u> Achieve non-discriminatory TAPS tariff</p> <p><u>Measure #1:</u> Successful FERC adjudicatory determination following administrative hearing</p>

FY2007 Resources Allocated to Achieve Results							
<p>FY2007 Results Delivery Unit Budget: \$36,869,000</p>	<p>Personnel:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding-left: 20px;">Full time</td> <td style="text-align: right;">281</td> </tr> <tr> <td style="padding-left: 20px;">Part time</td> <td style="text-align: right;">8</td> </tr> <tr> <td style="padding-left: 20px;">Total</td> <td style="text-align: right; border-top: 1px solid black;">289</td> </tr> </table>	Full time	281	Part time	8	Total	289
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Part time	8						
Total	289						

Performance Measure Detail

A: Result - Improve Client-Agency Decision Making

Target #1: 5% reduction per year in legal challenges to final agency decisions in which the state does not prevail

Measure #1: % reduction in legal challenges to agency decisions per year in which the state does not prevail

A1: Strategy - Increase agency training

Target #1: 1 training per agency per year
Measure #1: # of agencies receiving one training per year

A2: Strategy - 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

A3: Strategy - Reduce time for legal reviews of agency approved regulations

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

A4: Strategy - 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

A5: Strategy - Encourage and facilitate agency use of alternative dispute resolution

Target #1: Train two agencies in ADR use per year
Measure #1: # of agencies trained in ADR use per year

A6: Strategy - 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

A7: Strategy - 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:

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: Increase the percentage of cases in which a permanent legal resolution is obtained for children in the custody of the Department of Health and Social Services, Office of Children's Services
Measure #1: % of cases in which a permanent legal resolution is obtained for children in state custody.

Analysis of results and challenges: Requesting up to \$700.0 in the FY 2007 budget to restore lost federal funding for Drug Enforcement in the Criminal Division. In the State's fight against the spread of methamphetamine, it is a common occurrence to find a meth manufacturing lab in a home with young children, who then end up in the State's child protection system. Stopping the spread of meth and other dangerous illegal drugs is key to protecting the welfare of Alaska's children.

Target #2: Increase the percentage of Child in Need of Aid cases that are eligible for federal reimbursement.

Measure #2: % of Child in Need of Aid cases that are eligible for federal reimbursement.

Target #3: Increase the percentage of child support cases successfully resolved

Measure #3: % of child support cases successfully resolved

B1: Strategy - Increase the number of Petitions for Termination of Parental Rights or Petitions for Guardianship when a child has been in the custody of the department for 15 of the most recent 22 months when adoption of guardianship is the plan for the child

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

Measure #1: # of training sessions completed each year

Target #2: File Petitions for Termination of Parental Rights within the timeframe mandated by statute in the cases in which the filing of such petitions is statutorily required

Measure #2: % of petitions filed within the statutorily mandated timeframe

Target #3: File Petitions for Guardianship with 60 days in the cases in which guardianship has been identified as the permanent goal for the child

Measure #3: % of petitions filed with within 60 days after guardianship has been identified as the permanent goal

B2: Strategy - 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 - Improve administrative decision-making at the administrative review and formal hearing level

Target #1: Complete one training session per year for establishment and modification personnel at CSED

Measure #1: # of training sessions completed each year

Target #2: One annual meeting with CSSD's senior staff

Measure #2: # of meetings with CSSD's senior staff each year

Target #3: Provide monthly report to CSED summarizing supreme court decisions relating to child support and

recommending changes to CSED regulations, policies, or procedures as a result of those decisions

Measure #3: # of monthly reports completed each year

B4: Strategy - Increase the use of civil enforcement remedies in cases where routine administrative collection actions have failed

Target #1: Conduct four meetings with CSSD enforcement personnel each year to discuss screening and investigating cases for complex civil enforcement remedies

Measure #1: # of meetings held with CSED enforcement personnel each year

Target #2: 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 2% per year

Measure #2: % increase in the number of cases referred by CSED that are accepted for complex civil enforcement

B5: Strategy - Increase in 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: % of initial court orders reviewed within 5 days of receipt

Target #3: 100% of deficient court orders remedied within 30 days of notification by DHSS

Measure #3: % of cases in which deficiencies have been remedied within 30 days of notification

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

Target #1: Reduction in complaints from victims of crimes and delinquent acts submitted to the Office of Victims Rights, the Attorney General's Office, the State Ombudsman, or the Office of the Governor.

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

C1: Strategy - Increase collection of restitution on behalf of victims

Target #1: 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 #1: % of disbursements that are completed within 10 business days of receipt of payment, not including the 30-day hold for personal checks

Target #2: Increase the overall restitution collections by 5% each year

Measure #2: % increase in total restitution collections each year

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

Measure #3: % increase in the collection rate for restitution, measured by the total value of the restitution judgments received for the prior year as compared to the total collections for that year

Target #4: Increase by 10% the use of civil enforcement remedies in cases where permanent fund dividend attachments have failed

Measure #4: % 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 - Enhance Consumer Protection in Alaska

Target #1: Increase effective consumer protection enforcement through successful resolution of consumer complaints, enforcement actions and consumer education

Measure #1: Increase in the number of consumer complaints resolved, enforcement actions taken, and consumer education initiatives completed

D1: Strategy - 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 - 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 - Effective enforcement

Target #1: 5% increase in investigations and prosecutions

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

D4: Strategy - Effective antitrust enforcement

Target #1: Participate in multistate antitrust matters and investigate local matters implicating antitrust issues

Measure #1: Number of multistate antitrust joined and local antitrust investigations initiated

D5: Strategy - Effective implementation of registration laws

Target #1: 100% of annual registration applications processed within one year

Measure #1: % of actual applications processed within one year

D6: Strategy - Effective consumer complaint resolution

Target #1: Increase % of consumer complaints resolved through informal complaint process

Measure #1: % increase in consumer complaints resolved through informal complaint process

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

Target #1: 70% success rate in representing the public interest before the RCA

Measure #1: % of cases in which the position of the DOL RAPA section is adopted by decision or settlement

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

Target #1: 5% increase in success rate in representing public interest

Measure #1: % increase in cases in which the AG's public interest position is adopted by decision or settlement

E2: Strategy - Enhance operational expertise

Target #1: Provide one training opportunity a year for AAGs and RCA staff

Measure #1: # of training opportunities provided

E3: Strategy - Enhance public awareness of public advocacy role

Target #1: Publish Public Advocate Advisories for cases significantly affecting the public interest

Measure #1: # of Public Advocate Advisories published for cases significantly affecting the public interest

F: 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

F1: Strategy - Assist state agencies in achieving a project to market Alaska's North Slope Gas

Target #1: Within seven 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

F2: Strategy - Defend non-discriminatory inter-state TAPS tariff

Target #1: Achieve non-discriminatory TAPS tariff

Measure #1: Successful FERC adjudicatory determination following administrative hearing

Key RDU Challenges

CHILD PROTECTION AND COLLECTIONS

Statutory changes at the state and federal level have necessitated changes in how long children may remain in the child protection legal system. These changes move cases to conclusion faster to ensure that when reunification with the family is not in the child's best interest the child can be made legally eligible for placement in a permanent home more quickly. The changes also mandate additional court proceedings in order to ensure that the department is quickly moving to achieve a permanent plan for the child. The accelerated schedules, additional hearings, and appropriate document preparation mean that each attorney has a significant caseload. Maintaining our existing resources for child protection is necessary in order for us to effectively manage this important responsibility. Adequate attorney resources are also necessary in order to help the Office of Children's Services meet certain goals for purposes of federal funding of foster care and administrative expenses involved in child protection. An audit conducted in 2003 reflected poor performance by both the Office of Children's Services and the Department of Law, caused in large part by the lack of sufficient staff. We anticipate with additional positions created in FY2005 and FY2006, we should be able to correct these deficiencies and enable the Office of Children's Services to maximize federal reimbursement.

The primary challenge for the child support unit will be to accommodate a growing number of requests from the Child Support Services Division (CSSD) for assistance in more complex enforcement actions and a growing caseload of support modification requests. With CSSD's reorganization and rethinking of its mission and use of resources, the agency intends to place more emphasis on enforcement action, including the use of civil contempt, attachment of assets, fraudulent transfer actions, seek work orders, and criminal non-support. At the same time, actions to modify child support orders have become more complex, with an increase in the number of self-employed or voluntarily underemployed parents. These actions are requiring more attorney and legal resources. Absorbing this additional caseload while continuing to leave one of the section's eight attorney positions vacant, as a result of CSSD budget constraints, will be a significant challenge. The support unit will continue to assist CSSD in updating its regulations to comply with state and federal laws and will also assist CSSD in establishing new procedures due to the recently enacted changes to the federal bankruptcy laws.

For the collections unit, the primary challenge will be to acquire a new database to efficiently increase money collected for the state and victims of crimes as well as expand the types of judgments the unit can collect. The 2006 capital budget included an appropriation for this purpose. The division is currently working on the acquisition of the database. Currently, the unit is unable to collect certain criminal surcharges due to limited staff and the limited database. In addition to collecting other types of judgments, a new database would expand the restitution collection work. Since January 2002 when the unit began collecting restitution, the unit has developed and, over time, improved a streamlined system for processing restitution judgments and collecting and disbursing restitution on behalf of victims. To date, because of limited personnel and the time spent developing the program and training staff, the unit's work has been limited primarily to processing judgments, handling voluntary payments, and attaching permanent fund dividends. The unit will now begin to move forward with more aggressive collection action, particularly in cases where the defendant's failure to pay is particularly egregious.

CONSUMER PROTECTION AND ANTITRUST ENFORCEMENT

Alaska is a target state for many types of consumer fraud. Under the Consumer Protection Act (AS 45.50.471 et seq.), the Attorney General is authorized to investigate and bring enforcement actions against businesses that engage in unfair or deceptive trade practices. Given the current funding and staffing level and the large areas of enforcement the office is responsible for, the section is still forced to turn away many legitimate cases of consumer fraud. Enforcement activities are directed to situations affecting a large number of consumers or involving large dollar amounts, and often there are not enough resources for even those cases. The department has been able to increase enforcement activity because of additional statutory designated program receipt resources appropriated to this component beginning in FY2000 and increased again for FY2004. To help ensure receipt of statutory designated program receipt resources, the department needs to 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.

ENVIRONMENTAL

The section will continue to defend the 2003 public interest litigant law in the Alaska Supreme Court.

HUMAN SERVICES

Attorneys who handle cases and issues relating to Medicaid have had a large increase in work due to changes in the regulations related to Medicaid waivers. Additionally, provider appeals have increased, which requires additional audits of Medicaid providers. This increase has resulted in an increase in both administrative appeals and appeals to the superior court. This section has also assumed responsibility over the legal work associated with Medicaid Liens and subrogation, which has resulted in close to 400 new open litigation files. Additionally, changes to the licensing structure in the Department as a result of SB 125 has resulted in work load increases as the department implements regulations in support of this bill. Finally, the implementation of the new public health law has resulted in an increase in the agency advice to the Division of Public Health.

LABOR & STATE AFFAIRS

The section is experiencing a surge in the number of voter initiatives requiring review and, in many instances, involving litigation. Because of the statewide elections in 2006, the section anticipates an increased need for assistance to the Division of Elections and the Alaska Public Offices Commission, including an increase in election-related litigation. The new public employee benefits claims procedures are expected to increase the workload of the attorneys in the section because of shorter time frames to prepare and take a case to administrative hearing before the Office of Administrative Hearings.

NATURAL RESOURCES

The Natural Resources Section will continue to be involved in litigation concerning Alaska's right to charge nonresidents higher annual fees to participate in the state's commercial fisheries. Plaintiffs in the case are seeking millions of dollars in refunds and interest. The state will argue that the differential charged nonresidents was permissible and that no refund is due. The section continues to advise DNR on permitting and access issues for large mines, including the Red Dog, Pogo, Fort Knox and Kensington projects. There has also been an increase in requests for assistance in clearing clouds on title to state lands as DNR tries to increase the amount of state land it offers for sale.

OIL, GAS, & MINING

Gas pipeline-related issues

Expediting the arrangements to construct a gasline to transport Alaska North Slope gas to market sits at the top of the FY2007 Department of Law "to do" list. The section has expended substantial resources performing legal work relating to complex and intensive negotiations, legal research and drafting contract provisions under the Stranded Gas Development Act. 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 Department has assumed the state will successfully negotiate a fiscal contract with at least one of the applicants. Further the Department believes the contract will provide for state ownership of some portion of the project.

Other oil and gas pipeline-related matters

The Oil, Gas, and Mining section expends substantial resources to monitor the Trans Alaska Pipeline System (TAPS) owners' compliance with the 1985 TAPS settlement agreement, and to monitor and participate where appropriate in state and federal regulatory oversight of the tariffs of all oil and gas pipelines operating in the state. This vigilance can earn the state millions of dollars in royalties and production taxes each year. Further, as production of oil and gas from current developments declines in Alaska, the state's participation in tariff regulation is becoming more and more important in encouraging additional producers to invest in exploration of new areas in the state, by ensuring fair transportation rates and access to existing pipeline infrastructure for production from new fields.

During FY2007 the Oil, Gas & Mining section will prepare for and participate in a 4 to 5 week hearing at the FERC considering (in part) the state's and Anadarko's challenges to the TAPS 2005 FERC tariff. The section will continue negotiations with Cook Inlet area gas pipeline owners on the opening to regulated access of all Cook Inlet area gas pipeline infrastructure -- to facilitate and encourage new gas production and producers -- and will support acceptance of the tariffs developed through those negotiated settlements in proceedings at the Regulatory Commission of Alaska (RCA). The section will also continue to participate in several administrative appeals related to intrastate TAPS tariffs.

The section must also provide legal support to the Alaska Natural Gas Development Authority created by citizen's initiative in the November 2002 statewide election. This initiative is primarily focused on a proposed project to market Alaska's North Slope gas as LNG somewhere in the Pacific Rim. The challenge is to ensure that the efforts undertaken to promote this proposed project do not jeopardize the proposed Alaska Highway project.

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 17th 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. The section has prepared significant opinions on constitutional issues concerning initiatives, the permanent fund, Indian law issues, and ethics matters. A key challenge in this area is to develop protocols to ensure the section is involved early in the opinion process to ensure that timely and high quality advice is rendered to state agencies, which in turn improves agency decision making.

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. Opinions and advice often require significant factual and legal research. The section plans to provide more ethics training for state agencies now that an additional attorney has been added for ethics. Better and more frequent training should reduce the number of ethics problems that arise and improve agency action and decision making on these issues.

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, the Indian Child Welfare Act, Public Law 280, and many more. We anticipate this area of law and legal services to be a continuing challenge for the division.

STATEHOOD DEFENSE

During FY2007, the Statehood Defense unit will continue working to protect and ensure access to state and private lands and on public waters across Alaska through assertions of RS 2477 rights-of-way, ANILCA access rights, and ownership of navigable waters. The unit will continue representing the state in the quiet title action against the United States for the Coldfoot to Chandalar Lake (RST 9) and Caro to Coldfoot (RST 262) RS 2477 rights-of-way. Statehood Defense attorneys will work with the Department of Natural Resources (DNR) and ADF&G to file with the Bureau of Land Management (BLM) additional applications for recordable disclaimers of interest to navigable waters, and provide information to BLM that convince it to declare waterways navigable within the survey windows it is completing.

The Statehood Defense unit will participate in and monitor the ongoing federal actions relating to application to Alaska's Tongass and Chugach National Forests of a national Roadless Rule. The unit will participate in the ESA process as it

relates to Pacific salmon and ensure adherence to the Pacific Salmon Treaty. The unit will continue to closely monitor the federal subsistence program, assist ADF&G in preparation of state comments, and challenge actions by the Federal Subsistence Board when necessary

TRANSPORTATION

The transportation section will continue assisting the Department of Transportation with activities related to the development of bridges to Gravina Island, access to Juneau, an extension of Abbott Loop Road in Anchorage, a Knik Arm Bridge, infrastructure to support a possible gas line and resource development roads. The section will also help the state assume NEPA review responsibilities from the FHWA in a pilot program authorized by Congress.

Significant Changes in Results to be Delivered in FY2007

CHILD PROTECTION

In FY2005 and in FY2006, the Child Protection section obtained additional attorney positions to handle child protection cases statewide. The addition of these funds enabled the division to create attorney positions located in Kenai and Palmer. The Kenai and Palmer communities are very pleased to have the attorneys located in their communities. With the addition of these positions, we have been able to reduce caseloads to a more manageable level per full-time attorney. Most importantly, Alaskan children will benefit from moving to permanent home placements sooner because the legal work necessary in order to make them available for adoption will be completed more quickly. The reduction of cases will enhance the division'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. Recruitment and retention of attorneys for CINA positions continues to be a major challenge and it is hoped that this problem will improve as caseload pressure on existing staff is relieved.

COLLECTIONS

The division goal is to acquire and implement the new collections database by summer 2006 and begin collecting other judgments, fines and costs, specifically the Correctional Facility Surcharge and Police Training Surcharge, owed to the State of Alaska that are not currently collected by the unit due to the limited database and limited staff. The division also hopes that the new collection database will allow for more efficient processing of restitution cases to collect restitution owed to victims.

COMMERCIAL AND FAIR BUSINESS

Beginning in FY2006, a new attorney position is being funded by the Division of Insurance to handle criminal prosecution of insurance fraud cases and to assist in the civil enforcement of the insurance laws. This position will increase the services provided to the Division of Insurance, particularly in the area of insurance fraud. As a result, we anticipate a significant increase in the number of criminal and civil enforcement actions filed and resolved through trial or settlement. The criminal and civil divisions will share this position.

Also in FY2006, the Regulatory Commission of Alaska is funding a second attorney position to assist in defending commission orders on appeal and representing the RCA in court as may be required and assist and advise the commission in drafting regulations and complete the legal review of regulations adopted by the commission. This addition to staff will increase the level of services provided to the commission and will enhance the commission's adjudication process.

LABOR AND STATE AFFAIRS

We are requesting an increment for \$176,400 to add funding to pay for a growing caseload in procurement/breach-of-contract law suits. The work associated with responding to these lawsuits is complex because it involves a large amount of discovery that can cost many thousands of dollars in copying charges. Additionally the work is very time consuming for both attorneys and paraprofessionals since it involves claims of breach where highly customized procurement is under dispute. We are seeking \$15,000 of the total amount to cover the cost of software licenses to purchase the capability to automate discovery by exploring the use of new copier technology that can create electronic versions of documents by scanning them using the copier. The caseload has grown by the equivalent of one attorney

and the remainder of the request is to staff this growing and ongoing workload.

Oil AND GAS PIPELINE-RELATED ISSUES

Assuming the state successfully negotiates a Stranded Gas contract, the division anticipates 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 including (1) assisting the Departments of Revenue and Natural Resources in crafting proposals for changes to the state's tax and royalty regimes in response to producer requests for greater fiscal certainty; (2) drafting legislative or regulatory language necessary to implement any changes to the state's fiscal regime or other state laws that will improve the viability of the project; and (3) assisting DNR and other agencies with their various permitting responsibilities related to the project.

In addition, if the successful applicant files an application for a certificate of public convenience and necessity with the Federal Energy Regulatory Commission, this section will be responsible for representing the state's interests in the project before that agency. Both in-house and outside counsel will be used in this endeavor. The enactment of federal legislation to accelerate development of Alaska's North Slope gas has increased significantly the demands placed on the Oil, Gas and Mining Section.

Assuming the state successfully negotiates a Stranded Gas contract and takes an ownership interest in the project, the department estimates the amount required for FY2005 and FY2006 outside counsel gasoline related legal work will deplete the \$9.0 million currently appropriated by the legislature and that additional appropriation will be needed and requested in the capital budget.

RECRUITMENT AND RETENTION

The Civil Division is experiencing major challenges in the recruitment and retention of qualified staff to serve as Assistant Attorneys General. This is true in both urban and rural offices. The primary reason for this serious problem is that the state's salaries for attorneys are not competitive with similar jobs in both the private and public sector. Law school graduates often have large student loans and cannot afford to take state legal positions when other public and private sector employers pay higher entry salaries. We are also losing experienced attorneys with many years of state service to jobs with higher pay in other public and private offices. These attorneys also leave because of the division's heavy caseloads. They can find more attractive, less stressful, jobs at higher pay in the private sector. The division needs to address this problem. The hiring and retention of qualified, skilled attorneys directly impacts the state's ability to achieve results in court.

TECHNOLOGY UPGRADE

The Department has embarked upon a several-tiered project to enhance the organization and efficiency of legal work through the use of technology. In the spring of 2005, a consultant was hired to review off-the-shelf applications that are available to the legal community to improve timekeeping and billing, provide full-blown case management and document management as well as potentially replace and unify the beleaguered collections and restitution data bases. The consultant recommended the implementation of ProLaw to provide a unified solution. A project manager was hired on staff in August, 2005 to study the business processes and work products existing in the current department environment and move the department toward implementation of ProLaw. That process is well under way, the business model is moving toward completion and users are concurrently being given a chance to preview ProLaw to become familiar with the tool they will be using. Full deployment of case management, and timekeeping and billing may occur by June 30, 2006. It is expected that document management will not be fully in place until 2007.

TORTS

Effective June 2004, AS 09.50.253 affords a certification process for common law claims against individually sued state employees for lawsuits brought pursuant to AS 09.50.250. The certification process allows an individually sued state employee to be dismissed from a lawsuit (and the state substituted as defendant) if the Attorney General certifies that the employee was acting within the scope of the employee's office or employment at the time of the incident out of

which the claim arose. The certification process will play a larger role in the section's tort defense in FY 2007 because of the June 2004, effective date and the two-year statute of limitations for tort claims.

Major RDU Accomplishments in 2005

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 \$4.7 million in FY2005, an increase of over \$500,000 from FY2004. These collections included 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 \$1.5 million in restitution

Commercial and Fair Business: The division successfully litigated on behalf of the Division of Investments eight cases involving defaulted loans and obtained judgments totally \$1,212,009. It also successfully prosecuted and negotiated settlements in a longstanding corporate income tax case that resulted in payment of \$7 million in taxes to the state.

Consumer Protection and Antitrust Enforcement: Processed 369 consumer complaints, of those, 53 were successfully mediated resulting in either direct or indirect assistance to consumers or referral to other appropriate state and federal agencies. Participated in five multistate antitrust matters involving pharmaceutical companies that resulted in favorable settlements for Alaska including \$280,000 in receipts for consumer protection/antitrust enforcement efforts as well as restitution to affected consumers or state agencies. Participated in or completed four consumer education initiatives related to predatory lending practices, identity theft, senior issues, auto repair, business opportunities, antitrust issues in the petroleum industry. These initiatives were accomplished through media outreach, targeted brochures, and presentations to consumer and industry groups. The division collected \$65,935 in fees for registration of charitable organizations, paid solicitors, and telemarketers.

Environmental cleanup: In FY2005, the component recovered over \$1,100,000 for state costs and penalties related to violations of state environmental laws and obtained cleanup agreements with polluters with an estimated value of over \$81,235,000 for a total benefit to the state of over \$82,000,000. To accomplish this, the component expended only \$1,344,000.

Natural Resources: The division successfully defended in Supreme Court the Commissioner of Fish and Game's discretion to open fisheries by emergency order.

Natural Resources: The division continued to defend ADF&G in litigation related to mariculture of geoduck clams.

Natural Resources: The division represented CFEC & ADF&G in the Alaska Supreme Court and superior court regarding the state's nonresident commercial fishing fees.

Natural Resources: The state defeated a second preliminary injunction motion to halt predator control and briefed motions for summary judgment.

Natural Resources: The division cleared land titles for numerous parcels of state land targeted for land disposal.

Oil and Gas: The division participated in complex and intensive negotiations with the TransCanada Corporation and the major North Slope producers under the Stranded Gas Development Act. The section engaged in drafting detailed contract provisions and analyzing constitutional and other state law issues relevant to the contracts.

Oil and Gas: The division assisted the Departments of Revenue and Natural Resources in analyzing legislative proposals to accelerate oil and gas development in the state and modify the Economic Limit Factor.

Oil and Gas: The division resolved a Loss reopener against a North Slope producer for approximately \$4 million, and also negotiated with the same producer a partial resolution to a Destination Value reopener worth approximately \$30 million. The Destination Value reopener was resolved in 2005 after trial, for a total amount of \$40 million, but the final amount that the State will receive depends on the results of a pending Transportation Cost reopener which may offset to some degree the results from the other reopeners.

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, investigated and resolved several ethics complaints, and is continuing work on several pending investigations and issues.

Regulatory Affairs Public Advocacy: During FY2005, the division, on behalf of the Attorney General filed comments or briefs in three dockets and prefiled direct testimony in sixteen dockets: seven electric utility rate cases, a statewide refuse utility rate case, a statewide natural gas utility case, a statewide natural gas pipeline utility rate case seven local exchange carrier telecommunications rate cases, including depreciation study testimony, and one each water and sewer utility rate cases. In addition the division provided written comments in a regulations docket concerning the rates long distance telephone companies pay local telephone companies for access to the local network.

Statehood Defense: State's attorneys completed briefing and oral argument before the United States Supreme Court on the issue of title to the submerged lands in Glacier Bay National Park.

Statehood Defense: The state filed a new lawsuit against the United States challenging the manner in which the federal agencies applied the Federal Reserved Water Rights doctrine in federal subsistence regulations.

Statehood Defense: The state briefed and argued the Manning case, a challenge to the state's Tier II subsistence hunting scoring criteria.

Statehood Defense: The state continued to file new applications with the Bureau of Land Management for recordable disclaimers of interest (RDI) for lands underlying navigable waters and has received a number of RDIs from BLM. The state has now filed a total of 13 applications to BLM for 31 waterbodies.

Statehood Defense: The state filed a new quiet title action against the United States to quiet title to two RS 2477 rights-of-way in northern Alaska.

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**Civil Division
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2005 Actuals				FY2006 Management Plan				FY2007 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>												
Dep. Attny General's Office	2,430.0	0.0	49.1	2,479.1	246.4	0.0	0.0	246.4	267.2	0.0	0.0	267.2
Collections and Support	471.6	0.0	1,489.6	1,961.2	611.2	0.0	1,566.3	2,177.5	637.4	0.0	1,634.6	2,272.0
Commercial and Fair Business	459.7	0.0	2,681.8	3,141.5	936.9	0.0	3,487.3	4,424.2	952.7	0.0	3,323.2	4,275.9
Environmental Law	444.8	0.0	1,414.9	1,859.7	896.1	0.0	1,970.1	2,866.2	953.4	0.0	956.5	1,909.9
Human Services	3,533.8	0.0	1,293.9	4,827.7	4,208.4	0.0	1,359.2	5,567.6	4,170.1	0.0	1,432.3	5,602.4
Labor and State Affairs	1,565.0	0.0	2,038.7	3,603.7	1,744.4	0.0	2,832.0	4,576.4	2,106.7	0.0	3,253.0	5,359.7
Legislation/Regulations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	703.9	0.0	248.6	952.5
Natural Resources	1,152.9	0.0	98.0	1,250.9	835.3	0.0	222.7	1,058.0	878.7	0.0	326.5	1,205.2
Oil, Gas and Mining	5,896.0	0.0	3,714.9	9,610.9	9,810.0	0.0	1,477.0	11,287.0	3,402.6	0.0	1,477.0	4,879.6
Opinions, Appeals and Ethics	66.5	0.0	144.6	211.1	867.5	0.0	402.5	1,270.0	1,042.6	0.0	418.3	1,460.9
Reg Affairs Public Advocacy	0.0	0.0	967.1	967.1	0.0	0.0	1,378.4	1,378.4	0.0	0.0	1,425.0	1,425.0
Statehood Defense	820.0	0.0	0.0	820.0	1,493.0	0.0	0.0	1,493.0	1,012.8	0.0	0.0	1,012.8
Timekeeping and Support	0.0	0.0	671.7	671.7	15.6	0.0	922.3	937.9	15.6	0.0	969.1	984.7
Torts and	0.8	0.0	2,472.4	2,473.2	47.1	0.0	2,836.3	2,883.4	47.1	0.0	2,978.2	3,025.3

Civil Division RDU Financial Summary by Component												
<i>All dollars shown in thousands</i>												
	FY2005 Actuals				FY2006 Management Plan				FY2007 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
Workers' Compensation												
Transportation Section	0.0	0.0	1,994.0	1,994.0	38.9	0.0	2,108.1	2,147.0	38.9	0.0	2,197.0	2,235.9
Totals	16,841.1	0.0	19,030.7	35,871.8	21,750.8	0.0	20,562.2	42,313.0	16,229.7	0.0	20,639.3	36,869.0

Civil Division
Summary of RDU Budget Changes by Component
From FY2006 Management Plan to FY2007 Governor

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	21,750.8	0.0	20,562.2	42,313.0
Adjustments which will continue current level of service:				
-Dep. Attny General's Office	20.5	0.0	0.0	20.5
-Collections and Support	25.4	0.0	66.2	91.6
-Commercial and Fair Business	15.3	0.0	-168.8	-153.5
-Environmental Law	55.1	0.0	-1,013.9	-958.8
-Human Services	-44.6	0.0	70.8	26.2
-Labor and State Affairs	183.3	0.0	297.4	480.7
-Legislation/Regulations	30.8	0.0	11.3	42.1
-Natural Resources	20.5	0.0	103.5	124.0
-Oil, Gas and Mining	-6,412.3	0.0	0.0	-6,412.3
-Opinions, Appeals and Ethics	173.9	0.0	15.2	189.1
-Reg Affairs Public Advocacy	0.0	0.0	45.1	45.1
-Statehood Defense	-481.9	0.0	0.0	-481.9
-Timekeeping and Support	0.0	0.0	45.5	45.5
-Torts and Workers' Compensation	0.0	0.0	137.4	137.4
-Transportation Section	0.0	0.0	86.0	86.0
Proposed budget increases:				
-Dep. Attny General's Office	0.3	0.0	0.0	0.3
-Collections and Support	0.8	0.0	2.1	2.9
-Commercial and Fair Business	0.5	0.0	4.7	5.2
-Environmental Law	2.2	0.0	0.3	2.5
-Human Services	6.3	0.0	2.3	8.6
-Labor and State Affairs	179.0	0.0	123.6	302.6
-Legislation/Regulations	1.0	0.0	0.4	1.4
-Natural Resources	22.9	0.0	0.3	23.2
-Oil, Gas and Mining	4.9	0.0	0.0	4.9
-Opinions, Appeals and Ethics	1.2	0.0	0.6	1.8
-Reg Affairs Public Advocacy	0.0	0.0	1.5	1.5
-Statehood Defense	1.7	0.0	0.0	1.7
-Timekeeping and Support	0.0	0.0	1.3	1.3
-Torts and Workers' Compensation	0.0	0.0	4.5	4.5
-Transportation Section	0.0	0.0	2.9	2.9
FY2007 Governor	16,229.7	0.0	20,639.3	36,869.0