

OKLAHOMA ATTORNEY GENERAL

First Assistant Attorney General: **Cara Rodriguez**

Chief Financial Officer: **Curt McMurphy**

FY'17 Projected Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
Administration					\$4,752,912	\$4,752,912
Civil Rights					\$622,220	\$622,220
Criminal Appeals					\$2,246,571	\$2,246,571
General Counsel			\$3,533,496		\$107,500	\$3,640,996
Litigation					\$2,772,935	\$2,772,935
Medicaid Fraud		\$2,203,505	\$734,502		\$10,000	\$2,948,006
Multi-County Grand Jury			\$567,668		\$868,768	\$1,436,437
Consumer Protection			\$745,471		\$1,022,667	\$1,768,138
Public Utilities			\$179,915		\$648,531	\$828,446
Solicitor General					\$3,220,067	\$3,220,067
Tobacco Enforcement					\$759,550	\$759,550
Victims' Services	\$4,170,814	\$1,756,378	\$545,000		\$467,024	\$6,939,215
Workers' Compensation Fraud			\$923,577		\$12,000	\$935,577
Insurance Fraud			\$230,466		\$618,611	\$849,077
Cooperative Disability Investigation			\$48,000		\$240,441	\$288,441
Legal Aid	\$904,726					\$904,726
Court Appointed Special Advocate			\$65,000			\$65,000
Justice Reinvestment Grant	\$1,250,517					\$1,250,517
Information Services					\$2,078,500	\$2,078,500
Total	\$6,326,057	\$3,959,882	\$7,573,095	\$0	\$20,448,297	\$38,307,331

Case settlements make up approximately 90% of "Other" funding and approximately 48% of total funding.

FY'16 Carryover and Refund by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'16 Carryover						
FY'16 GR Refund**	\$358,712					\$358,712

*Source of "Other" and % of "Other" total for each.

**Indicate how the FY'16 General Revenue refund was budgeted
Refund funds were budgeted and will be used for the Justice Reinvestment Grant initiative.

What Changes did the Agency Make between FY'16 and FY'17
<p>1.) Are there any services no longer provided because of budget cuts? No</p> <p>2.) What services are provided at a higher cost to the user? N/A</p> <p>3.) What services are still provided but with a slower response rate? N/A</p> <p>4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document. See Pay Raises</p>

FY'18 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change
Administration	\$4,550,000				\$4,550,000	-4.27%
Civil Rights			\$590,000	\$10,000	\$600,000	-3.57%
Criminal Appeals				\$2,200,000	\$2,200,000	-2.07%
General Counsel			\$3,550,000	\$100,000	\$3,650,000	0.25%
Litigation				\$2,750,000	\$2,750,000	-0.83%
Medicaid Fraud		\$2,205,000	\$735,000	\$10,000	\$2,950,000	0.07%
Multi-County Grand Jury			\$600,000	\$825,000	\$1,425,000	-0.80%
Consumer Protection			\$800,000	\$900,000	\$1,700,000	-3.85%
Public Utilities			\$200,000	\$550,000	\$750,000	-9.47%
Solicitor General	\$1,000,000				\$1,000,000	-68.94%
Tobacco Enforcement			\$500,000	\$250,000	\$750,000	-1.26%
Victims' Services	\$4,271,331	\$1,750,000	\$545,000	\$373,000	\$6,939,331	0.00%
Workers' Compensation Fraud			\$875,000		\$875,000	-6.47%
Insurance Fraud			\$230,000	\$540,000	\$770,000	-9.31%
Cooperative Disability Investigation			\$270,000		\$270,000	-6.39%
Legal Aid	\$904,726				\$904,726	0.00%
Court Appointed Special Advocate			\$65,000		\$65,000	0.00%
Justice Reinvestment Grant	\$2,000,000				\$2,000,000	59.93%
Information Services				\$2,000,000	\$2,000,000	-3.78%
Total	\$12,726,057	\$3,955,000	\$8,960,000	\$10,508,000	\$36,149,057	-5.63%

Other funding is primarily made up of case settlements.

FY'18 Top Five Appropriation Funding Requests		\$ Amount
<p>This request is to reinstate the Office of Attorney General's "one-time" request to forego appropriations funding for FY17 operations. On January 25, 2016, Attorney General Scott Pruitt sent a letter to Governor Mary Fallin, President Pro Tempore Brian Bingman, Speaker Jeff Hickman, and Secretary Preston Doerflinger, requesting that the Legislature forego appropriating FY17 operating funds in an amount totaling approximately \$6,400,000. As noted in the letter, this <i>one-time request</i> was primarily due to successful case settlements--the amount and timing of which can fluctuate from year to year. While the Office of Attorney General will continue to forego operations appropriations when possible, the Office seeks reinstatement of operating appropriations for FY18 to ensure the mission of the Office and its statutorily-required duties can continue without jeopardizing the agency's capacity to perform core services.</p>		\$ 6,400,000
Total Increase above FY-17 Funding		\$ 6,400,000

How would the agency handle a 5% appropriation reduction in FY'18?
Continued abatement or reduction in the Office's operations appropriations threatens the ability of the Office to fulfill its mission and its many statutorily-required duties which could result in vacant positions remaining vacant; an increase in the rates for services performed or fees charged for representation by the Office (possibly causing state agencies and government clients to seek outside counsel at significant cost to the State); a reduction in funding for domestic violence services and shelters; a reduction in Justice Reinvestment Grant funding; and/or the inability to fulfill core services.

How would the agency handle a 7.5% appropriation reduction in FY'18?
Continued abatement or reduction in the Office's operations appropriations threatens the ability of the Office to fulfill its mission and its many statutorily-required duties which could result in vacant positions remaining vacant; an increase in the rates for services performed or fees charged for representation by the Office (possibly causing state agencies and government clients to seek outside counsel at significant cost to the State); a reduction in funding for domestic violence services and shelters; a reduction in Justice Reinvestment Grant funding; and/or the inability to fulfill core services.

How would the agency handle a 10% appropriation reduction in FY'18?
Continued abatement or reduction in the Office's operations appropriations threatens the ability of the Office to fulfill its mission and its many statutorily-required duties which could result in vacant positions remaining vacant; an increase in the rates for services performed or fees charged for representation by the Office (possibly causing state agencies and government clients to seek outside counsel at significant cost to the State); a reduction in funding for domestic violence services and shelters; a reduction in Justice Reinvestment Grant funding; and/or the inability to fulfill core services.

Is the agency seeking any fee increases for FY'18?	\$ Amount
N/A	\$0
	\$0
	\$0

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

N/A

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

All federal money is tied to mandates.

2.) Are any of those funds inadequate to pay for the federal mandate?

Yes

3.) What would the consequences be of ending all of the federal funded programs for your agency?

There would be an approximate 30% reduction in domestic abuse and women and children's shelter funding across the State.

The Medicaid Fraud Control Unit would be reduced by approximately 75% which would negatively impact the number of case settlements and thus the annual amount the Office contributes to the State General Revenue Fund.

The Cooperative Disability Investigation Unit is funded entirely by the Social Security Administration as conceived by then Senator Tom Coburn. If the funding is lost, the program would cease to exist.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

We are unaware of any federal budget cuts relating to our services.

5.) Has the agency requested any additional federal earmarks or increases?

We have not requested any earmarks; however, we continue to apply for federal grants when they align with the duties of the Office and are offered.

Division and Program Descriptions

Administration

Administration provides direction and management and houses the centralized functions of the entire agency that are essential to all units and sections, including senior management, finance, accounting, file clerks, and receptionists. Administration meets the day-to-day needs of the agency by ensuring that proper supplies, support, and staff are maintained and by seeking innovative ways to maintain employee morale with an eye to improved work product. Senior management establishes the overall mission and goals of the agency and identifies and implements legal solutions to issues and cases that impact the State and its citizenry as a whole.

Solicitor General Unit

The Solicitor General Unit specializes in state and federal appellate advocacy on matters implicating the State's critical interests. For example, among their duties, the attorneys in this Unit defend constitutional challenges to State laws, defend challenges to ballot titles, and defend the State against lawsuits implicating the State's interests in its natural resources. This Unit is also responsible for any litigation against federal agencies, advancing the State's interest in federalism-related matters.

Legal Services

The following units provide the following legal services to the State, its agencies, and citizens:

The Public Utility Unit represents and protects the collective interests of all utility consumers of the State in rate-related matters in state or federal judicial or administrative proceedings involving natural gas, electric power, telecommunications and water services.

The Office of Civil Rights Enforcement was created within the Office by the State Legislature to replace the Human Rights Commission and is the only state office with the authority to investigate and enforce the mandates of the Oklahoma Anti-Discrimination Act. The Office of Civil Rights Enforcement services the entire State and promotes awareness and creates educational opportunities for Oklahomans through outreach efforts on the rights and responsibilities under the Oklahoma Anti-Discrimination Act.

The General Counsel Unit provides legal advice, counsel, representation, and other legal services to a combined total of 117 state officers, agencies, boards and commissions on an ongoing basis. The Unit also represents agencies and officers in administrative and civil actions (including appeals); provides attorneys to serve as administrative hearing officers in administrative proceedings before various state agencies, boards, and commissions; reviews inter-local agreements submitted pursuant to the Inter-local Cooperation Act; and annually reviews bond issues in the Attorney General's capacity as ex officio Bond Commissioner for compliance with the laws of the State, having reviewed 296 bond issues within the last year.

The Litigation Unit represents the State, its agencies, officers, and employees when they are sued in civil actions in state and federal courts in Oklahoma and other States. The Unit also assists state agencies in many other ways, such as by providing advice and representation in bankruptcy, real property, and probate proceedings; pursuing the recovery of monies due to agencies as a result of administrative proceedings; and overseeing cases wherein private parties challenge the constitutionality of state statutes.

The Criminal Appeals Unit upholds the convictions of the guilty and ensures that the punishment imposed by judges and juries are carried out; provides quality responses that will aid the courts in ruling on issues of law and in the development of new legal precedents; provides training to judges and prosecutors to reduce errors made at trial; provides updates on legal issues through fielding inquiries, seminars, and legal publications; represents the State's prison wardens by filing responses to petitions for writ of habeas corpus filed in federal courts by Oklahoma's prisoners; represents judges who are sued through writs of mandamus and prohibition; and informs crime victims on the status of death penalty cases as they progress through the appellate process.

The Consumer Protection Unit enforces the Oklahoma Consumer Protection Act, the Charitable Solicitations Act, state and federal antitrust laws, and other consumer laws; administers Oklahoma's "Do Not Call" registry and program; and provides educational programs and materials on consumer issues. The Unit protects consumers from fraudulent and unfair practices through law enforcement and education and protects the public and solves community problems through the education of consumers, fair enforcement of consumer laws, and cooperation and coordination with other law enforcement agencies.

Tobacco Enforcement Unit

Under the Master Settlement Agreement entered into with major tobacco companies, Oklahoma is projected to receive an annual payment in excess of \$72,000,000, and was required to enact a statute requiring non-participating manufacturers to fund an escrow statute based upon their sales within the State. If Oklahoma fails to enforce the provisions of that statute in any given year, it could lose a substantial portion of its annual payment, a portion of which goes to the General Revenue Fund. The companies that joined the Master Settlement Agreement filed an arbitration proceeding against Oklahoma and other States arguing that those States failed to enforce their escrow statutes and caused the companies to suffer a market share loss. The arbitration panel ruled that, in determining whether a State enforced its escrow statute, the following would be considered: the collection rate of escrow owed; the reliability of data reported by tobacco manufacturers and distributors; resources allocated to enforcement of the escrow statute; lawsuits filed against non-compliant companies; prevention of future sales by non-compliant manufacturers; and efforts to become aware of other States' enforcement efforts and legislation. Oklahoma settled potential arbitrations and, as a result of that settlement, the State agreed to enhance its enforcement efforts. The Tobacco Enforcement Unit collects monthly cigarette sales reports from tobacco distributors; conducts audits, as necessary, of those reports; conducts inspection of tobacco retailers for non-compliant cigarettes; reviews Pact Act reports submitted by tobacco product manufacturers; reviews applications from tobacco product manufacturers to be listed on the Office's Tobacco Registry; files lawsuits against non-compliant manufacturers; and brings actions against individuals selling contraband tobacco products. The Unit's goal is to prevent Oklahoma from losing any part of its annual MSA payment by having all cigarette products correctly reported and escrow paid on all sales by non-participating manufacturers.

Multi-County Grand Jury Unit

The Multi-County Grand Jury Unit serves as legal advisor to the Multi-County Grand Jury and for County Grand Juries when the District Attorney has been disqualified; processes and assigns District Attorney recusals statewide; prosecutes special cases initiated within the Unit; assists in special prosecutions with state District Attorneys and Attorney General investigations; investigates and acts upon Title 51 Citizen Complaints; and represents Medical Examiners in 751 hearings.

Medicaid Fraud Control Unit

The Medicaid Fraud Control Unit investigates and prosecutes Medicaid provider fraud and the abuse, neglect, and financial exploitation in Oklahoma nursing facilities that receive Medicaid funds. A portion of funds recovered by the Unit are transferred to the General Revenue Fund on an annual basis; over the last five years, more than \$11.6 million has been transferred to the General Revenue Fund.

Workers' Compensation Fraud Unit

The Workers' Compensation Fraud Unit possesses exclusive authority in the State to prosecute workers' compensation fraud and combines efforts with the Workers' Compensation Commission to provide effective enforcement of fraud statutes against illegal activity by both employers and employees. The Unit investigates each complaint received based upon evidentiary potential and provides education and training across the State on issues of workers' compensation laws.

Insurance Fraud Unit

The Insurance Fraud Unit is responsible for investigating and prosecuting complex, white collar insurance fraud. The Unit works with the Insurance Department and other agencies to reduce the burden on the criminal justice system by prosecuting these specialized cases across the State.

Cooperative Disability Investigation Unit

The Cooperative Disability Investigation Unit investigates Social Security Disability fraud by using federal funds to cooperate with the Social Security Administration to identify potential fraud cases before benefits are extended which results in millions of dollars in federal benefits saved each year.

Victims Services Unit

The Victims Services Unit oversees funding and certification for domestic violence and sexual assault shelters, batterers' intervention, and adult victims of sex trafficking programs across Oklahoma. The Unit provides regional training for law enforcement officers, prosecutors, victim advocates, health care professionals, shelter workers, and various other service providers and also provides appellate notification and advocacy to survivors and victims' families in death penalty cases.

FY'18 Budgeted FTE						
	Supervisors	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Administration	7	0	28	4	15	9
Civil Rights	1	0	7	0	6	1
Criminal Appeals	1	0	20	1	10	9
General Counsel	1	0	29	0	8	21
Litigation	1	0	25	3	12	10
Medicaid Fraud	2	0	23	0	17	6
Multi-County Grand Jury	2	0	13	1	9	3
Consumer Protection	2	0	14	3	8	3
Public Utilities	1	0	5	0	3	2
Solicitor General	1	0	6	0	2	4
Tobacco Enforcement	1	0	7	0	5	2
Victims' Services	1	0	9	0	8	1
Workers' Compensation, Insurance Fraud, and CDI	2	0	20	0	17	3
Total	23	0	206	12	120	74

FTE History					
	2017 Budgeted	2016	2013	2010	2006
Administration	30	26	21	26	27
Civil Rights	7	6	0	0	0
Criminal Appeals	21	21	19	18	24
General Counsel	29	31	27	23	29
Litigation	24	25	23	23	24
Medicaid Fraud	23	23	23	20	19
Multi-County Grand Jury	12	12	9	9	10
Consumer Protection	15	17	20	15	14
Public Utilities	5	5	4	4	4
Solicitor General	6	6	2	3	0
Tobacco Enforcement	7	7	4	5	5
Victims' Services	8	8	7	7	5
Workers' Compensation, Insurance Fraud, and CDI	20	19	19	15	15
Total	207	206	178	168	176

Performance Measure Review					
	FY'16	FY'15	FY'14	FY'13	FY'12
State Legal Team Continue to be the State's most knowledgeable and economical legal team.					
Legal Liability Training Offer instruction, training, and education to state agencies through seminars and educational material directed at helping agencies avoid legal liability.					

Revolving Funds (200 Series Funds)			
	FY'14-16 Avg. Revenues	FY'14-16 Avg. Expenditures	June '16 Balance
200-Attorney General Revolving Fund 74 O.S. § 20, 62 O.S. § 15, 68 O.S. § 360.4, 74 O.S. § 18l, and 82 O.S. § 1020.16, - The fund is used to deposit funds from attorney contracts with other agencies, sale of Opinion copies, and for case settlements. The fund is used for payroll and operating expenditures for the OAG.	\$7,466,394	\$7,374,928	\$673,620
205-Telemarketer Revolving Fund 15 O.S. § 775B.7 - This fund is from telemarketing companies that purchase the Do Not Call list. Funds are used for the purpose of implementing, administering, and/or enforcing the provisions of the Telemarketer Restriction Act.	\$147,817	\$119,928	\$100,159
210-Charitable Solicitations Revolving Fund 18 O.S. § 552.7 - Fees from registrations of professional fundraisers. 18 O.S. § 552.9 - Fees from registration of solicitors working for professional fundraisers. Funds are used to enforce the dozens of statutes governing charitable organizations and contributions, and provide funding for the salaries of a lawyer and investigator to perform such duties. Additionally, funds are used to provide education and outreach to the charitable giving community.	\$153,580	\$107,146	\$139,301
220-Workers' Compensation Revolving Fund 74 O.S. § 19.2 - This fund is used strictly for payroll and operating expenditures in the Workers' Comp Fraud Unit.	\$828,269	\$732,567	\$317,585
225-Insurance Fraud Revolving Fund 74 O.S. § 19.3 - This fund is used strictly for payroll and operating expenditures in the Insurance Fraud Unit.	\$411,846	\$530,782	\$91,861
240-Court Appointed Special Advocate 47 O.S. § 1135.5 (OSCN 2012) 12 - Crime Victims Awareness License Plates funds are used to contract with statewide nonprofit organizations to provide services to crime victims. The amount is given entirely to the CASA programs.	\$115,801	\$120,114	\$35,942
245-Medicaid Fraud Revolving Fund 56 O.S. § 1003E - This fund is used strictly for payroll and operating expenditures in the Medicaid Fraud Unit. Any funds exceeding one-half of the Medicaid Fraud Unit expense budget are swept annually, with 75% going to the General Revenue Fund and 25% to the Attorney General Evidence Fund.	\$4,434,374	\$3,311,286	\$2,815,644
250-Legal Services Revolving Fund 12 O.S. § 14 921.1 G - Funds appropriated to provide legal representation to indigent persons in this State in civil legal matters.	\$904,358	\$904,726	\$225,427
255-Domestic Violence, Sexual Assault Fund 68 O.S. § 2368.22 - Beginning with the 2011 tax year, Oklahoma income tax returns allowed a donation from tax refunds for the benefit of domestic violence and sexual assault services in Oklahoma to be deposited in this fund. Revenue from the sale of special license plates is also deposited in this fund. All funds are passed through to State shelters.	\$13,440	\$563	\$43,876
260-Victims' Services Revolving Fund 28 O.S. Supp 2007 § 153 F - A fund established for the OAG to collect \$3 fine fees from offenders to be used for domestic violence prevention in the state. Each month the counties add to the fund the amount due and the OAG's office remits the funds to women's shelters and other public centers which provide services to victims of domestic violence, sexual assault, and other violent crimes.	\$492,802	\$498,142	\$143,538