



Budget Briefing: Attorney General

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Briefing Topics

- Funding Sources
- Appropriations Areas
- Major Budget Topics

Department of Attorney General

The Attorney General's powers are prescribed by the Constitution and further delineated by statute and case law.

- The Attorney General:
 - Serves as legal counsel for state departments, agencies, boards, commissions, and their officers
 - Defends the state in court
 - Serves as the chief law enforcement officer of the state
 - Brings actions and intervenes in cases on the state's behalf
 - Issues legal opinions that have the force of law until reversed by legislative or judicial action

Key Budget Terms

Fiscal Year: The state's fiscal year (FY) runs from October to September. FY 2019-20 is October 1, 2019 through September 30, 2020.

Appropriation: Authority to expend funds. An appropriation is not a mandate to spend. Constitutionally, state funds cannot be expended without an appropriation by the legislature.

Line Item: Specific appropriation amount in a budget bill which establishes spending authorization for a particular program or function.

Boilerplate: Specific language sections in a budget bill which direct, limit, or restrict line item expenditures, express legislative intent, and/or require reports.

Lapse: Appropriated amounts that are unspent or unobligated at the end of a fiscal year. Appropriations are automatically terminated at the end of a fiscal year unless designated as a multi-year work project under a statutory process. Lapsed funds are available for expenditure in the subsequent fiscal year.

Note: Unless otherwise indicated, historical budget figures in this presentation have not been adjusted for inflation.

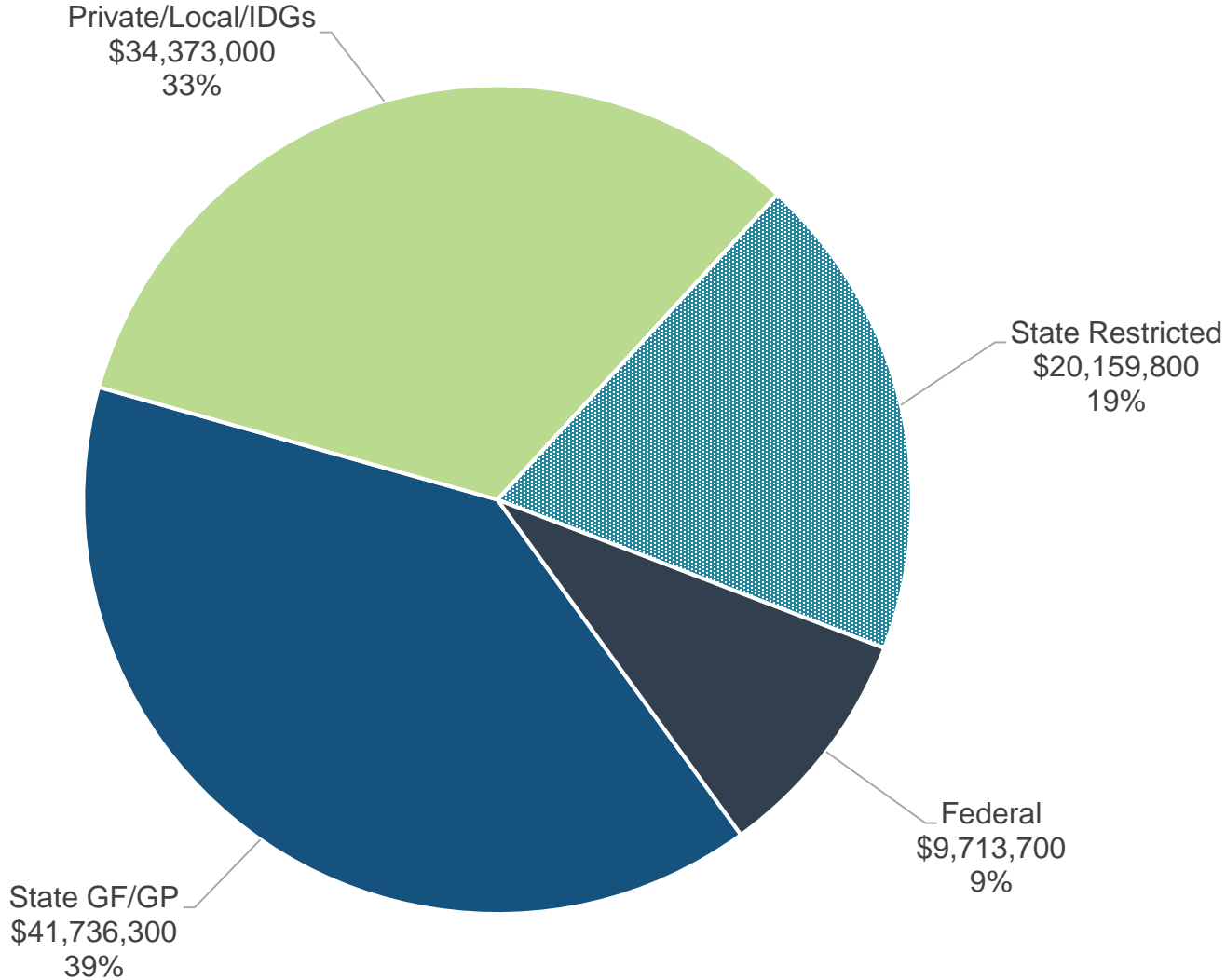
Funding Sources

FY 2019-20 Attorney General Budget

Fund Source	Funding	Description
Gross Appropriations	\$105,982,800	Total spending authority from all revenue sources
Interdepartmental Grants (IDG) Revenue	34,373,000	Funds received by one state department from another state department, usually for services provided
Adjusted Gross Appropriations	\$71,609,800	Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas
Federal Revenue	9,713,700	Federal grant or matching revenue; generally dedicated to specific programs or purposes
Local Revenue	0	Revenue received from local units of government for state services
Private Revenue	0	Revenue from individuals and private entities, including payments for services, grants, and other contributions
State Restricted Revenue	20,159,800	State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue
State General Fund/General Purpose (GF/GP) Revenue	\$41,736,300	Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the legislature

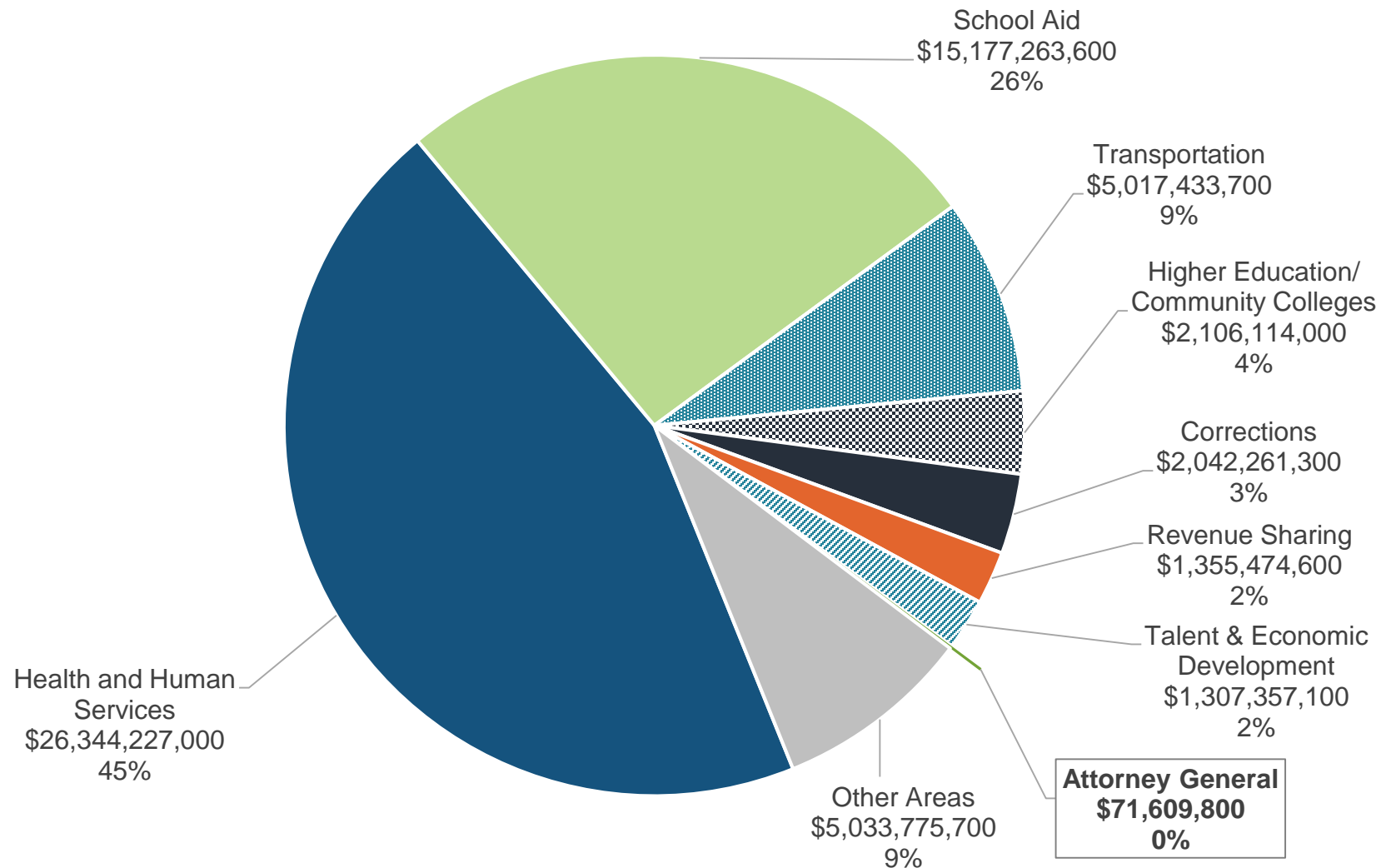
FY 2019-20 Fund Sources

39% of the \$106.0 million Attorney General budget is funded by general fund/general purpose revenue.



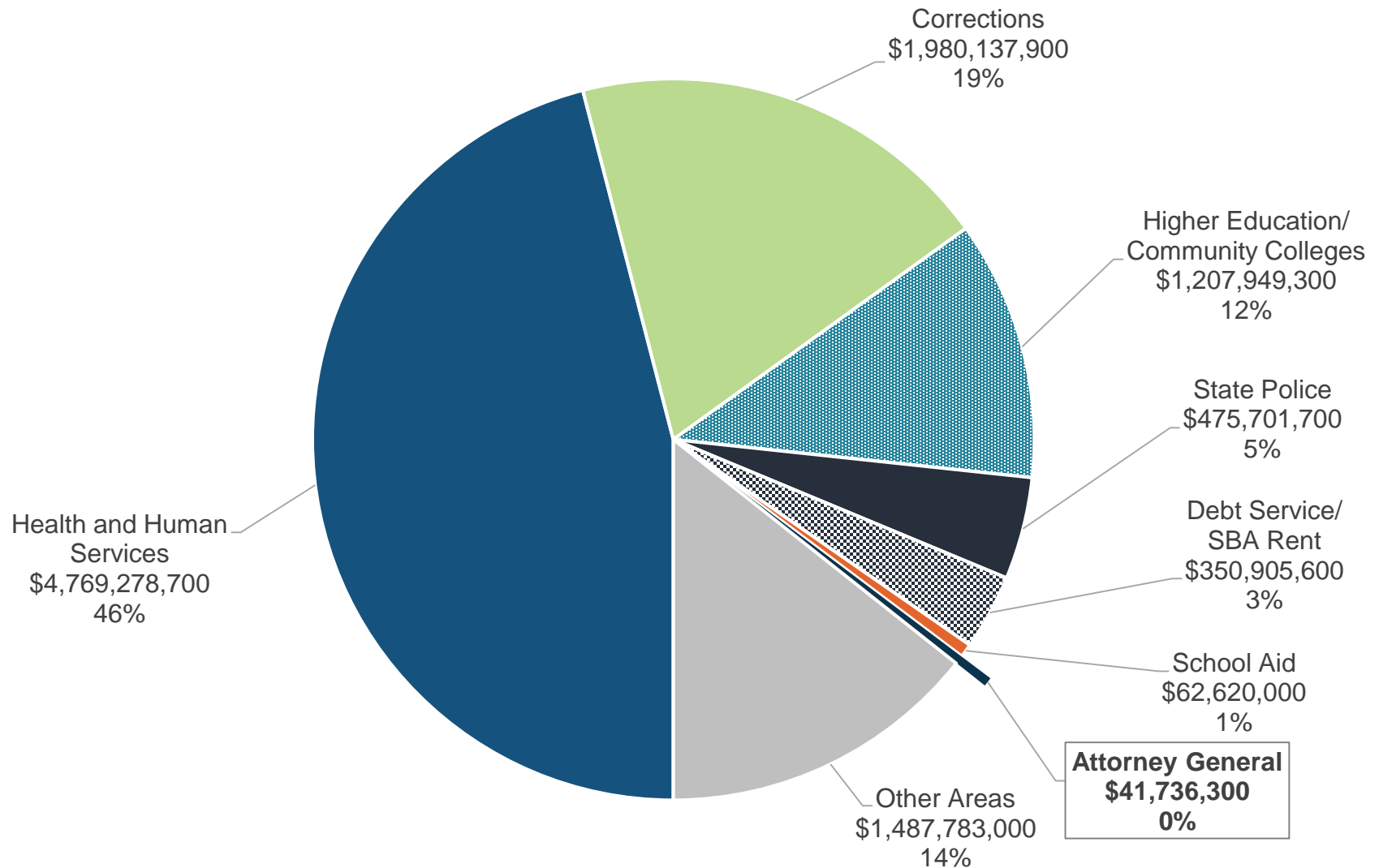
Attorney General Share of Total State Budget

The Attorney General budget represents less than 1% of the **\$58.5 billion** state budget (adjusted gross) for FY 2019-20.



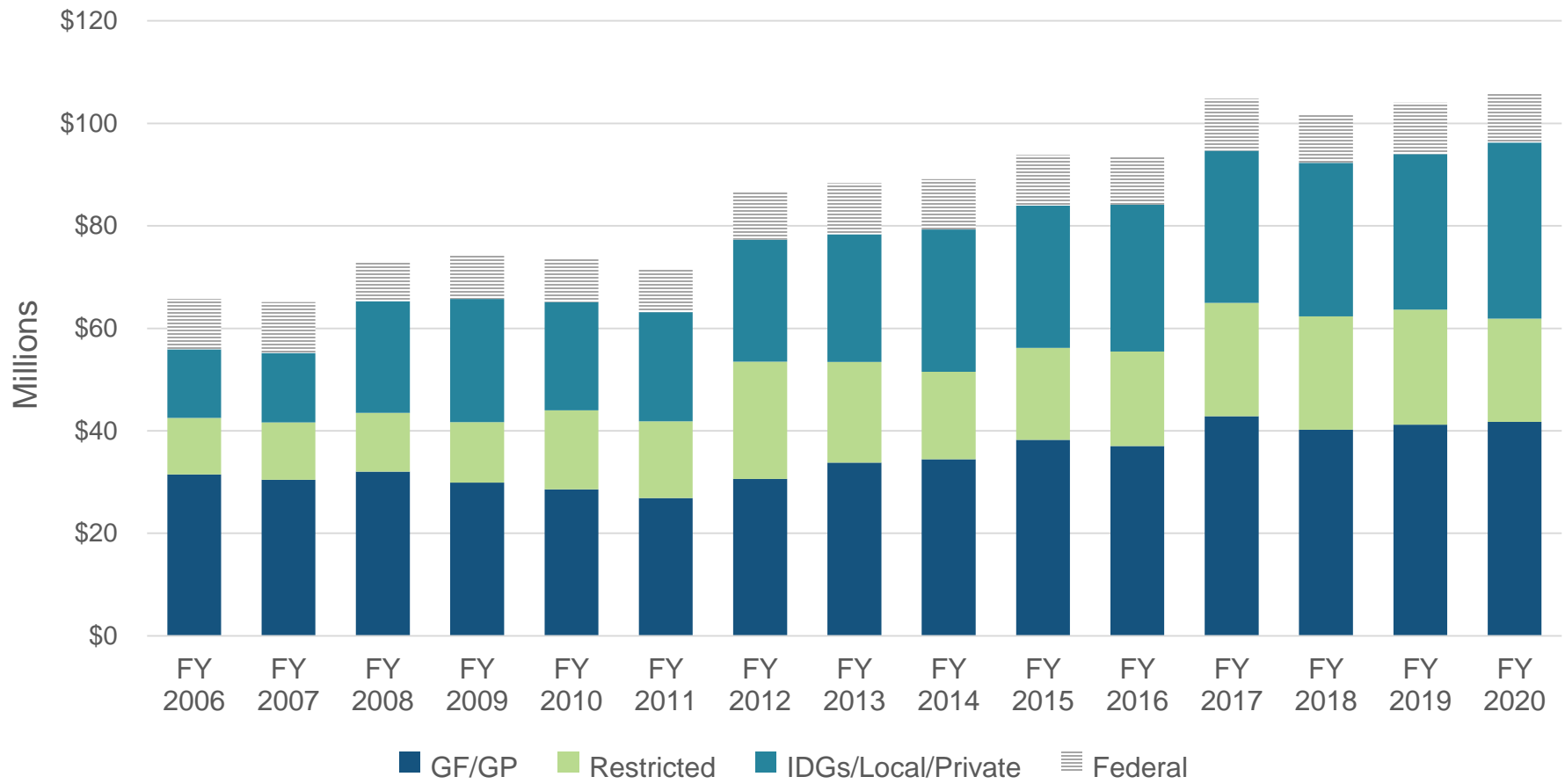
Attorney General Share of Total GF/GP Budget

The Attorney General budget represents less than 1% of the state's **\$10.4 billion** GF/GP budget for FY 2019-20.



Attorney General - Funding History

Funding for the Attorney General has grown by **61%** since FY 2005-06, driven mainly by the pre-funding of retiree health care in FY 2012, increased one-time appropriations, and expanded enforcement responsibilities and caseloads. Funding has remained generally even in recent years.



Appropriation Areas

Attorney General Appropriation Areas

Department Operations: Personnel and operational costs associated with executive administration and providing legal advice and representation for state departments. Operations include the department's ongoing special investigations and various enforcement activities.

Child Support Division: Personnel and operational costs associated with child support enforcement activities.

Prosecuting Attorneys Coordinating Council (PACC): Autonomous agency responsible for ensuring a uniform system of conduct, duty, and procedure among prosecutors.

Public Safety Initiative: Prosecutorial assistance for selected high-crime areas.

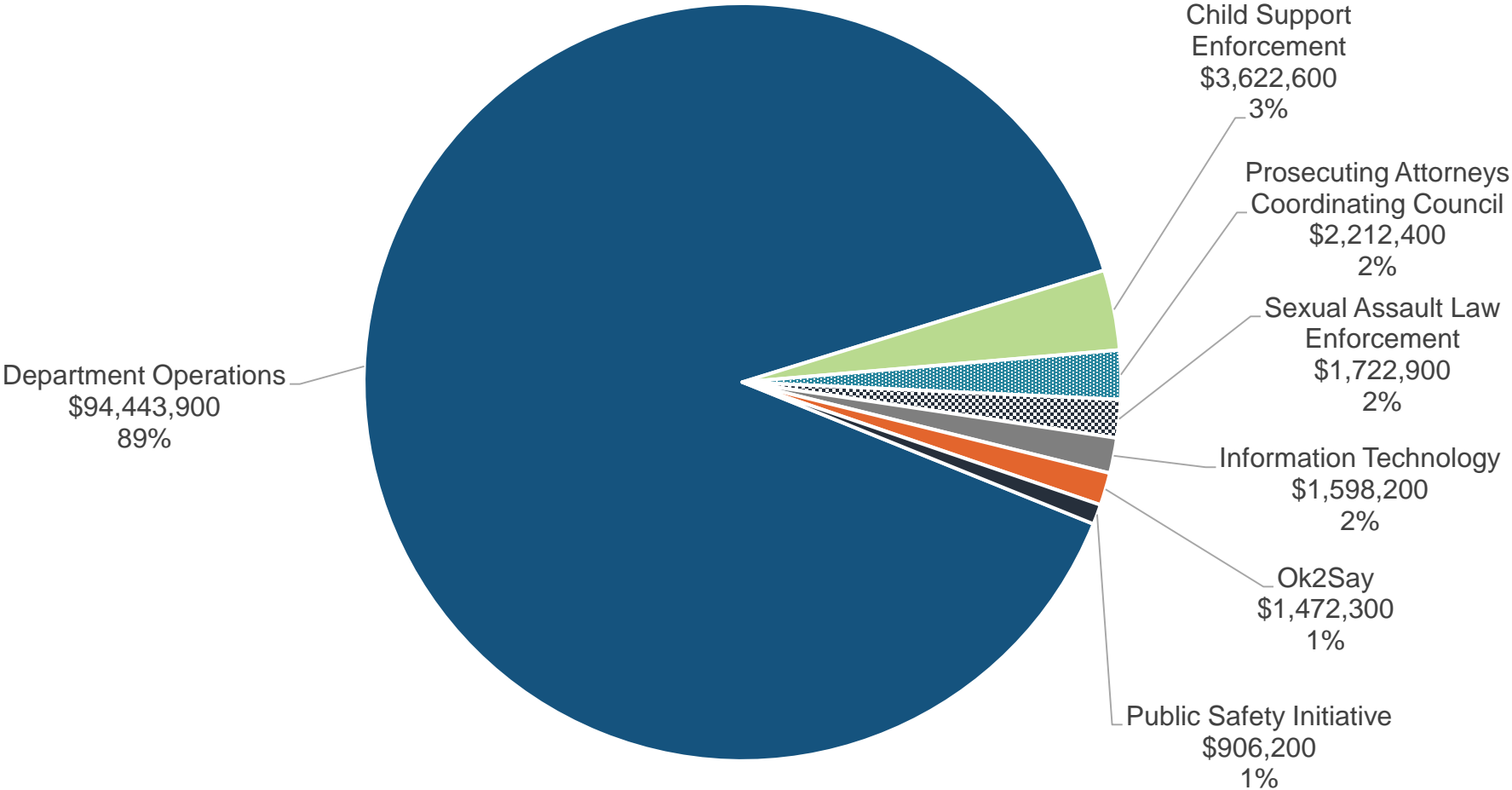
Sexual Assault Law Enforcement: Funding to reduce the backlog of sexual assault kits in communities statewide, except Wayne County, and to assist with investigations and prosecutions that may result.

Ok2Say: Multi-media student reporting program to alert school and public safety authorities of threatening or harmful events.

Information Technology: IT related services and projects that support department activities; administered by the Department of Technology, Management, and Budget.

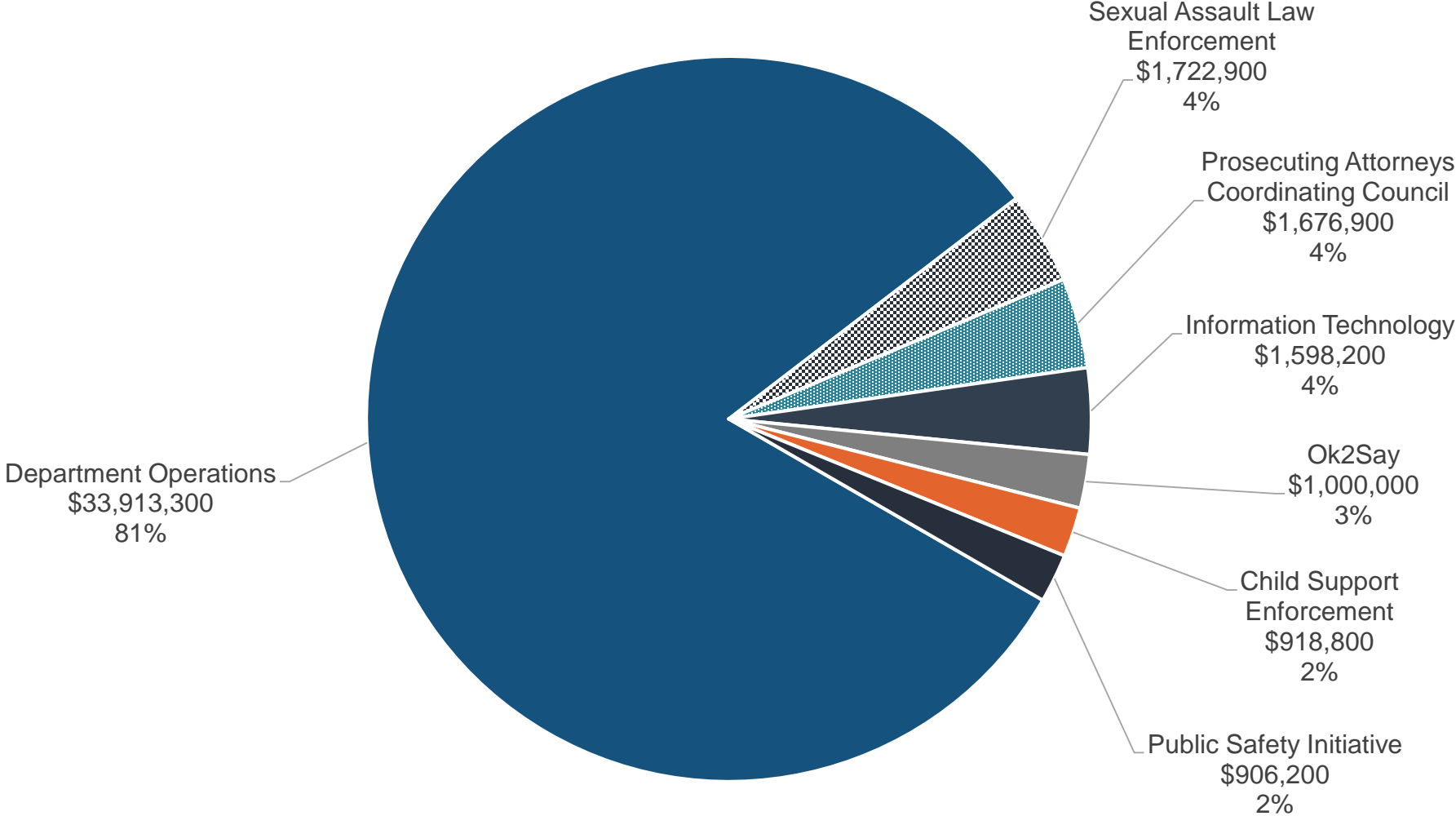
FY 2019-20 Gross Appropriations

About **89%** of the **\$106.0 million** Attorney General budget supports department operations, a large portion of which are funded through interdepartmental grants (IDGs) and restricted fund sources from departments and programs receiving services.



FY 2019-20 GF/GP Appropriations

81% of Attorney General GF/GP funds (totaling \$41.7 million) go to Department Operations. Sexual Assault Law Enforcement makes up the second largest portion of GF/GP funds this fiscal year.



Major Budget Topics

Special Investigations

Flint Water – Launched in 2016 to determine whether laws were violated leading to the drinking water contamination.

- Funded from Lawsuit Settlement Proceeds Fund by annual appropriations since FY 2015-16.
- Led to 51 criminal charges against 15 state and local government employees and 1 civil lawsuit against two corporations, Veolia and LAN.
- June 2019, all criminal charges dropped in order to launch an expanded investigation under new leadership seeking additional evidence. Criminal cases are expected to be reopened with new evidence.
- November 2019, all but one of the claims in civil lawsuit against Veolia and LAN and the state's request for **\$350 million** in damages are dismissed in circuit court.
- Total Flint legal spending was over **\$37.3 million** at the end of FY 2018-19
- Attorney General Nessel declared state funds are not authorized for legal defense of state employees who have not been criminally charged.
- HB 4834 and SB 462 would extend the statute of limitations on criminal misconduct beyond April 2020.

Special Investigations (cont.)

Michigan State University (MSU) – Investigation into systemic mishandling of reports of sexual misconduct by members and leaders of the university.

- Three MSU officials have been charged. Two cases are ongoing and one has been sentenced.
- The investigation is ongoing but pending the release of additional documents by MSU.

Clergy Abuse – Investigation into allegations of sexual abuse by church clergy.

- Seven priests have been charged, two have pleaded guilty, two have been sentenced.
- 45 cases are currently being investigated. 130 cases planned to be investigated.
- More cases and charges are anticipated.

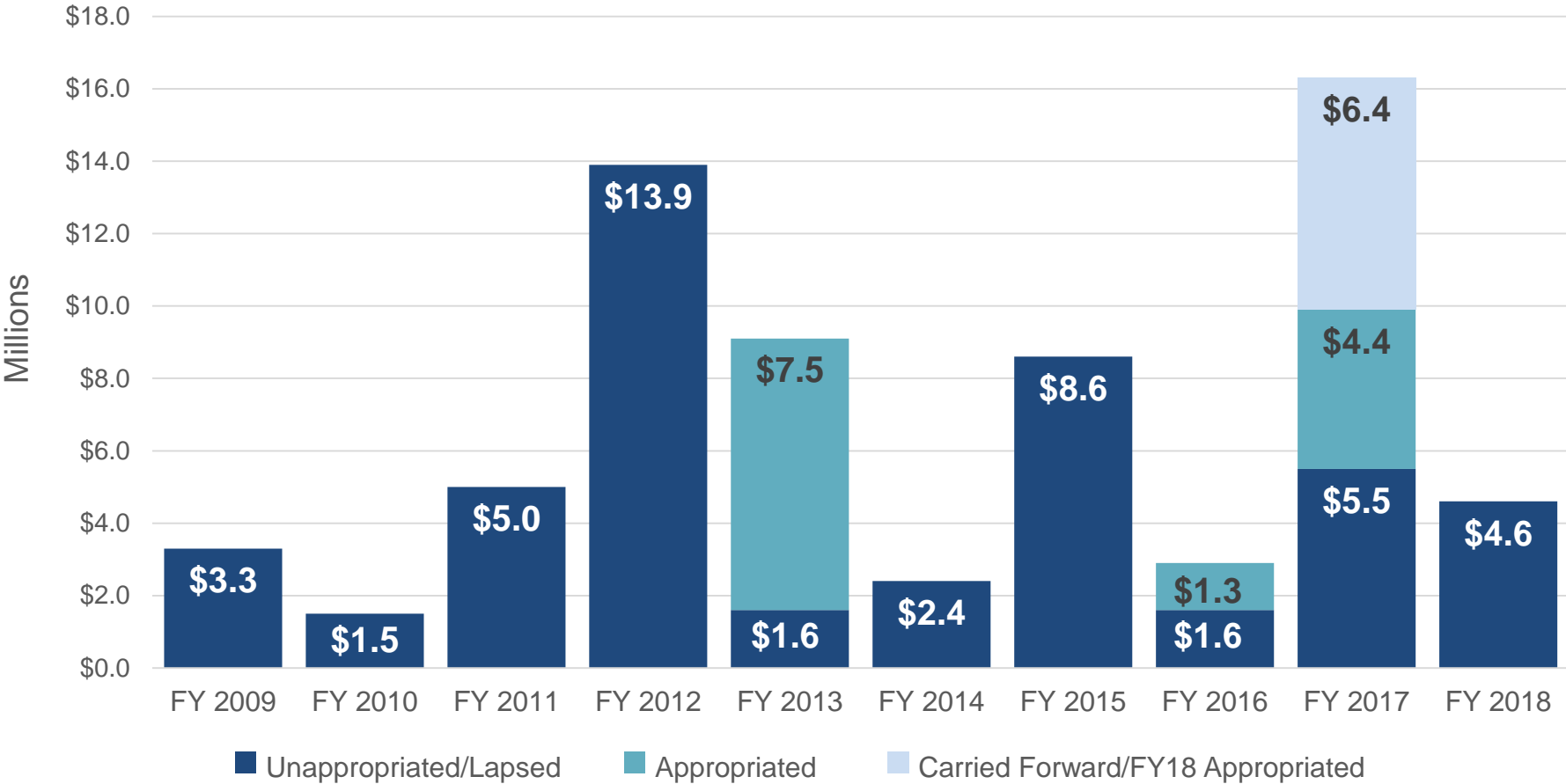
Special Investigations Appropriations by Fiscal Year

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Flint Water	\$1,300,000 (\$0 GF/GP)	\$2,600,000 (\$0 GF/GP)	\$2,600,000 (\$0 GF/GP)	\$2,600,000 (\$0 GF/GP)	\$2,600,000 (\$0 GF/GP)
MSU			\$1,000,000 GF/GP		
Clergy Abuse				\$635,000 GF/GP	

Lawsuit Settlement Proceeds Fund

The Lawsuit Settlement Proceeds Fund (LSPF) was created in 1996 to require legislative appropriation for expenditure of lawsuit proceeds. Unappropriated revenue lapses to the General Fund at the end of the fiscal year.

LSPF Distribution of Appropriated and Unappropriated Revenue



Ok2Say

- Violence prevention reporting hotline to prevent and respond to threatening and harmful acts centered around students
- Created by The Student Safety Act, 2013 PA 183
- Program operations are split between the Departments of State Police, which staffs and operates the call center, and AG, which administers and promotes the program.
- Ok2Say received an additional \$1.5 million GF/GP for a 140% total funding increase in FY 2018-19 with \$1.0 million appropriated to AG.
- The most recent annual report can be found [here](#).

Department	FY 2018	FY 2019	FY 2020
AG	\$470,000	\$1,470,000	\$1,472,300
MSP	618,800	1,118,000	685,000
Total	\$1,078,300	\$2,588,800	\$2,157,300

Sexual Assault Kits Prosecutions & Testing

The Attorney General's office, along with the Michigan State Police, has been one of the agencies to address the issue of untested sexual assault kits and the resulting investigations and prosecutions.

Boilerplate allocates funds solely for testing until the backlog of kits have all been tested.

- **August 2009:** Approximately 11,300 sexual assault kits discovered upon closure of the Detroit Crime Laboratory
- **FY 2012-13: \$4.0 million** appropriated from the Lawsuit Settlement Proceeds Fund to the State Forensic Laboratory Fund to test 8,000 sexual assault kits
- **FY 2014-15: \$3.0 million** in one-time funding for prosecutions resulting from testing of sexual assault kits discovered in the Detroit Crime Laboratory, working with Wayne County Prosecutor's Office
- **FY 2015-16: \$1.7 million** for testing of kits statewide, except Wayne County, and for assisting with investigations and prosecutions that may result
- **FY 2016-17 – FY 2019-20: \$1.7 million** in continued funding for testing, investigations, and prosecutions in cases statewide

Prosecuting Attorneys Coordinating Council (PACC)

- Autonomous agency within the Attorney General's office responsible for ensuring a uniform system of conduct, duty, and procedure among prosecutors
- Publishes legal documents, manuals, and other materials on criminal prosecution and practices
- Provides prosecutors with updates on legislation, court procedure changes, research assistance, and continuing professional education
- Administers grant-funded services
- Coordinates state prosecution activities and office automation

For more information about the Attorney General budget:

HFA Resources

<http://www.house.mi.gov/hfa/GeneralGovernment.asp>

Contact Information

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