

- Office restructured and reorganized
- “No growth” GRF budget
- Prior GRF expenditure reductions relied largely on many one-time and temporary measures

## Attorney General

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### ROLE

The Office of the Attorney General has a variety of duties and responsibilities relative to the state’s justice and corrections system including, but not limited to:

- Providing legal representation to, and initiating litigation on behalf of, statewide elected officials (including the Ohio General Assembly), and all state departments, agencies, boards, and commissions;
- Issuing formal opinions on questions submitted by state officials and agencies, as well as county prosecutors;
- Initiating legal proceedings in areas related to environmental protection, consumer fraud, antitrust, Medicaid fraud, workers’ compensation fraud, and patient abuse and neglect;
- Providing Ohio’s 1,200-plus law enforcement agencies with training, investigative, technological, financial, prosecutorial, and other assistance available through such arms as the Ohio Peace Officer Training Academy (POTA), the Bureau of Criminal Identification and Investigation (BCII), the Ohio Organized Crime Investigations Commission (OCIC), the Community Police Match and Law Enforcement Assistance Program, and the Capital Crimes Section;
- Administering the state’s victim assistance efforts, most notably the Victims of Crime Compensation Program;
- Collecting delinquent debts owed to the state of Ohio, including taxes, fines, penalties, service fees, and loans; and
- Enforcing the state’s Gambling and Charitable Bingo Laws.

Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2004	2005	2004	2005	
1,375**	\$165.2 million	\$166.3 million	\$57.6 million	\$57.6 million	Am. Sub. H.B. 95

\*Employee head count obtained from the Department of Administrative Services (DAS) payroll reports as of June 28, 2003.

\*\*The Office of the Attorney General states that the current number of filled positions as of August 2003 is 1,307.

## OVERVIEW

The total amount of funding appropriated to the Office of the Attorney General in FY 2004 – \$165.2 million – is \$11.0 million, or 7.2%, higher than its total actual FY 2003 expenditures of \$154.1 million. For FY 2005, the total amount of funding appropriated to the Office of the Attorney General is \$1.1 million higher than its total FY 2005 appropriation, an increase of 0.7%. The bulk of the funding increases in each of FYs 2004 and 2005 can be attributed to two non-GRF revenue streams: (1) delinquent debt collections (Fund 419), and (2) court costs collected from persons convicted of a misdemeanor or felony (Fund 402).

In the matter of GRF funding, the annual amounts appropriated to the Office of the Attorney General for the FY 2004-2005 biennium represent what can, perhaps at best, be termed a “no growth” budget. The total amount of GRF funding expended by the Office of the Attorney General in FY 2003 was \$57.9 million. The total amount of GRF funding appropriated to the Office of the Attorney General in each of FYs 2004 and 2005 is virtually identical when rounded – \$57.6 million. This means that, relative to actual total FY 2003 GRF expenditures, the total amount of GRF funding appropriated to the Office of the Attorney in each of the two succeeding fiscal years is around \$300,000 lower.

### ***FY 2004-2005 BIENNIUM ENACTED GRF OPERATING BUDGET***

#### **GRF Operating Budget Request**

The FY 2004-2005 biennial operating budget request submitted by outgoing Attorney General Betty Montgomery asked for total GRF funding of \$62.6 million and \$67.1 million in FYs 2004 and 2005, respectively, for the purpose of maintaining the current level of legal and law enforcement services. The requested amounts would have restored the Office of the Attorney General to the FY 2003 level of funding and services that was originally appropriated pursuant to Am. Sub. H.B. 94, the main operating appropriations act of the 124th General Assembly. Also included was a supplemental GRF funding request to fully cover statutory county prosecutor and county sheriff pay supplements. No new programs or initiatives were proposed in the biennial operating budget request.

#### **GRF Enacted Operating Budget**

The enacted FY 2004-2005 biennial operating budget fell short of the requested levels of annual GRF funding by \$4.9 million and \$9.5 million for FYs 2004 and 2005, respectively. While the appropriated levels of annual GRF funding are less than what was requested, Attorney General Petro’s primary focus remains unchanged from that of his predecessor: maintaining current service levels relative to supporting law enforcement and providing legal services to various state agencies and elected officials. In light of the available level of annual funding relative to its ongoing operating expenses, the Office of the Attorney General has sought to reduce or shift GRF expenditures by a variety of means, including:

- Restructuring and reorganizing the agency, to more effectively utilize existing staff and make the best use of limited resources;
- Utilizing non-GRF revenue streams to maintain service and staff levels, a potentially problematic strategy as the cash flow of these non-GRF state and federal funds may not be healthy enough to provide long-term payroll support, especially one-time judgments and court settlements, the magnitude and timing of which are highly unpredictable;
- Offering an early retirement incentive (ERI) program, which will reduce the agency’s total annual payroll cost;

- Consolidating six downtown office locations, including merger of information technology support, mailroom, and printing operations, into one downtown office location; and
- Reducing a fleet of 283 automobiles by 20% to 30%.

## ***FY 2002-2003 BIENNIUM***

### **GRF Expenditure Reductions**

Over the course of the FY 2002-2003 biennium, the Office of the Attorney General's total GRF appropriations were reduced by \$3.97 million in FY 2002 and by \$3.69 million in FY 2003. The Office of the Attorney General was able to absorb the GRF expenditure reductions by: (1) leaving vacant staff positions unfilled, particularly in the legal services area, (2) tapping one-time federal project grant funding, (3) utilizing one-time moneys collected from court-ordered settlements, and (4) temporarily transferring GRF operating expenses to other non-GRF state funds.

### **Highlights**

In the original FY 2004-2005 biennial operating budget request submitted to the Office of Budget and Management, outgoing Attorney General Betty Montgomery offered the following as highlights of the FY 2002-2003 biennium:

- Made advancements in the delivery of law enforcement services, somewhat aided by the availability of one-time federal project grants;
- Initiated the Ohio WebCheck, an Internet-based civilian background check program;
- Opened the third of three new state forensic and crime laboratories – the Northeast Forensic Laboratory and Training Center in Richfield, Ohio (operational August 2001);
- Constructed and equipped a 3,000 square foot, two-story situational training facility at the Peace Officer Training Academy in London, Ohio;
- Created the Computer Crime Task Force to assist county prosecutors and to educate schools, businesses, and citizens about the growing virtual world of Internet computer crime; and
- Continued to make changes to the Victims of Crime Compensation Program, which was transferred to the Office of the Attorney General from the Court of Claims effective July 1, 2000 (FY 2001).

Upon taking office in January 2003, Attorney General Jim Petro initiated an assessment of the agency with the intent of streamlining and consolidating operations, cutting costs, and reducing staff. The possible outcomes of that assessment included: reorganizing or realigning staff, redefining current divisions and sections, and adding or removing divisions and sections.

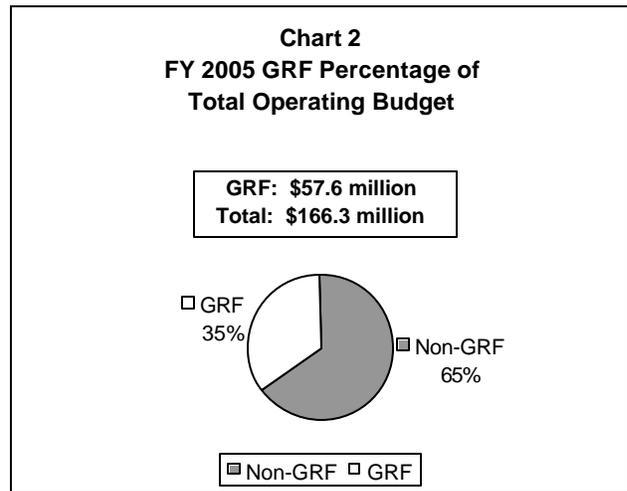
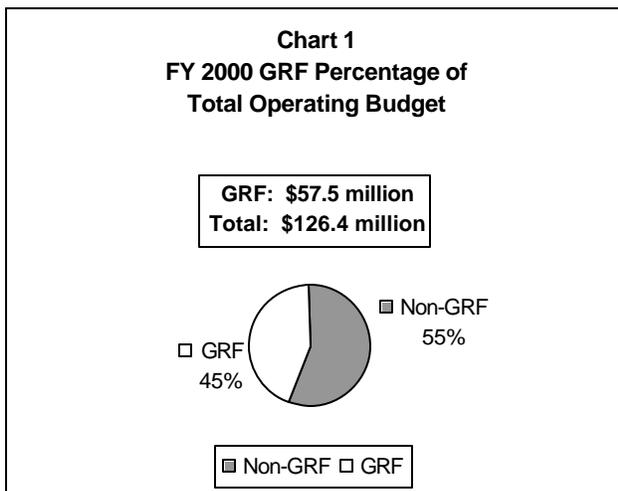
## ***REVENUES***

In the six-year period from actual FY 2000 disbursements through FY 2005 appropriations, the amount of GRF funding available to the Office of the Attorney General will have remained in the range of \$57 million to \$60 million annually. During the same six-year period, the Office of the Attorney General's total all funds budget will have grown from \$126.4 million to \$166.3 million, a rise of \$39.9 million, or 31.6%. This means, as noted in Charts 1 and 2 below, while the total annual all funds budget will have continued to rise, the GRF portion of the Office of the Attorney General's total annual

all funds budget will have dropped from 45% in FY 2000 down to 35% in FY 2005. This growth in the Office of the Attorney General’s total annual all funds budget has been and will continue to be a function of certain non-GRF funds, most noticeably the revenue-generating capability of its accounts lodged in the State Special Revenue Fund Group.

**EXPENDITURES**

Over the six-year period covering actual FY 2000 disbursements through FY 2005 appropriations, roughly 75%, or three-quarters, of the Office of the Attorney General’s annual expenditures will have gone to finance operating expenses (personal services, purchased personal services, maintenance, and equipment). This reflects the fact that the performance of the Office of the Attorney General’s duties and responsibilities are relatively labor-intensive.



**BUDGET ISSUES**

The Office of the Attorney General is a single program series agency, composed of almost 30 divisions, sections, units, and organizations that perform various legal representation and law enforcement-related duties. A more detailed description of these entities and their duties may be obtained through the Office of the Attorney General's website at <http://www.ag.state.oh.us>. For the purposes of this analysis, these entities are grouped into seven subprogram areas as follows: (1) office-wide operations, (2) civil litigation, (3) criminal justice assistance, (4) agency counsel, (5) crime victim assistance, (6) redistribution funds, and (7) education. Table 1 below displays the seven subprogram areas, including the total amount of annual funding contained in the enacted FY 2004-2005 biennial operating budget.

<b>Subprogram Area</b>	<b>FY 2004</b>	<b>FY 2005</b>
Office-Wide Operations	\$ 72,756,133	\$ 72,756,133
Civil Litigation	\$ 17,992,302	\$ 17,992,302
Criminal Justice Assistance	\$ 14,489,316	\$ 14,756,771
Agency Counsel	\$ 9,144,839	\$ 9,144,839
Crime Victim Assistance	\$ 45,509,635	\$ 46,387,698
Redistribution Funds	\$ 1,348,830	\$ 1,348,830
Education Programs	\$ 3,927,962	\$ 3,927,962
<b>Total Recommended Funding</b>	<b>\$165,169,017</b>	<b>\$166,314,535</b>

Because of the nature of the Office of the Attorney General's activities and budget structure, it is not always possible to associate a particular line item exclusively with a particular division, section, unit, or organization. In fact, many of the Office of the Attorney General's line items, most notably 055-321, Operating Expenses, and 055-612, General Reimbursement, fund a host of legal and law enforcement-related activities. With that caveat in mind, for the purposes of this analysis, all of the Office of the Attorney General's funded line items are grouped into one of seven subprogram areas. Each of the seven subprogram areas is discussed in more detail below, including the amendment or enactment of permanent law.

### ***OFFICEWIDE OPERATIONS***

The Officewide Operations subprogram essentially captures the two major line items that finance the entire range of legal and law enforcement-related tasks performed by the Office of the Attorney General, including, but not limited to, the Bureau of Criminal Identification and Investigation (BCII) and the Ohio Peace Officer Training Academy (POTA). The line items associated with the Office-Wide Operations subprogram include GRF line item 055-321, Operating Expenses, and non-GRF line item 055-612, General Reimbursement. The primary revenue streams associated with the subprogram include: (1) GRF, (2) \$15 fee for civilian background checks, (3) reimbursement payments from various state agencies for the performance of legal services by the Office of the Attorney General, and (4) court-ordered reimbursement for legal and investigative costs.

The FY 2004-2005 biennial operating budget request submitted by outgoing Attorney General Betty Montgomery asked that GRF line item 055-321 receive appropriations of \$58.6 million and \$63.1 million in FYs 2004 and 2005, respectively, for the purpose of maintaining the current level of legal and law enforcement services. The requested amounts would have restored the Office of the Attorney General to the FY 2003 level of funding and services that was originally appropriated pursuant to Am. Sub. H.B. 94, the main operating appropriations act of the 124th General Assembly.

Under the enacted FY 2004-2005 biennial operating budget, the Office of the Attorney General received \$4.7 million and \$9.2 million in FYs 2004 and 2005, respectively, less in funding for GRF line item, Operating Expenses, than was requested for the sole purpose of maintaining its current level of services. Given the somewhat limited amount of GRF funding available, Attorney General Petro's plan since taking office has been to consolidate operations, cut costs, and reduce staff, while also trying to maintain the current level of law enforcement and legal services.

Also of note is the fact that the amount of annual GRF funding appropriated to line item 055-321 – \$53.9 million in each of FYs 2004 and 2005 – is less than the amount that has been disbursed from the line item annually in each of the last three fiscal years: \$56.6 million in FY 2001, \$55.9 million in FY 2002, and \$54.4 million in FY 2003.

## ***CIVIL LITIGATION***

The Office of the Attorney General is authorized to enforce state laws, and in certain cases federal laws, that regulate the marketplace as it relates to business and consumer transactions, including the collection of overdue taxes and fees for various state agencies. The line items grouped under the Civil Litigation subprogram capture those specifically tied to regulating the marketplace. The primary revenue streams associated with the subprogram include: (1) up to 11% on all claims due to the state; and (2) various annual fees, civil penalties, court-ordered cost reimbursements, and court settlements and judgments collected by the Consumer Protection, Charitable Foundations, and Antitrust sections.

The enacted FY 2004-2005 biennial operating budget fully funded the amounts that the Office of the Attorney General requested for the purpose of maintaining the current level of civil litigation services. The requested levels of non-GRF funding included, cash flow permitting, increased appropriation authority in certain line items in an effort to shift operating expenses that might otherwise have been charged against the Office of the Attorney General's available GRF funds. Indicative of this strategy of shifting operating expenses from the GRF and into certain non-GRF revenue streams are three non-GRF line items in particular: (1) 055-623, Claims Section, (2) 055-637, Consumer Protection Enforcement, and (3) 055-603, Attorney General Antitrust.

### **Line Item 055-623, Claims Section**

In FY 2003, disbursements from non-GRF line item 055-623 totaled \$10.6 million. The line item's appropriations contained in the enacted FY 2004-2005 biennial operating budget total \$13.6 million in each of FYs 2004 and 2005, an increase of \$3.1 million, or 29.2%, when compared to total actual FY 2003 disbursements. The increased appropriation authority in each fiscal year appears to reflect a growth in the collection of delinquent debts owed the state of Ohio.

According to the Office of the Attorney General, since the new administration took office in January of 2003, strong emphasis has been placed on restructuring the Collections Enforcement (Claims) Section. This restructuring has included adjustments in staffing mix, implementation of a rigorous training program, enhancement of collections-related computer hardware and software, and improved outreach, all of which appear to have increased delinquent debt collection rates. The Collections Enforcement Section is averaging \$1 million more per week in delinquent debt collections, and set a record for collections in June 2003, bringing in \$22 million for the state of Ohio.

While the majority of the delinquent debt collection revenue retained by the Office of the Attorney General supports the operating expenses of the Collections Enforcement Section, some of these moneys are also used to support certain other agency operations whose costs of doing business might otherwise have been charged to the GRF.

Current law establishes procedures for the Attorney General to collect a debt owed to the state when it is not paid in a timely manner to the agency to which it is due (section 131.02 of the Revised Code). The enacted FY 2004-2005 biennial operating budget amended that law by: (1) applying a different rate of interest to such claims, (2) permitting the addition of fees to recover the cost of processing checks returned for insufficient funds and the cost of providing electronic payment options, and (3) authorizing

the Attorney General to assess collection costs to the amount due when debts are owed to the state and not paid in a timely manner. Table 2 below provides more details on the changes to permanent law, including the Office of the Attorney General's estimate of the amount of revenue that each change would generate annually.

<b>Table 2: Delinquent Debt Collection Assessments</b>				
<b>Type of Delinquent Debt Assessment</b>	<b>Delinquent Debt Assessment Under Prior Law</b>	<b>Delinquent Debt Assessment Under Amended Current Law</b>	<b>Estimated FY 2004 Revenue</b>	<b>Estimated FY 2005 Revenue</b>
Collection Costs	None	Authorizes Attorney General to assess collection costs to the amount certified in such manner and amount as prescribed by the Attorney General, whenever any amount is payable to the state, the officer, employee, or agent responsible for administering the law and has not been remitted within 45 days	\$2,747,500	\$3,434,375
Interest	Claims shall bear interest, from the day on which the claim became due, at the base rate per annum for advances and discounts to member banks in effect at the Federal Reserve Bank of the Second Federal Reserve District	Rate to be charged is the federal short-term rate, as determined by the Tax Commissioner on October 15 of each year, rounded to the nearest whole number percent, plus 3%	\$1,570,000	\$2,355,000
Cost of Returned Checks	None	If in the best interests of the state, fees may be added to recover the cost of processing checks or other draft instruments returned for insufficient funds and the cost of providing electronic payment options	\$1,640,000	\$1,804,000

### **Line Item 055-637, Consumer Protection Enforcement**

In FY 2003, disbursements from non-GRF line item 055-637 totaled just shy of \$643,000. The line item's appropriations contained in the enacted FY 2004-2005 biennial operating budget total \$1.4 million in each of FYs 2004 and 2005, an increase of slightly over \$730,000, or 113.7%, when compared to total actual FY 2003 disbursements. These increased annual appropriations signal that the cash flow associated with this non-GRF revenue stream, which exclusively supports the operations of the Consumer Protection Enforcement Section, is strong enough, at least in the short-term, to finance costs of the Section that might otherwise have been charged to the GRF.

### **Line Item 055-603, Attorney General Antitrust**

In FY 2003, disbursements from non-GRF line item 055-603 totaled just over \$256,000. The line item's appropriations contained in the enacted FY 2004-2005 biennial operating budget total just over \$446,000 in each of FYs 2004 and 2005, an increase of slightly over \$190,000, or 74.3%, when compared to total actual FY 2003 disbursements. These increased annual appropriations signal that the cash flow associated with this non-GRF revenue stream, which exclusively supports the operations of the Antitrust Section, is strong enough, at least in the short-term, to finance costs of the Section that might otherwise have been charged to the GRF.

## **Gambling and Charitable Bingo Laws**

The enacted FY 2004-2005 biennial operating budget makes numerous changes to the state's Gambling and Charitable Bingo Laws as amended by Am. Sub. H.B. 512 of the 124th General Assembly. These changes include, but are not limited to:

- Modifying the basis of the license fee for the conduct of instant bingo by an organization that previously has been licensed to conduct bingo by basing it on the gross profits received by the charitable organization during a specified prior one-year period and by modifying the formula for calculating the amount of that fee;
- Increasing the fee for a distributor license or a manufacturer license from \$2,500 to \$5,000;
- Making January 31, 2004 the effective date of provisions related to the time deadline for issuing initial bingo licenses and the option of granting temporary licenses;
- Modifying the definitions of educational organization, veteran's organization, fraternal organization, and expenses for use in the Gambling Law, including the Charitable Bingo Law, defining game flare and historic railroad educational organization for use in that Law, and including historic railroad educational organization within the definition of "charitable organization" for those Laws; and
- Permitting certain organizations and schools to conduct a raffle to raise money for that organization or school, providing that the organization or school does not need a license to conduct bingo in order to conduct a raffle drawing that is not for profit, and prohibiting any person that is not one of those organizations or schools from conducting a raffle that is for profit or a raffle drawing that is not for profit.

Table 3 below summarizes the effects of the licensing fee changes on state revenues. Under prior law, unchanged by Am. Sub. H.B. 95, all of these licensing fee revenues are deposited in the state treasury to the credit of the Charitable Law Fund, also known as the Office of the Attorney General's Charitable Foundations Fund (Fund 418), and all of these revenues so credited are required to be used by the Office of the Attorney General, or any local law enforcement agency in cooperation with the Office of the Attorney General, to investigate, examine accounts and records, conduct inspections, and take any other necessary and reasonable actions to administer and enforce the Gambling and Charitable Bingo Laws. Also of note is that the changes contained in Am. Sub. H.B. 95 affect the amount of licensing fee revenues that would otherwise have been collected and deposited annually in Fund 418 pursuant to the enactment of the above-noted Am. Sub. H.B. 512. It is likely that the result of these changes will be to increase the amount of licensing fees that would otherwise have been collected annually under prior law, but the magnitude of that annual increase is, as of this writing, uncertain.

Table 3: Changes to the Charitable Solicitations Act						
Type of Annual Bingo License	Prior Annual License Fee		New Annual License Fee		Estimated FY 2004 Revenue	Estimated FY 2005 Revenue
Operator	<b>Based on gross profits</b>		Based on gross profits		\$4.1 Million	\$3.6 Million
	Gross Profits	Fee	Gross Profits	Fee		
	\$50,001 to \$299,999	\$1,250	\$50,001 to \$249,999	\$1,250 plus one-fourth percent (.25%) of the gross profit		
	\$300,000 to \$599,999	\$2,250	\$250,000 to \$499,999	\$2,250 plus one-half percent (.5%) of the gross profit		
	\$600,000 to \$999,999	\$3,500	\$500,000 to \$999,999	\$3,500 plus one percent (1%) of the gross profit		
	\$1,000,000 or more	\$5,000	\$1,000,000 or more	\$5,000 plus one percent (1%) of the gross profit		
Distributor of Supplies	\$2,500		\$5,000		\$305,000	\$305,000
Manufacturer of Supplies	\$2,500		\$5,000		\$105,000	\$105,000

### ***CRIMINAL JUSTICE ASSISTANCE***

The Office of the Attorney General has various responsibilities in the criminal justice area, including the provision of training, investigative, and technical assistance to local law enforcement agencies. The Criminal Justice subprogram captures all of the line items that track exclusively to the Office of the Attorney General's law enforcement-related activities. The primary revenue streams associated with the subprogram include: (1) GRF, (2) federal grants, (3) program tuition collected by the Ohio Peace Officer Training Academy, (4) annual fees collected by the Ohio Peace Officer Training Commission, and (5) forfeited assets and cost reimbursements. The enacted FY 2004-2005 biennial operating budget fully funded the amounts that the Office of the Attorney General requested for the purpose of maintaining the current level of law enforcement services.

### ***AGENCY COUNSEL***

Although the Office of the Attorney General provides legal services to numerous state agencies, the Agency Counsel subprogram captures the legal services reimbursement payments deposited into non-GRF funds that are traceable to work performed for the Ohio Civil Rights Commission, the Bureau of Workers' Compensation, the Ohio Industrial Commission, and the part of the Department of Job and Family Services formerly known as the Ohio Bureau of Employment Services. The primary revenue streams associated with the subprogram include agency reimbursement payments for legal services performed by various sections of the Office of the Attorney General. What is not captured hereunder is the GRF funding drawn from line item 055-321, Operating Expenses, which also supports the Civil Rights Section. The enacted FY 2004-2005 biennial operating budget essentially provides a continuation level of funding for the Office of the Attorney General's Civil Rights, Employment Services, and Workers' Compensation sections.

## *CRIME VICTIM ASSISTANCE*

The Crime Victim Assistance subprogram contains various duties and responsibilities performed by the Crime Victims Services Section, including: (1) administering awards of compensation in accordance with Ohio's Crime Victims Compensation Law, (2) distributing federal and state grants to local crime victim assistance programs, (3) maintaining a missing children database, (4) disbursing service provider payments under the SAFE (Sexual Assault Forensic Exam) Program, and (5) assisting with the VINE (Victim Information and Notification Everyday) statewide project, an automated victim notification system. The primary revenue streams associated with the subprogram include: (1) court costs collected from persons convicted of a misdemeanor or felony, and (2) a federal formula grant. The enacted FY 2004-2005 biennial operating budget fully funded the amounts that the Office of the Attorney General requested for the purpose of: (1) maintaining the current level of victim assistance services, and (2) expanding victim assistance-related services as appropriate.

Perhaps most notable in the subprogram is non-GRF line item 055-616, Victims of Crime. In FY 2003, disbursements from the line item totaled \$22.9 million. The line item's appropriations contained in the enacted FY 2004-2005 biennial operating budget total \$27.9 million in each of FYs 2004 and 2005, an increase of \$5.0 million, or 21.8%, when compared to total actual FY 2003 disbursements. According to the Office of the Attorney General, these annual appropriations reflect a number of factors, the effect of which has been to increase the demands on available revenues. For example:

- Since primary responsibility for the Victims of Crime Compensation Program was transferred from the Court of Claims to the Office of the Attorney General, effective July 1, 2000, the number of new applications for awards of compensation has continued to rise as has the average payment made to eligible victims of crime.
- The Crime Victims Compensation Unit continues to emphasize prompt and timely processing of all new applications for awards of compensation, the effect of which has been to accelerate expenditure activity.
- Sub. H.B. 427 of the 124th General Assembly, effective August 29, 2002, expanded the purposes for which the state's Victims of Crime funding may be used to include the costs associated with: (1) collecting DNA specimens for the offenses added by the bill, (2) performing DNA analysis of those DNA specimens, and (3) entering the resulting DNA records regarding those analyses into the state's DNA database.
- The enacted FY 2004-2005 biennial operating budget modified existing permissible uses of the Victims of Crime funding to increase the allowance for funeral expenses, provide reimbursement for travel and lost wages for members of deceased victims' families who attend criminal justice proceedings, limit attorney fees payable under the program, and make other changes in the program. The Office of the Attorney General has estimated that the provision could increase the expenditure of Victims of Crime funding by as much as several hundred thousand dollars or so annually.
- Am. Sub. S.B. 5 of the 125th General Assembly, effective July 31, 2003, expanded the permissible uses of the Victims of Crime funding to pay actual costs associated with the apprehension, prosecution, and accountability of offenders, and the enhancing of services to crime victims. The amount that may be used for those purposes is capped at 5% of the balance of the fund (Fund 402) at the close of the immediately previous fiscal year. In recent years, the fund's ending, unencumbered cash balance has been around \$30 million. Assuming that were true in the future, then the maximum amount that could be available for these purposes would be around \$1.5 million annually.

## ***REDISTRIBUTION FUNDS***

The Office of the Attorney General holds certain moneys as custodian or agent. All of the moneys are “redistributed” to individuals, corporations, private organizations, other state funds, or local governmental units. The timing and magnitude of their collection and subsequent disbursement are rather unpredictable. The moneys consist of largely unexpected one-time court-ordered judgments and settlements, which in turn typically lead to one-time spikes in annual revenues and spending. This effect on cash flow activity is clearly visible in the case of two funds – Fund R04, General Holding Account, and Fund R18 Consumer Frauds – over the last few fiscal years. Generally, appropriations reflect continuation funding or an estimate based on historical spending needs.

## ***EDUCATION***

Although the Office of the Attorney General is charged with performing numerous education-related functions, the Education subprogram captures the two line items that exclusively finance education activities: (1) GRF line item 055-405, Law-Related Education, and (2) non-GRF line item 055-606, DARE. The latter line item is supported by the Office of the Attorney General’s portion (\$75) of the state’s \$425 driver’s license reinstatement fee.

With regard to these two education-related line items, the enacted FY 2004-2005 biennial operating budget:

- Provides a continuation level of funding of \$3.9 million in each fiscal year for line item 055-606, primarily for grants that are distributed to law enforcement in support of Drug Abuse Resistance Education (DARE) programs in public schools; and
- Eliminates the Law-Related Education line item, associated annual GRF funding of roughly \$190,000, and related temporary law earmarking the funds as a subsidy to be distributed to the Ohio Center for Law-Related Education.

As the Law-Related Education line item was not funded, the Office of the Attorney General has decided to allocate a maximum of \$100,000 from its FY 2004 operating budget to be distributed as a subsidy to the Ohio Center for Law-Related Education. Future commitments will depend on available funding and office priorities. On a related note, an analogous GRF line item earmarked as a subsidy for the Ohio Center for Law-Related Education that is part of The Judiciary/Supreme Court budget (line item 005-406, Law-Related Education) was funded with appropriations of \$209,836 in FY 2004 and \$216,131 in FY 2005. 

**FY 2004 - 2005 Final Appropriation Amounts**

**All Fund Group**

**Line Item Detail by Agency**

**FY 2001:      FY 2002:      FY 2003:      FY 2004 Appropriations:      % Change 2003 to 2004:      FY 2005 Appropriations:      % Change 2004 to 2005:**

**Report For: Main Operating Appropriations Bill**

**Version: Enacted**

**AGO Attorney General**

GRF	055-321	Operating Expenses	\$ 56,554,322	\$ 55,986,211	\$54,388,845	\$ 53,885,937	-0.92%	\$ 53,885,937	0.00%
GRF	055-405	Law-Related Education	\$ 195,489	\$ 196,793	\$189,610	\$ 0	-100.00%	\$ 0	N/A
GRF	055-406	Community Police Match and Law Enfo	\$ 2,875,502	\$ 2,350,494	\$2,256,620	\$ 2,258,843	0.10%	\$ 2,258,843	0.00%
GRF	055-411	County Sheriffs	\$ 619,291	\$ 611,198	\$588,890	\$ 731,879	24.28%	\$ 736,929	0.69%
GRF	055-415	County Prosecutors	\$ 558,249	\$ 512,283	\$493,585	\$ 717,182	45.30%	\$ 723,490	0.88%
<b>General Revenue Fund Total</b>			<b>\$ 60,802,853</b>	<b>\$ 59,656,979</b>	<b>\$ 57,917,550</b>	<b>\$ 57,593,841</b>	<b>-0.56%</b>	<b>\$ 57,605,199</b>	<b>0.02%</b>
420	055-603	Attorney General Antitrust	\$ 235,005	\$ 206,259	\$256,126	\$ 446,449	74.31%	\$ 446,449	0.00%
4Y7	055-608	Title Defect Rescission	\$ 70,160	\$ 165,526	\$601,682	\$ 570,623	-5.16%	\$ 570,623	0.00%
4Z2	055-609	BCI Asset Forfeiture and Cost Reimbur	\$ 458,694	\$ 434,452	\$764,130	\$ 332,109	-56.54%	\$ 332,109	0.00%
106	055-612	General Reimbursement	\$ 12,452,147	\$ 15,685,240	\$21,170,681	\$ 18,870,196	-10.87%	\$ 18,870,196	0.00%
418	055-615	Charitable Foundations	\$ 2,249,898	\$ 1,514,827	\$2,158,643	\$ 1,899,066	-12.03%	\$ 1,899,066	0.00%
421	055-617	Police Officers' Training Academy Fee	\$ 1,142,530	\$ 1,086,578	\$1,122,769	\$ 1,193,213	6.27%	\$ 1,193,213	0.00%
5A9	055-618	Telemarketing Fraud Enforcement	----	----	\$0	\$ 52,378	N/A	\$ 52,378	0.00%
107	055-624	Employment Services	\$ 797,884	\$ 763,873	\$728,906	\$ 984,396	35.05%	\$ 984,396	0.00%
590	055-633	Peace Officer Private Security Fund	\$ 53,371	\$ 50,710	\$46,306	\$ 98,370	112.43%	\$ 98,370	0.00%
629	055-636	Corrupt Activity Investigation and Prose	----	\$ 482,655	\$20,332	\$ 108,230	432.31%	\$ 108,230	0.00%
631	055-637	Consumer Protection Enforcement	\$ 914,589	\$ 844,574	\$642,979	\$ 1,373,832	113.67%	\$ 1,373,832	0.00%
195	055-660	Workers' Compensation Section	\$ 6,761,243	\$ 6,900,975	\$7,215,468	\$ 7,769,628	7.68%	\$ 7,769,628	0.00%
<b>General Services Fund Group Total</b>			<b>\$ 25,135,521</b>	<b>\$ 28,135,669</b>	<b>\$ 34,728,022</b>	<b>\$ 33,698,490</b>	<b>-2.96%</b>	<b>\$ 33,698,490</b>	<b>0.00%</b>
381	055-611	Civil Rights Legal Service	\$ 312,459	\$ 347,853	\$311,521	\$ 390,815	25.45%	\$ 390,815	0.00%
3R6	055-613	Attorney General Federal Funds	\$ 1,556,479	\$ 3,088,262	\$3,472,897	\$ 3,730,191	7.41%	\$ 3,842,097	3.00%
306	055-620	Medicaid Fraud Control	\$ 2,213,990	\$ 2,269,012	\$2,250,943	\$ 2,882,970	28.08%	\$ 2,969,459	3.00%
383	055-634	Crime Victims Assistance	\$ 12,709,091	\$ 14,245,336	\$15,179,429	\$ 17,561,250	15.69%	\$ 18,439,313	5.00%
3E5	055-638	Anti-Drug Abuse	\$ 2,689,691	\$ 1,959,835	\$1,948,796	\$ 1,923,400	-1.30%	\$ 1,981,102	3.00%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 19,481,710</b>	<b>\$ 21,910,299</b>	<b>\$ 23,163,586</b>	<b>\$ 26,488,626</b>	<b>14.35%</b>	<b>\$ 27,622,786</b>	<b>4.28%</b>
4L6	055-606	DARE	\$ 3,279,722	\$ 3,399,849	\$3,336,129	\$ 3,927,962	17.74%	\$ 3,927,962	0.00%
402	055-616	Victims of Crime	\$ 16,293,873	\$ 21,988,957	\$22,932,548	\$ 27,933,893	21.81%	\$ 27,933,893	0.00%
417	055-621	Domestic Violence Shelter	----	----	\$0	\$ 14,492	N/A	\$ 14,492	0.00%
108	055-622	Crime Victims Compensation	\$ 129,636	----	\$0	\$ 0	N/A	\$ 0	N/A

**FY 2004 - 2005 Final Appropriation Amounts**

**All Fund Group**

<i>Line Item Detail by Agency</i>			<i>FY 2001:</i>	<i>FY 2002:</i>	<i>FY 2003:</i>	<i>FY 2004 Appropriations:</i>	<i>% Change 2003 to 2004:</i>	<i>FY 2005 Appropriations:</i>	<i>% Change 2004 to 2005:</i>
<b>AGO Attorney General</b>									
419	055-623	Claims Section	\$ 11,413,468	\$ 11,705,241	\$10,567,345	\$ 13,649,954	29.17%	\$ 13,649,954	0.00%
177	055-626	Victims Assistance Programs	\$ 9,783	---	\$0	\$ 0	N/A	\$ 0	N/A
659	055-641	Solid and Hazardous Waste Backgroun	\$ 454,541	\$ 525,779	\$609,807	\$ 621,159	1.86%	\$ 621,159	0.00%
<b>State Special Revenue Fund Group Total</b>			<b>\$ 31,581,024</b>	<b>\$ 37,619,826</b>	<b>\$ 37,445,829</b>	<b>\$ 46,147,460</b>	<b>23.24%</b>	<b>\$ 46,147,460</b>	<b>0.00%</b>
R42	055-601	Organized Crime Commission Account	\$ 200,000	\$ 99,794	\$0	\$ 200,000	N/A	\$ 200,000	0.00%
R03	055-629	Bingo License Refunds	\$ 925	\$ 775	\$650	\$ 5,200	700.00%	\$ 5,200	0.00%
R18	055-630	Consumer Frauds	\$ 7,282,227	\$ 238,810	\$309,674	\$ 750,000	142.19%	\$ 750,000	0.00%
R04	055-631	General Holding Account	\$ 208,316	\$ 2,474,500	\$579,794	\$ 275,000	-52.57%	\$ 275,000	0.00%
R05	055-632	Antitrust Settlements	---	---	\$0	\$ 10,400	N/A	\$ 10,400	0.00%
<b>Holding Account Redistribution Fund Group Total</b>			<b>\$ 7,691,467</b>	<b>\$ 2,813,880</b>	<b>\$ 890,118</b>	<b>\$ 1,240,600</b>	<b>39.37%</b>	<b>\$ 1,240,600</b>	<b>0.00%</b>
<b>Attorney General Total</b>			<b>\$ 144,692,574</b>	<b>\$ 150,136,652</b>	<b>\$ 154,145,105</b>	<b>\$ 165,169,017</b>	<b>7.15%</b>	<b>\$ 166,314,535</b>	<b>0.69%</b>