

JUSTICE

Budget Summary							
Fund	2018-19 Base Year Doubled	2019-21 Governor	2019-21 Jt. Finance	Joint Finance Change to:			
				Governor		Base	
				Amount	Percent	Amount	Percent
GPR	\$119,170,400	\$132,753,600	\$129,291,900	-\$3,461,700	- 2.6%	\$10,121,500	8.5%
FED	46,577,000	47,852,000	47,852,000	0	0.0	1,275,000	2.7
PR	110,112,800	113,390,000	110,861,000	- 2,529,000	- 2.2	748,200	0.7
SEG	<u>723,800</u>	<u>867,700</u>	<u>867,700</u>	<u>0</u>	<u>0.0</u>	<u>143,900</u>	<u>19.9</u>
TOTAL	\$276,584,000	\$294,863,300	\$288,872,600	-\$5,990,700	- 2.0%	\$12,288,600	4.4%

FTE Position Summary					
Fund	2018-19 Base	2020-21 Governor	2020-21 Jt. Finance	Joint Finance Change to:	
				Governor	2018-19 Base
GPR	401.18	413.38	406.98	- 6.40	5.80
FED	58.73	42.73	42.73	0.00	- 16.00
PR	259.48	257.48	254.08	- 3.40	- 5.40
SEG	<u>2.75</u>	<u>2.75</u>	<u>2.75</u>	<u>0.00</u>	<u>0.00</u>
TOTAL	722.14	716.34	706.54	- 9.80	- 15.60

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

Governor/Joint Finance: Provide adjustments to the base totaling \$2,520,300 GPR, \$513,900 PR, \$1,010,800 FED, \$71,700 SEG, -9.0 PR positions, and -11.0 FED positions in 2019-20; and \$2,615,000 GPR, \$241,400 PR, \$358,500 FED, \$72,200 SEG, -9.0 PR positions, and -16.0 FED positions in 2020-21. Adjustments are for: (a) turnover reduction (-\$707,100 GPR and -\$153,500 PR annually); (b) removal of non-continuing elements from the base (-\$91,100 PR, -\$263,300 FED, and -9.0 PR and -11.0 FED positions in 2019-20; and -\$441,900 PR, -\$921,900 FED, and -9.0 PR and -16.0 FED positions in 2020-21); (c) full funding of continuing position salaries and fringe benefits (\$2,763,200 GPR, \$228,700 PR, \$1,262,500 FED, and \$57,700 SEG annually); (d) overtime (\$150,600 GPR, \$531,800 PR, and \$11,000 SEG annually); (e) night and weekend differential pay (\$9,600 GPR

	Funding	Positions
GPR	\$5,135,300	0.00
FED	1,369,300	- 16.00
PR	755,300	- 9.00
SEG	<u>143,900</u>	<u>0.00</u>
Total	\$7,403,800	- 25.00

and \$2,100 PR annually); and (f) full funding of lease and directed move costs (\$304,000 GPR, -\$4,100 PR, \$11,600 FED, and \$3,000 SEG in 2019-20; and \$398,700 GPR, \$74,200 PR, \$17,900 FED, and \$3,500 SEG in 2020-21).

2. STANDARD BUDGET ADJUSTMENTS -- TECHNICAL TRANSFERS WITHIN THE SAME ALPHA APPROPRIATION

Governor/Joint Finance: Transfer positions annually within appropriations in DOJ between different subprograms, as identified in the table below, in order to align budgeted position authorization with assigned programmatic duties and personnel management systems.

<u>Fund Source/Program/ Appropriation</u>	<u>Subprogram</u>	<u>Positions</u>	<u>Funding</u>
GPR			
<i>Law enforcement services</i>			
General program operations	Legal services	0.45	\$23,100
	Crime laboratories ¹	-7.33	-937,700
	Crime information bureau	-1.20	-154,900
	Training and standards bureau	0.10	8,800
	Criminal investigation	14.35	1,510,000
	Administrative services ¹	7.40	876,600
	Computing services	17.50	2,087,100
	Narcotics enforcement	-6.50	-853,600
	Internet crimes against children task force	10.00	1,186,800
	DNA analysis resources	-29.00	-3,181,000
	Criminal justice programs	-5.77	-565,200
<i>Administrative services</i>			
General program operations	Legal services	4.05	\$389,300
	Administrative services	-3.35	-606,900
	Computing services	<u>-0.70</u>	<u>217,600</u>
	Total GPR	0.00	\$0
PR			
<i>Law enforcement services</i>			
Crime laboratories; DNA analysis	Crime laboratories	-11.00	-\$810,100
	Crime information bureau	-2.00	-158,400
	Computing services	-2.00	-158,400
	DNA analysis resources	15.00	1,126,900
Gaming law enforcement; Indian gaming	Criminal investigation	-0.60	-\$74,200
	Narcotics enforcement	0.60	74,200
Transaction information management of enforcement system	Crime information bureau	4.00	\$299,300
	Computing services	-4.00	-299,300
Drug law enforcement, crime laboratories, and genetic evidence activities	Crime laboratories	-5.00	-\$221,500
	Criminal investigation	-9.00	-758,300
	Administrative services	-1.00	-111,800
	Narcotics enforcement	-2.00	-124,300
	Internet crimes against children task force	-8.00	-609,100
	DNA analysis resources	25.00	1,825,000

<u>Fund Source/Program/ Appropriation</u>	<u>Subprogram</u>	<u>Positions</u>	<u>Funding</u>
Law enforcement training fund, state operations	Legal services	0.70	\$116,900
	Crime information bureau	3.00	229,600
	Training and standards bureau	-4.95	-452,500
	Criminal investigation	1.00	84,800
	Administrative services	0.25	21,200
Interagency and intra-agency assistance	Crime information bureau	-0.20	-\$17,500
	Training and standards bureau	0.20	17,500
Handgun purchaser record check; checks for licenses or certifications to carry concealed weapons	Legal services	0.50	\$75,300
	Crime information bureau	-2.50	-307,900
	Administrative services	1.00	114,800
	Computing services	1.00	117,800
Drug enforcement intelligence operations	Criminal investigation	-0.50	-\$61,100
	Narcotics enforcement	0.50	61,100
Criminal history searches; fingerprint identification	Crime laboratories	10.00	\$702,000
	Crime information bureau	-3.34	-257,300
	Training and standards bureau	0.34	30,400
	Computing services	-7.00	-475,100
County-tribal programs, state operations	Administrative services	-0.40	-\$49,400
	Narcotics enforcement	0.40	49,400
Wisconsin justice information sharing program	Computing services	-2.10	-\$286,900
	Criminal justice programs	2.10	286,900
Law enforcement programs and youth diversion – administration	Training and standards bureau	0.95	\$79,600
	Administrative services	-0.57	-43,800
	Criminal justice programs	<u>-0.38</u>	<u>-35,800</u>
	Total PR	0.00	\$0
FED			
<i>Law enforcement services</i>			
Federal aid, state operations	Legal services ²	1.00	\$149,200
	Crime laboratories ²	-2.20	-127,400
	Training and standards bureau ²	5.53	490,300
	Criminal investigation ^{2,3}	5.00	404,800
	Computing services	-0.68	-53,600
	Narcotics enforcement	0.50	62,300
	DNA analysis resources ²	6.00	314,500
	Office of victim services ²	1.00	49,300
	Criminal justice programs ^{2,3}	-16.15	-1,289,400
<i>Administrative services</i>			
Indirect cost reimbursements	Administrative services	0.45	\$35,500
	Computing services	-0.45	-35,500
Victims and witnesses Federal aid; victim assistance	Administrative services	0.60	\$54,100
	Office of victim services	-0.60	-54,100

<u>Fund Source/Program/ Appropriation</u>	<u>Subprogram</u>	<u>Positions</u>	<u>Funding</u>
Federal aid; state operations relating to crime victim services	Training and standards bureau	1.00	\$167,100
	Office of victim services	<u>-1.00</u>	<u>-167,100</u>
	Total FED	0.00	\$0

¹ Contains the transfer of an appointed position.

² Contains the transfer of one or more project positions.

³ In the second year, an additional \$6,900 is transferred from Criminal justice programs to the Criminal investigation.

3. BEAT PATROL OVERTIME AND BEAT PATROL GRANT PROGRAMS [LFB Paper 455]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$2,000,000	\$0	\$2,000,000
PR	<u>0</u>	<u>- 2,000,000</u>	<u>- 2,000,000</u>
Total	\$2,000,000	- \$2,000,000	\$0

Governor: Modify current law to expand the overtime grant and the beat patrol grant programs to include community policing. Provide \$1,000,000 annually in one-time funding for overtime costs for local beat patrol and community policing officers. Convert program funding for the overtime grant program from PR to GPR. Provide that any remaining moneys in the PR appropriation be transferred to a new PR appropriation to be used at the discretion of the Attorney General. Community policing is not defined under the bill.

Under 2017 Act 59, \$1,000,000 PR annually was provided during the 2017-19 biennium only to support grants to cities to reimburse overtime costs for uniformed law enforcement officers whose primary duty is beat patrolling. Program revenue funding was provided by funds transferred from the Attorney General's discretionary settlement fund in 2017-18. Under the program, grants may be utilized to support salary and fringe benefit costs only. Further, DOJ: (a) may not award a grant to an individual city in excess of \$400,000 for a calendar year; (b) may only award grants to the 10 eligible cities submitting an application for a grant that have the highest rates of violent crime index offenses in the most recent full calendar year for which data is available under the FBI uniform crime reporting system. In addition, a city must have a population of 25,000 or more in order to be eligible to receive a beat patrol overtime grant. A city may receive a grant for a calendar year if the city applies before September 1st of the preceding calendar year and provides DOJ all of the following: (a) the reasons why uniformed law enforcement officers assigned to beat patrol need to work overtime; (b) the status of the hiring and training of new uniformed law enforcement officers who will have beat patrol duties; and (c) a proposed plan of expenditures of the grant monies.

In addition to the beat patrol overtime grant program, DOJ administers the law enforcement officer supplement grant program (also known as the beat patrol grant program). The program was created under 1993 Act 193. Through this grant program, DOJ provides grants to cities to support the salary and fringe benefits costs of employing additional uniformed law enforcement officers

whose primary duty is beat patrol. The Department must make grant awards to the 10 eligible cities submitting applications that have the highest rates of violent crime offenses in the most recent full calendar year for which data is available from the FBI's uniform crime reporting (UCR) system. The Department may not award an annual grant in excess of \$150,000 to any one city, and grantees are required to provide a 25% local match to any grant funds received under the program. In order to receive a grant, a city must have a population of 25,000 or more. Cities may generally not utilize grant funding to pay for overtime costs (except in the first year of a city's initial grant under the program). Awards are made on a calendar year basis and a city may receive a grant for three consecutive years without submitting a new application each year. Grant funding provided under this program must result in a net increase in the number of uniformed law enforcement officers assigned to beat patrol duties, when compared to the number of uniformed law enforcement officers the city assigned to beat patrol on April 21, 1994.

Joint Finance: Delete funding for the overtime grant program and instead provide \$1,000,000 GPR annually in one-time funding for the beat patrol grant program. Reduce funding for the beat patrol grant program by \$1,000,000 PR annually during the 2019-21 biennium only. Remove language associated with the expansion of the grant programs to include community policing.

4. TREATMENT ALTERNATIVES AND DIVERSION PROGRAM EXPANSION [LFB Paper 456]

GPR	\$2,000,000
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Governor/Joint Finance: Provide \$1,000,000 annually in one-time funding for the treatment alternatives and diversion program to fund both new and existing programs.

- a. \$250,000 annually in one-time funding for existing programs to replace \$250,000 annually in one-time program revenue funding provided in the 2017-19 biennium.
- b. \$250,000 annually in one-time funding to expand existing programs.
- c. \$500,000 annually in one-time funding for new TAD programs in an appropriation created for counties and tribes that as of the effective date of the bill, have not received a grant under the TAD program.

Funding for the TAD program during the 2017-19 biennium is \$5,989,000 in 2017-18 and \$5,989,200 in 2018-19 (\$4,650,000 GPR annually and \$1,339,000 PR in 2017-18 and \$1,339,200 PR in 2018-19). Program revenue for the TAD program is comprised of the following: (a) \$1,078,400 PR annually from the justice information system surcharge; (b) \$10,600 PR in 2017-18 and \$10,800 in 2018-19 from DAPIS and DODS; and (c) \$250,000 PR in 2017-18 and 2018-19 from a one-time transfer of funds from DOJ.

5. NONVIOLENT OFFENDER TREATMENT DIVERSION PILOT PROGRAM EXPANSION [LFB Paper 457]

	Governor (Chg. to Base)	Jt. Finance (Chg. to Gov)	Net Change
GPR	\$1,022,000	-\$500,000	\$522,000

Governor: Provide \$511,000 annually in one-time funding to continue and expand the Nonviolent Offender Treatment Diversion Pilot Program created under 2017 Act 32. Repeal the appropriation is as of July 1, 2021. Under 2017 Act 32, an appropriation was created for a diversion pilot program to divert nonviolent offenders to a treatment option. The Act provided \$261,000 for 2017-18 and \$261,000 GPR for 2018-19 for the diversion pilot program and repealed the appropriation on July 1, 2019. In 2018, DOJ selected three sites for the pilot: (a) Superior Police Department; (b) Sauk Prairie Police Department; and (c) Door County Sherriff's Department.

The Governor indicates that \$261,000 annually would be provided on a one-time for existing programs and \$250,000 annually would be used to expand the program to a city of the first-class (Milwaukee).

Joint Finance: Reduce funding by \$250,000 GPR annually. Remove language providing \$250,000 annually to a city of the first-class.

6. TRANSFER OFFICE OF SCHOOL SAFETY

	Governor (Chg. to Base)		Jt. Finance (Chg. to Gov)		Net Change	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	-\$680,800	- 3.80	\$680,800	3.80	\$0	0.00

Governor: Reduce funding and positions by \$226,900 in 2019-20 and \$453,900 and 3.8 positions in 2020-21 associated with the transfer of the Office of School Safety to the Department of Public Instruction (DPI). The Office is responsible for administering the grants for school safety and safety-related upgrades to school buildings, equipment, and facilities. Act 143 appropriated \$100 million in GPR funding for this purpose under a continuing appropriation. As of March, 2019, approximately \$5,450,000 remains available for grants. [See "Public Instruction -- Administrative and Other Funding"]

Joint Finance: Delete provision.

7. DIVISION OF CRIMINAL INVESTIGATION CONTINUED FUNDING [LFB Paper 458]

GPR	\$2,117,800
PR	<u>1,500,000</u>
Total	\$3,617,800

Governor/Joint Finance: Provide \$1,058,900 GPR and \$750,000 PR annually, on a one-time basis, to continue one-time funding provided for the Division of

Criminal Investigation in the 2019-21 biennium in order to support current law enforcement operations. The Governor indicates that \$750,000 PR from the DNA surcharge would fund one-time supplies and services costs related to the Internet Crimes Against Children (ICAC) Task Force, \$558,900 GPR would support overtime costs related to criminal investigations, and \$500,000 GPR would fund one-time supplies and services costs related to narcotics enforcement. In the 2017-19 biennium, the same funding sources and amounts were provided on a one-time basis for ICAC activities and overtime costs. In addition, 2017 Act 59 directed DOJ, during the 2017-19 biennium, to annually use \$250,000 PR of discretionary settlement and was provided \$250,000 PR from drug law enforcement, crime laboratory and DNA surcharges for narcotics enforcement supplies and services.

8. INTERNET CRIMES AGAINST CHILDREN [LFB Paper 458]

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	Funding	Positions	Funding	Positions	Funding	Positions
PR	\$197,400	2.00	-\$98,700	- 1.00	\$98,700	1.00

Governor: Provide \$84,600 in 2019-20 and \$112,800 in 2020-21 and 2.0 positions annually for the Internet Crimes Against Children (ICAC) Task Force. Funding for the positions would come from the \$500 per image or copy child pornography surcharge imposed on a defendant who is sentenced or placed on probation for sexual exploitation of a child or possession of child pornography.

The budget for the ICAC Unit at DOJ in 2018-19 is \$4,243,700 (all funds) and 35.0 positions. The unit's total funding is comprised of \$2,571,800 GPR, \$1,511,300 PR, and \$160,600 FED, supporting 26.0 GPR, 8.0 PR, and 1.0 FED positions. The unit's program revenue-funded budget is supported by the \$13 crime laboratory and drug law enforcement surcharge and the DNA surcharge.

Joint Finance: Reduce funding by \$42,300 in 2019-20 and \$56,400 in 2020-21 and 1.0 position annually to ICAC.

9. CRIMINAL PROSECUTORIAL AND INVESTIGATIVE RESOURCES

	<u>Governor</u> <u>(Chg. to Base)</u>		<u>Jt. Finance</u> <u>(Chg. to Gov)</u>		<u>Net Change</u>	
	Funding	Positions	Funding	Positions	Funding	Positions
GPR	\$541,100	4.00	-\$406,300	- 3.00	\$134,800	1.00

Governor: Provide \$231,900 in 2019-20 and \$309,200 in 2020-21 and 4.0 positions annually for additional criminal prosecutorial and investigative resources. Of these proposed positions, three would support white-collar crime prosecution (one attorney, one special agent, and one forensic accountant) and one project position would be a sexual assault resource prosecutor.

Joint Finance: Reduce funding by \$174,100 in 2019-20 and \$232,200 in 2020-21 and 3.0 positions annually for white collar crime prosecution.

10. CRIME LABORATORY AND DIGITAL FORENSIC EXAMINERS AND ANALYSTS [LFB Papers 459 and 460]

	Governor (Chg. to Base) Funding Positions		Jt. Finance (Chg. to Gov) Funding Positions		Net Change Funding Positions	
GPR	\$1,236,200	12.00	-\$768,400	- 7.20	\$467,800	4.80
PR	<u>684,900</u>	<u>5.00</u>	<u>- 430,300</u>	<u>- 2.40</u>	<u>254,600</u>	<u>2.60</u>
Total	\$1,921,100	17.00	-\$1,198,700	- 9.60	\$722,400	7.40

Governor: Provide \$529,800 GPR, \$207,800 PR in 2019-20 and \$706,400 GPR, \$477,100 PR in 2020-21, and 12.0 GPR and 5.0 PR positions annually for operations at the state crime laboratories and to increase digital forensic services provided to local law enforcement. These positions would consist of 5.0 PR DNA analysts, 3.0 GPR crime scene response examiners, 3.0 GPR digital forensic analysts, 3.0 GPR Toxicologists, 2.0 GPR firearm and toolmark examiners, and 1.0 GPR evidence examiner. Program revenue positions would be funded from the crime laboratory and drug law enforcement surcharge.

Joint Finance: Reduce funding by \$329,300 GPR and \$99,800 PR in 2019-20 and \$439,100 GPR and \$330,500 PR in 2020-21 and 7.2 GPR positions (3.0 crime analysts, 1.4 crime scene response examiners, 1.4 toxicologists, 1.0 firearms and toolmakers examiners, and 0.4 evidence examiner) and 2.4 PR positions annually for operations at the state crime laboratories.

11. CRIME LABORATORY PAY PROGRESSION [LFB Paper 173]

Governor/Joint Finance: Create a pay progression system, effective July 1, 2020, for the professional forensic staff at the State Crime Laboratories to address recruitment and retention of professional forensic staff. The bill does not create a statutory pay progression system, but rather funding for such a system is included as part of the compensation reserves. Aspects of the pay progression system would subsequently be included in the state compensation plan for 2019-21, submitted to the Joint Committee on Employment Relations. [See "Budget Management and Compensation Reserves."]

12. PAY PROGRESSION -- ASSISTANT ATTORNEYS GENERAL [LFB Papers 270 and 461]

GPR	\$211,600
PR	47,200
FED	<u>9,700</u>
Total	\$268,500

Governor/Joint Finance: Provide \$70,100 GPR, \$15,600 PR, and \$3,500 FED in 2019-20 and \$141,500 GPR, \$31,600 PR, and \$6,200 FED in 2020-21 to support pay progression plan for assistant attorney general (AAGs) attorneys. The AAG pay progression plan is merit-based and consists of 17 hourly salary steps, with each step equal to one seventeenth of the difference between the lowest annual salary (\$52,291) and the

highest annual salary (\$126,339). The value of one hourly salary step equals \$4,356 annually. Notwithstanding the creation of a 17 hourly salary step pay progression plan, the Attorney General is authorized to: (a) deny annual salary increases to individual AAGs; and (b) increase the salary of individual AAGs by up to 10% per year. Funding under the bill is intended to equal a 2% increase for all AAGs on January 1, 2020 and 2021.

13. PROGRAM REVENUE REESTIMATES

PR	- \$11,600
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Governor/Joint Finance: Reduce funding by \$5,800 annually to reflect current revenue projections and estimated program needs for the following program revenue appropriations:

a. -\$1,252,800 annually for crime victim and witness assistance surcharge for general services appropriation. Expenditures are reestimated to reflect actual revenue available. Base funding for the appropriation is \$6,752,800.

b. -\$6,000 annually for victim compensation from inmate payments appropriation. Expenditures are reestimated to reflect actual revenue available. Base funding for the appropriation is \$10,700.

c. \$3,000 annually for the delinquent obligation collection appropriation. Expenditures are reestimated to reflect actual revenue available. Base funding for the appropriation is \$7,000.

d. \$750,000 annually for the terminal charges appropriation. Expenditures are reestimated to fund estimated IT project expenditures. Base funding for the appropriation is \$2,072,300.

e. \$250,000 annually for the drug law enforcement, crime laboratories, and genetic evidence activities appropriation. Expenditures are reestimated to reflect actual expenditures. Base funding for the appropriation is \$9,274,800.

f. \$250,000 annually for the crime laboratory equipment and supplies appropriation. The appropriation is reestimated to account for maintenance costs. Base funding for the appropriation is \$604,100.

The reestimates under a. and b. reduce expenditure authority, but do not change grant and local assistance award amounts.

14. POSITION REALIGNMENT

PR	\$104,000
FED	- 104,000
Total	\$0

Governor/Joint Finance: Provide \$52,000 PR and -\$52,000 FED annually to align position duties and funding sources, as follows:

<u>Appropriation</u>	<u>Funding</u>	<u>Positions</u>	<u>Fund Source</u>
Crime Information Alerts	-\$77,500	-1.00	PR
Federal Aid, State Operations	77,500	1.00	FED
Federal Aid, State Operations	-129,500	-1.00	FED
Drug Enforcement Intelligence Operations (Penalty Surcharge)	129,500	1.00	PR
Interagency and Intra-Agency Assistance-Law Enforcement Services	-119,700	-1.00	PR
Interagency and Intra-Agency Assistance--Legal Services	<u>119,700</u>	<u>1.00</u>	PR
Total	\$0	0.00	
Total--PR	52,000	0.00	
Total--FED	-52,000	0.00	

15. POWERS OF THE ATTORNEY GENERAL

Governor: Repeal the provision of 2017 Act 369 which requires the Attorney General when compromising or discontinuing a civil action which DOJ is prosecuting to either receive the approval of a legislative intervenor or, if there is no intervenor, the Joint Finance Committee (JFC) and, if the plan concedes the unconstitutionality or other invalidity of statute, the Joint Committee on Legislative Organization (JCLO).

Repeal the provision of Act 369 which requires DOJ, in defending actions for injunctive relief or an action involving a proposed consent decree, to obtain approval of any legislative intervenor or, if there is no intervenor, JFC, and, if the plan concedes the unconstitutionality or other invalidity of statute, JCLO.

Under the bill, settlement powers would be reestablished as before Act 369. Under the bill, the Attorney General would be allowed to compromise or discontinue actions prosecuted by DOJ: (a) when directed by the officer, department, board, or commission that directed the prosecution; or (b) with the approval of the Governor when the action is prosecuted by DOJ on the initiative of the Attorney General or at the request of any individual.

Under the bill, when DOJ is representing the defense, the Attorney General may compromise and settle the action as the Attorney General determines to be in the best interest of the state.

Joint Finance: Delete provision.

16. SETTLEMENT AND RELATOR APPROPRIATIONS

Governor: Repeal the provision created in 2017 Act 369 which requires DOJ to deposit all settlement funds into the general fund. Establish three PR continuing appropriations to which settlements funds paid to the state may be received: (a) one for funds that have a purpose specified by the terms of the settlement for specific purposes; (b) one for funds without a purpose specified by the terms of the settlement to be used at the discretion of the Attorney General (discretionary funds); and (c) one for relator funds. (A relator is a type of party in a qui tam lawsuit. A qui tam

lawsuit is one brought under a law that allows a private person to sue for a penalty, part of which the government may receive.)

Convert DOJ's two gifts and grant appropriations from annual to continuing appropriations. As continuing appropriations, DOJ would be authorized to expend any available cash balances credited to each appropriation regardless of appropriated levels authorized by the Legislature.

Require DOJ to submit to DOA and JFC a semiannual report on the receipt and use of settlement funds. The report is required to specify the: (a) total amount of settlement funds received; (b) amount of settlement funds received that have a purpose specified by the terms of the settlement; (c) amount of settlement funds received that do not have a purpose specified by the terms of the settlement; (d) cases from which settlement funds are received; and (e) purposes for which settlement funds are used, and the amounts expended for each purpose.

Joint Finance: Delete provision.

17. QUI TAM ACTIONS FOR FALSE CLAIMS

Governor: Create authority for a private individual to bring a qui tam claim against a person who makes a false or fraudulent claim to a state agency including a false or fraudulent claim for medical assistance. A qui tam claim is a claim initiated by a private individual on his or her own behalf and on behalf of the state against a person who makes a false claim relating to moneys owed by a state agency, including for medical assistance.

Under the bill, a private individual may be awarded up to 30% of the amount recovered as a result of a qui tam claim, depending upon the extent of the individual's contribution to the prosecution of the action. The individual may also be entitled to reasonable expenses incurred in bringing the action, as well as attorney fees.

Federal law currently contains separate federal qui tam claim provisions. Under the bill, provisions enacted in the federal Deficit Reduction Act of 2005 and the federal False Claims Act are incorporated, including expanding provisions of state law to facilitate qui tam actions and modifying the basis for liability to parallel the liability provisions under the federal False Claims Act. Under the bill, provisions would provide DOJ with authority to parallel the liability and penalty standards relating to qui tam claims, and to parallel the forfeiture amounts provided under the federal False Claims Act, which are adjusted in accordance with the federal Civil Penalties Inflation Adjustment Act. These provisions may allow the state to claim additional Medicaid funding. [See "Health Services -- Medical Assistance -- General"]

Under current law, DOJ has authority to bring a claim against a person for making a false claim for medical assistance. In 2015 Act 55, the ability of private individuals to initiate qui tam claims on behalf of the state (at the time related only to medical assistance) was eliminated. The state's initial qui tam claim provisions were created in the 2007-09 biennial budget (2007 Act 20).

Provisions in the bill related to qui tam claims are primarily based on 2017 Assembly Bill 1021 which restored the statutory provisions, and processes removed by 2015 Act 55 (qui tam

actions to parallel federal law). The bill would further expand qui tam provisions to claims other than medical assistance.

Joint Finance: Delete provision.

18. REDUCTION OF DIVISION OF LEGAL SERVICES AND ADMINISTRATIVE SERVICES

GPR	- \$2,467,800
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Joint Finance: Reduce funding for the Division of Legal Services by \$1,704,400 in 2020-21 and funding for Administrative Services by \$763,400 in 2020-21.