

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 974 (Senator Manno)
Budget and Taxation

State Government - Office of the Attorney General - Appropriation and Staffing
(Judicial Use, Spending, Trial, Investigation, and Constitutional Errata
(JUSTICE) Act of 2018)

This bill requires the Governor's proposed budget for fiscal 2020 and thereafter to appropriate at least \$1.0 million *from the general fund* to the Attorney General to be used to pursue actions against the federal government under specified circumstances. It also specifies that the funds are to be used to *create five regular full-time authorized positions* (instead of to *employ five attorneys*) and are in addition to the Governor's appropriation in the State budget to the Office of the Attorney General (OAG).

Fiscal Summary

State Effect: None, as discussed below. **This bill clarifies an existing mandated appropriation beginning in FY 2020.**

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: Chapter 26 of 2017 (the Maryland Defense Act) authorized the Attorney General to pursue actions against the federal government when the Attorney General deems that there is a threat to the public interest or welfare of residents of the State. According to a report issued in December 2017, OAG is involved in or planning litigation on at least 20 distinct issues. The Maryland Defense Act also requires the Governor to provide \$1.0 million in the annual budget to fund five attorneys in OAG to support

Maryland Defense Act activity. The Governor's proposed fiscal 2019 budget includes \$1.0 million from the Consumer Protection Recoveries (CPR) Fund for this purpose and authorizes five contractual full-time equivalent positions. While there is a sufficient balance in the CPR Fund to cover these expenditures in fiscal 2019, it is unlikely that this practice can be sustained going forward, as consumer protection recoveries are highly volatile and depend upon the nature and outcome of particular cases.

State Expenditures: The fiscal and policy note for Chapter 26 of 2017 assumed that the Governor would use general funds to meet the mandated appropriation and that the attorneys employed to carry out the bill's provisions would be regular full-time positions. Accordingly, no additional impact is assumed based on the bill's clarification of the existing mandate. However, to the extent that the Governor, in the absence of the bill, would have continued to use special funds to satisfy the mandated appropriation in future years, special fund expenditures decrease and general fund expenditures increase correspondingly.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General; Department of Budget and Management; Department of Legislative Services

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mm/kdm

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