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## AT A GLANCE

- Serves as Chief Legal Officer for the State of Minnesota.
- Defends State law when challenged in court.
- Provides legal representation to State agencies, boards, commissions, and officials.
- Helps Minnesotans afford their lives and live with dignity, safety, and respect by advocating for consumers and taking legal action on their behalf.
- Provides support to county attorneys in criminal matters when requested.

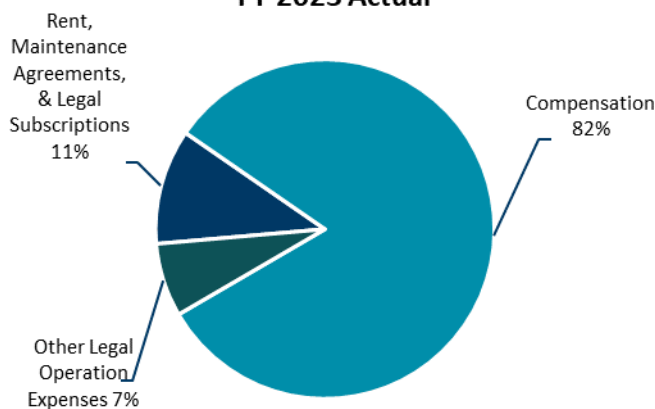
## PURPOSE

The Attorney General is the State of Minnesota's Chief Legal Officer. The Attorney General's Office defends Minnesota laws when they face a legal challenge. The Office provides legal representation to more than 100 State agencies, boards, and commissions. The Office also protects the public by advocating for consumers and bringing legal action to help Minnesotans afford their lives and live with dignity and respect. The work of the Attorney General's Office helps to support the following statewide outcomes:

- State agencies, boards, and commissions deliver services to all Minnesotans fairly, effectively, and equitably.
- By reducing the cost of litigation and returning settlements to the State General Fund, the State of Minnesota has more resources to serve the needs of Minnesotans.
- All Minnesotans can afford their lives and live with dignity, safety and respect.
- All Minnesotans benefit from an economy that works for everyone.
- All Minnesotans can better afford their lives with access to high-quality, comprehensive healthcare, can live in healthier environments where natural resources are used sustainably, can be protected from fraud and deception in its many forms no matter where they live or how much they earn.

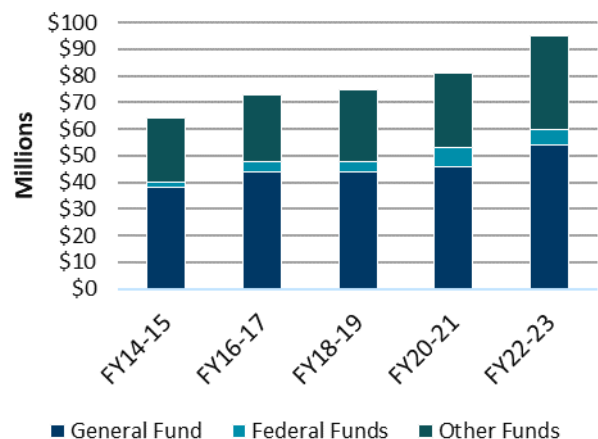
## BUDGET

**Spending by Category  
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

**Historical Spending**



Source: Consolidated Fund Statement

## STRATEGIES

- Facilitate the enforcement of, and defend challenges to, duly enacted Minnesota laws.
  - Deliver high-quality, efficient, and effective legal representation to State agencies, boards, commissions, and officials.
  - Protect and save taxpayers' dollars by defending claims for monetary judgments against the State.
  - Provide proactive legal advice to avoid lawsuits.
  - Provide legal representation to State agencies and boards in various civil and administrative proceedings and obtain monetary payments as directed by the Minnesota Legislature.
  - Use the full power granted the Attorney General under Minn. Stat. § 8.31 and other State laws to protect Minnesotans from unfair, discriminatory, or other unlawful practices in business, commerce, or trade.
  - Directly advocate for consumers in disputes with business to put money directly in consumer's pockets.
  - Provide Minnesota counties and law enforcement agencies with assistance and expertise in serious criminal matters.
  - Ensure that the public interest is protected in delivering legal services.
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
<b><u>Expenditures by Fund</u></b>						
1000 - General	24,927	29,457	40,924	55,253	42,959	42,768
1201 - Health Related Boards	2,084	2,428	2,521	2,521	2,521	2,521
2000 - Restrict Misc Special Revenue	158	400	10,757	838	589	589
2001 - Other Misc Special Revenue	12,178	14,088	12,803	15,993	15,101	15,101
2800 - Environmental		31		290	145	145
2801 - Remediation				500	250	250
3000 - Federal	2,951	3,324	2,960	4,771	4,232	4,232
3015 - ARP-State Fiscal Recovery	1,157	2,122				
6000 - Miscellaneous Agency	444	573	2,134	2,937		
<b>Total</b>	<b>43,899</b>	<b>52,423</b>	<b>72,100</b>	<b>83,103</b>	<b>65,797</b>	<b>65,606</b>
Biennial Change				58,880		(23,800)
Biennial % Change				61		(15)

**Expenditures by Program**

Attorney General	43,899	52,423	72,100	83,103	65,797	65,606
<b>Total</b>	<b>43,899</b>	<b>52,423</b>	<b>72,100</b>	<b>83,103</b>	<b>65,797</b>	<b>65,606</b>

**Expenditures by Category**

Compensation	37,212	40,445	48,670	49,679	47,669	47,478
Operating Expenses	6,568	11,095	23,196	33,424	18,128	18,128
Grants, Aids and Subsidies	0	0	43			
Capital Outlay-Real Property	101	361	2			
Other Financial Transaction	18	522	187			
<b>Total</b>	<b>43,899</b>	<b>52,423</b>	<b>72,100</b>	<b>83,103</b>	<b>65,797</b>	<b>65,606</b>

Total Agency Expenditures	43,899	52,423	72,100	83,103	65,797	65,606
Internal Billing Expenditures	390	461	371			
<b>Expenditures Less Internal Billing</b>	<b>43,510</b>	<b>51,962</b>	<b>71,728</b>	<b>83,103</b>	<b>65,797</b>	<b>65,606</b>

**Full-Time Equivalents**

<b>332.60</b>	<b>363.36</b>	<b>392.69</b>	<b>433.69</b>	<b>433.69</b>	<b>433.69</b>
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
<b>1000 - General</b>						
Balance Forward In		3,771	0	13,093	42,959	42,768
Direct Appropriation	28,698	26,457	54,887	42,160		
Transfers In	5,520	1,902	2,947			
Transfers Out	5,520	1,902	3,817			
Cancellations		771				
Balance Forward Out	3,771		13,093			
<b>Expenditures</b>	<b>24,927</b>	<b>29,457</b>	<b>40,924</b>	<b>55,253</b>	<b>42,959</b>	<b>42,768</b>
Biennial Change in Expenditures				41,793		(10,450)
Biennial % Change in Expenditures				77		(11)
Full-Time Equivalents	309.39	336.79	366.52	407.52	407.52	407.52

**1201 - Health Related Boards**

Balance Forward In		437				
Direct Appropriation	2,521	2,521	2,521	2,521	2,521	2,521
Cancellations		530				
Balance Forward Out	437					
<b>Expenditures</b>	<b>2,084</b>	<b>2,428</b>	<b>2,521</b>	<b>2,521</b>	<b>2,521</b>	<b>2,521</b>
Biennial Change in Expenditures				530		0
Biennial % Change in Expenditures				12		0

**2000 - Restrict Misc Special Revenue**

Balance Forward In	1,874	1,796	10,061	5,276	5,073	5,073
Receipts	79	512	4,974	635	589	589
Transfers In			1,000			
Transfers Out		2				
Balance Forward Out	1,796	1,906	5,278	5,073	5,073	5,073
<b>Expenditures</b>	<b>158</b>	<b>400</b>	<b>10,757</b>	<b>838</b>	<b>589</b>	<b>589</b>
Biennial Change in Expenditures				11,038		(10,417)
Biennial % Change in Expenditures				1,981		(90)
Full-Time Equivalents	0.06		0.07	0.07	0.07	0.07

**2001 - Other Misc Special Revenue**

Balance Forward In	1,056	1,772	1,018	892		
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(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Receipts	12,857	13,228	12,806	15,101	15,101	15,101
Internal Billing Receipts	390	461	371	568	568	568
Transfers In	8,414	9,942	9,900			
Transfers Out	8,414	9,942	10,030			
Balance Forward Out	1,736	912	891			
<b>Expenditures</b>	<b>12,178</b>	<b>14,088</b>	<b>12,803</b>	<b>15,993</b>	<b>15,101</b>	<b>15,101</b>
Biennial Change in Expenditures				2,530		1,406
Biennial % Change in Expenditures				10		5
Full-Time Equivalents	3.99	4.92	4.73	4.73	4.73	4.73

**2800 - Environmental**

Balance Forward In		145		145		
Direct Appropriation	145	145	145	145	145	145
Cancellations		259				
Balance Forward Out	145		145			
<b>Expenditures</b>		<b>31</b>		<b>290</b>	<b>145</b>	<b>145</b>
Biennial Change in Expenditures				259		0
Biennial % Change in Expenditures						

**2801 - Remediation**

Balance Forward In		250		250		
Direct Appropriation	250	250	250	250	250	250
Cancellations		500				
Balance Forward Out	250		250			
<b>Expenditures</b>				<b>500</b>	<b>250</b>	<b>250</b>
Biennial Change in Expenditures				500		0
Biennial % Change in Expenditures						

**3000 - Federal**

Balance Forward In		3		71		
Receipts	2,951	3,321	3,032	4,700	4,232	4,232
Balance Forward Out			71			
<b>Expenditures</b>	<b>2,951</b>	<b>3,324</b>	<b>2,960</b>	<b>4,771</b>	<b>4,232</b>	<b>4,232</b>

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Biennial Change in Expenditures				1,456		733
Biennial % Change in Expenditures				23		9
Full-Time Equivalents	19.16	21.65	21.37	21.37	21.37	21.37

**3015 - ARP-State Fiscal Recovery**

Balance Forward In		2,413				
Direct Appropriation	3,571					
Cancellations		291				
Balance Forward Out	2,413					
<b>Expenditures</b>	<b>1,157</b>	<b>2,122</b>				
Biennial Change in Expenditures				(3,280)		0
Biennial % Change in Expenditures				(100)		

**6000 - Miscellaneous Agency**

Balance Forward In	29,602	26,753	26,457	23,744	23,683	23,683
Receipts	1,217	5,670	2,662	2,876		
Transfers In	1,042		156			
Transfers Out	4,671	398	3,397			
Balance Forward Out	26,746	31,452	23,744	23,683	23,683	23,683
<b>Expenditures</b>	<b>444</b>	<b>573</b>	<b>2,134</b>	<b>2,937</b>		
Biennial Change in Expenditures				4,054		(5,071)
Biennial % Change in Expenditures				398		(100)

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
<b>Direct</b>				
<b>Fund: 1000 - General</b>				
FY2025 Appropriations	42,160	42,160	42,160	84,320
Base Adjustments				
Current Law Base Change		799	608	1,407
Forecast Base	42,160	42,959	42,768	85,727
<b>Fund: 1201 - Health Related Boards</b>				
FY2025 Appropriations	2,521	2,521	2,521	5,042
Forecast Base	2,521	2,521	2,521	5,042
<b>Fund: 2800 - Environmental</b>				
FY2025 Appropriations	145	145	145	290
Forecast Base	145	145	145	290
<b>Fund: 2801 - Remediation</b>				
FY2025 Appropriations	250	250	250	500
Forecast Base	250	250	250	500
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Planned Spending	838	589	589	1,178
Forecast Base	838	589	589	1,178
<b>Fund: 2001 - Other Misc Special Revenue</b>				
Planned Spending	15,993	15,101	15,101	30,202
Forecast Base	15,993	15,101	15,101	30,202
<b>Fund: 3000 - Federal</b>				
Planned Spending	4,771	4,232	4,232	8,464
Forecast Base	4,771	4,232	4,232	8,464
<b>Fund: 6000 - Miscellaneous Agency</b>				
Planned Spending	2,937			
Forecast Base	2,937			
<b>Revenue Change Summary</b>				
<b>Dedicated</b>				



(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Forecast Revenues	635	589	589	1,178
<b>Fund: 2001 - Other Misc Special Revenue</b>				
Forecast Revenues	15,101	15,101	15,101	30,202
<b>Fund: 3000 - Federal</b>				
Forecast Revenues	4,700	4,232	4,232	8,464
<b>Fund: 6000 - Miscellaneous Agency</b>				
Forecast Revenues	2,876			
<b><i>Non-Dedicated</i></b>				
<b>Fund: 1000 - General</b>				
Forecast Revenues	1,742	1,298	1,298	2,596

**Program: Attorney General****Activity: Government Support****AT A GLANCE**

The Government Support Section:

- Enforced the laws and rules enacted to protect Minnesota residents.
- Defended State entities and laws in enforcement proceedings.
- Defended claims against State entities and employees saving millions of taxpayer dollars.
- Protected and saved taxpayer dollars by defending claims for monetary judgments against the Department of Human Services.
- Pursued monetary recovery for cost of care.
- Provided legal support to new agencies, boards, and other state entities

**PURPOSE AND CONTEXT**

The Government Support Section provides a broad range of legal representation to the vast majority of state government through Minnesota State entities including, among others, Minnesota Management and Budget, the Departments of Corrections, Commerce, Health, Human Services, Labor and Industry, the State Board of Investment, Professional Educator Licensing and Standards Board, Board of Peace Officer Standards, and all of the Minnesota health-related licensing boards.

The section represents these state agencies and boards in disciplinary and enforcement proceedings in administrative, state, and federal courts to ensure that Minnesota law is enforced and upheld. The section provides consistent, high quality legal advice and representation in a cost-effective manner and works to ensure the public interest is represented in all matters.

The section primarily provides legal representation in state agencies' enforcement, disciplinary and regulatory actions to protect Minnesota residents. The section represents State entities in licensing, regulatory, rate making, disciplinary and enforcement actions. And, through its defense of the Minnesota Department of Human Services in litigation, the section defends the State's laws and the constitutionality of the State's actions and decisions.

**SERVICES PROVIDED**

- State agencies and boards are provided legal representation in enforcement and disciplinary proceedings.
- Legal support is provided as new agencies, boards, and other state entities set themselves up.
- Claims and litigation are avoided by proactive legal advice.
- Millions of tax dollars are saved by defense of legal claims.
- Agencies and boards are represented in complex financial and contract transactions.
- Provides legal counsel to the Minnesota Department of Human Services, including the defense of the constitutionality of the Minnesota Sex Offender Program.
- Provides proactive legal counsel and representation in an effort to avoid lawsuits or resolve disputes.
- Litigates matters on behalf of state agencies and boards to ensure that Minnesota laws are enforced and upheld and that the public interest is protected.
- Pursues and recovers monetary fines, overpayments of government funds, and estate and subrogation claims.
- Protects government benefit program integrity by defending agency eligibility determinations.

## RESULTS

- Enforcement of Minnesota laws and regulations protects Minnesotans' rights, health, and safety.
  - Legal advice and representation facilitate the implementation and enforcement of laws enacted by the Minnesota Legislature.
  - The implementation and enforcement of laws enacted by the Minnesota Legislature are facilitated by the provision of efficient and competent legal advice and representation.
  - Litigation is conducted in a manner to advance the public interest.
  - Defense of claims and recovery actions for State entities protects the State Treasury.
  - Represents the health-related licensing boards in disciplinary action so that Minnesota residents are provided with access to high quality healthcare through safe health care professionals.
  - Obtained judgments requiring repayment of funds to State government.
  - In FY 2024, represented the Minnesota Department of Health ("MDH") in enforcement proceedings to bring facilities into compliance with Assisted Living Licensure Law.
  - Pursued claims related to health care and health insurance paid, including subrogation claims.
  - Defended agency eligibility determinations so that only eligible individuals receive government assistance.
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## Government Support

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b><u>Expenditures by Fund</u></b>						
1000 - General	3,735	3,736	5,022	2,600	2,600	2,600
1201 - Health Related Boards	2,063	2,407	2,500	2,500	2,500	2,500
2001 - Other Misc Special Revenue	3,350	3,610	2,580	14,955	14,533	14,533
<b>Total</b>	<b>9,149</b>	<b>9,753</b>	<b>10,102</b>	<b>20,055</b>	<b>19,633</b>	<b>19,633</b>
Biennial Change				11,255		9,109
Biennial % Change				60		30
<b><u>Expenditures by Category</u></b>						
Compensation	9,149	9,753	9,802	20,045	19,623	19,623
Operating Expenses			300	10	10	10
<b>Total</b>	<b>9,149</b>	<b>9,753</b>	<b>10,102</b>	<b>20,055</b>	<b>19,633</b>	<b>19,633</b>
<b><u>Full-Time Equivalents</u></b>						
	<b>77.78</b>	<b>82.43</b>	<b>78.63</b>	<b>78.63</b>	<b>78.63</b>	<b>78.63</b>

## Government Support

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b>1000 - General</b>						
Balance Forward In			0			
Direct Appropriation	4,075	4,075	4,600	2,600	2,600	2,600
Transfers In	1,500		422			
Transfers Out	1,840	339				
<b>Expenditures</b>	<b>3,735</b>	<b>3,736</b>	<b>5,022</b>	<b>2,600</b>	<b>2,600</b>	<b>2,600</b>
Biennial Change in Expenditures				150		(2,422)
Biennial % Change in Expenditures				2		(32)
Full-Time Equivalents	77.78	82.43	78.63	78.63	78.63	78.63

### 1201 - Health Related Boards

Balance Forward In		437				
Direct Appropriation	2,500	2,500	2,500	2,500	2,500	2,500
Cancellations		530				
Balance Forward Out	437					
<b>Expenditures</b>	<b>2,063</b>	<b>2,407</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
Biennial Change in Expenditures				530		0
Biennial % Change in Expenditures				12		0

### 2001 - Other Misc Special Revenue

Balance Forward In	556	1,296	599	422		
Receipts	12,467	12,767	12,432	14,533	14,533	14,533
Transfers Out	8,414	9,942	10,030			
Balance Forward Out	1,259	511	422			
<b>Expenditures</b>	<b>3,350</b>	<b>3,610</b>	<b>2,580</b>	<b>14,955</b>	<b>14,533</b>	<b>14,533</b>
Biennial Change in Expenditures				10,575		11,531
Biennial % Change in Expenditures				152		66

## Program: Attorney General

## Activity: Health And Safety Section

**AT A GLANCE**

The Health and Safety Section:

- Provided Minnesota counties and law enforcement agencies with prosecutorial assistance in serious criminal matters.
- Prosecuted healthcare providers that fraudulently obtained State Medicaid funds.
- Prosecuted criminal cases ranging from sexual assault to racketeering to murder.
- Handled False Claims Act cases.
- Represented the Department of Transportation in road improvement projects.
- Represented the Department of Public Safety at implied consent hearings.
- Provided assistance to Minnesota residents.
- Helped local prosecutors obtain expungement orders in approximately 900 cases.

**PURPOSE AND CONTEXT**

The Health and Safety Section provides a broad range of legal services with the goals of protecting public safety and taxpayer dollars. The section provides assistance to county attorneys and local law enforcement agencies in prosecuting serious crimes and in the civil commitment of sex offenders. The section further provides assistance to Minnesota counties with criminal appeals. The section prosecutes healthcare providers committing Medicaid fraud and assists county attorneys in prosecuting vulnerable adult abuse, neglect, and financial exploitation cases. In addition, the section provides legal representation to the Commissioner of Public Safety, including at implied consent hearings, and the Minnesota State Patrol in forfeiture matters.

Through its work for the Minnesota Department of Transportation, the section provides legal advice and litigation representation regarding construction-related matters and assists in real estate transactions, evaluating claims and attempting to resolve claims before litigation arises. The section also protects taxpayers by filing claims on behalf of Transportation against entities that fail to pay employees legally mandated wages.

**SERVICES PROVIDED**

The Health and Safety Section provides the following services:

- Provides assistance to county attorneys when requested in serious criminal prosecutions.
- Provides assistance to county attorneys in felony appeals, including murder, sexual assault, child sexual abuse, felony assault, and drug distribution cases.
- Assists county attorneys in civil commitment hearings involving dangerous sexual predators.
- Prosecutes healthcare provider fraud within the Medicaid program and recovers fraudulently obtained Medicaid funds.
- Appears in court on behalf of the Commissioner of Public Safety in implied consent cases, and on behalf of the Minnesota State Patrol in its forfeiture proceedings.
- Investigations of innocence claims and assisting local prosecutors in obtaining expungement orders.
- Delivers proactive legal advice to avoid lawsuits.
- Defends monetary claims brought against the Minnesota Department of Transportation and the Minnesota National Guard to protect millions of taxpayer dollars.

## RESULTS

Specific benefits the Health and Safety Section obtained for the State include:

- Legal work helps facilitate the implementation and enforcement of laws enacted by the Minnesota Legislature.
  - High quality, effective and efficient legal representation delivered to state agencies, boards, and commissions protects the health and safety of Minnesotans.
  - Providers are prosecuted for fraudulent use of Medicaid funds.
  - Public interest is advanced by providing assistance in prosecutions and appeals.
  - Public interest is advanced in civil litigation.
  - Residents' rights and safety are protected.
  - Legal representation saves millions of taxpayers' dollars by its defense of claims against State agencies.
  - Prosecuted a complex network of medical providers, interpreters, and non-emergency transportation drivers who conspired to steal the identities of Medicaid beneficiaries and defraud the Medicaid program by billing for services not provided, overbilling services, and using the stolen identities of individuals to bill for services they did not receive.
  - Handled nearly 3,500 district court proceedings and associated appeals challenging the revocation, cancellation, withdrawal, and disqualification of driving privileges under various provisions of Minnesota law.
  - Since early 2023, hosted and participated in nearly a dozen expungement clinics that helped nearly 1,000 people complete and submit their expungement application. To date, the Division has helped local prosecutors obtain expungement orders in approximately 900 cases.
  - In August 2024, the CRU recommended that the 2009 conviction in Hennepin County of Edgar Barrientos for murder be vacated. The recommendation follows a three-year investigation, culminating in a 180-page report compiled by the CRU. In November 2024, a Hennepin County District Court set aside Edgar Barrientos conviction based on the CRU evidence, ordered him to be released from prison and the case against him dismissed.
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# Health and Safety Section

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b><u>Expenditures by Fund</u></b>						
1000 - General	4,227	4,503	7,012	6,627	5,826	5,826
1201 - Health Related Boards	21	21	21	21	21	21
2000 - Restrict Misc Special Revenue	145	375	426	217		
2001 - Other Misc Special Revenue	2,700	3,167	2,100			
3000 - Federal	2,951	3,324	2,960	4,771	4,232	4,232
6000 - Miscellaneous Agency	6					
<b>Total</b>	<b>10,050</b>	<b>11,391</b>	<b>12,520</b>	<b>11,636</b>	<b>10,079</b>	<b>10,079</b>
Biennial Change				2,714		(3,998)
Biennial % Change				13		(17)

## **Expenditures by Category**

Compensation	8,844	10,068	11,837	10,187	9,062	9,062
Operating Expenses	1,206	1,303	681	1,449	1,017	1,017
Grants, Aids and Subsidies	0	0	0			
Capital Outlay-Real Property	0	12				
Other Financial Transaction		8	2			
<b>Total</b>	<b>10,050</b>	<b>11,391</b>	<b>12,520</b>	<b>11,636</b>	<b>10,079</b>	<b>10,079</b>

Total Agency Expenditures	10,050	11,391	12,520	11,636	10,079	10,079
Internal Billing Expenditures	390	461	371			
<b>Expenditures Less Internal Billing</b>	<b>9,661</b>	<b>10,930</b>	<b>12,148</b>	<b>11,636</b>	<b>10,079</b>	<b>10,079</b>

<b><u>Full-Time Equivalents</u></b>	<b>80.21</b>	<b>90.93</b>	<b>102.30</b>	<b>113.30</b>	<b>113.30</b>	<b>113.30</b>
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## Health and Safety Section

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
1000 - General						
Balance Forward In				801		
Direct Appropriation	4,175	4,444	7,184	5,826	5,826	5,826
Transfers In	90	783	629			
Transfers Out	38	57				
Cancellations		667				
Balance Forward Out			801			
Expenditures	4,227	4,503	7,012	6,627	5,826	5,826
Biennial Change in Expenditures				4,909		(1,987)
Biennial % Change in Expenditures				56		(15)
Full-Time Equivalents	60.99	69.28	80.93	91.93	91.93	91.93

### 1201 - Health Related Boards

Direct Appropriation	21	21	21	21	21	21
<b>Expenditures</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>
Biennial Change in Expenditures				0		0
Biennial % Change in Expenditures				0		0

### 2000 - Restrict Misc Special Revenue

Balance Forward In	1,870	1,773	1,894	1,684	1,513	1,513
Receipts	48	497	217	46		
Balance Forward Out	1,773	1,894	1,685	1,513	1,513	1,513
<b>Expenditures</b>	<b>145</b>	<b>375</b>	<b>426</b>	<b>217</b>		
Biennial Change in Expenditures				123		(643)
Biennial % Change in Expenditures				24		(100)
Full-Time Equivalents	0.06					

### 2001 - Other Misc Special Revenue

Transfers In	2,700	3,167	2,100			
<b>Expenditures</b>	<b>2,700</b>	<b>3,167</b>	<b>2,100</b>			
Biennial Change in Expenditures				(3,767)		(2,100)
Biennial % Change in Expenditures				(64)		

## Health and Safety Section

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b>3000 - Federal</b>						
Balance Forward In		3		71		
Receipts	2,951	3,321	3,032	4,700	4,232	4,232
Balance Forward Out			71			
<b>Expenditures</b>	<b>2,951</b>	<b>3,324</b>	<b>2,960</b>	<b>4,771</b>	<b>4,232</b>	<b>4,232</b>
Biennial Change in Expenditures				1,456		733
Biennial % Change in Expenditures				23		9
Full-Time Equivalents	19.16	21.65	21.37	21.37	21.37	21.37

### 6000 - Miscellaneous Agency

Balance Forward In	6		
<b>Expenditures</b>	<b>6</b>		
Biennial Change in Expenditures		(6)	0
Biennial % Change in Expenditures			

**Program: Attorney General****Activity: Consumer Protection Section****AT A GLANCE**

In FY 2024-25, the Consumer Protection Section:

- Upheld and implemented the laws enacted by the Minnesota Legislature.
- Enforced Minnesota's consumer protection, worker protection, and antitrust laws.
- Responded to Minnesotans' concerns about fraud and other problems with businesses.
- Ensured Minnesota nonprofits, charities, and trusts registered and complied with Minnesota law.
- Advocated for residential and small business ratepayers on utility matters.

**PURPOSE AND CONTEXT**

The Consumer Protection Section of the Attorney General's Office investigates potential violations and enforces Minnesota's consumer protection, worker protection, wage theft, and antitrust laws. The Section responds to concerns about businesses submitted by members of the public and facilitates resolution of these complaints. It also regulates nonprofits, charities, and trusts that operate and fundraise in Minnesota. The Section also advocates for the interest of residential and small business ratepayers in matters involving electric, natural gas, and telecommunications services and rates.

**SERVICES PROVIDED**

The Consumer Protection Section provides the following services:

- The Consumer, Wage, and Antitrust Division investigates and, where appropriate, files enforcement actions to ensure businesses comply with the state consumer protection, worker protection (including wage theft), and antitrust laws. The laws enforced by the Division include laws prohibiting consumer fraud, deceptive trade practices, false advertising, wage theft, and state and federal antitrust laws. The Division conducts investigations and takes action to stop and deter fraud, anticompetitive conduct, and other unlawful practices in business, commerce, or trade and to protect consumers and workers. The Division also participates in numerous coordinated investigations of potential fraudulent or anticompetitive conduct by multiple state and federal enforcers of consumer protection, worker protection, and antitrust laws, including other state attorneys general, the U.S. Department of Justice, and the Federal Trade Commission and the Consumer Financial Protection Bureau.
- The Consumer Action Division counsels consumers regarding disputes with businesses or concerns about fraudulent activity and responds to consumers' requests for assistance.
- Newly created Antitrust unit that undertakes investigations and enforcement actions focused on enforcement in industries important to Minnesota, including agriculture, healthcare, and technology, among others.
- Enforcement of the 2023 law requiring pre-merger notification of certain healthcare transactions and the Digital Fair Repair Act.
- Expanded the Wage Theft Unit into the full-fledged Wage Theft Division with five attorneys and two investigators. This has allowed the Office to undertake more investigations and enforcement actions.
- The Charities Division oversees and regulates Minnesota nonprofit organizations, charities, and trusts. The Division maintains a public registry of charities, charitable trusts, and professional fundraisers that operate in the State for transparency purposes. The Division also oversees and regulates charities, charitable trusts, and nonprofits active in Minnesota pursuant to the Office's authority under statute and

common law. Finally, the Charities Division enforces state charitable solicitation, charitable trust, and nonprofit laws.

- Fully staffed Civil Rights Division that protect tenants, home-purchasers, and other consumers in the marketplace that were targeted—or disproportionately harmed—by discrimination and fraud on the basis of race, religion, age, and other protected statuses.
- The Residential Utilities Division (“RUD”) represents the interests of residential and small-business utility consumers in the complex and changing electric, natural gas, and telecommunications industries, particularly regarding utility rates, reliability of service, and service quality issues. The RUD’s work supports Minnesota’s economy and the quality of life of its residents by making sure that utilities’ rates are reasonable, their expenses are prudent, and that customers receive high quality service. This is essential to ensure that the state’s residents and small businesses are not burdened by excessive costs or poor reliability for these necessary services. The RUD advocates for residential and small business ratepayers in utility matters before the Minnesota Public Utilities Commission (“PUC”).

## RESULTS

Specific benefits the Consumer Protection Section obtained for the State:

- Legal work facilitates the implementation and enforcement of laws enacted by the Minnesota Legislature.
- Consumer protection, worker protection (including wage theft), and antitrust laws are fairly enforced.
- Residents’ rights are protected by making sure Minnesota laws are enforced and upheld.
- The Division handled more than 18,000 cases of informal mediation and complaints about businesses and other organizations, up 20% from last fiscal year.
- Between January and June 2024, the Division handled more than 38,000 calls from the public including 1,255 calls on medical billing, 1,686 calls on home rentals, 205 calls about condominiums and townhomes, 70 calls from individuals facing foreclosure, 817 calls on consumer debt and garnishment, 540 calls on utilities and utility shutoffs, 1,176 calls about auto purchasing or leasing, and 936 calls about a variety of scams targeting Minnesotans of all ages.
- Arrived at settlements of more than \$19 million for Minnesota consumers, up from last year’s \$14 million.
- Obtained a settlement requiring two debt settlement companies that illegally collected fees from customers and misrepresented their services to cease operating in Minnesota and provide just over \$1 million in refunds to its Minnesota consumers. Since taking Office, Attorney General Ellison has returned over \$2.8 million to consumers harmed by fraudulent debt settlement companies.
- Resolved a tenant-protection case against vertically integrated companies who rented out over 600 single-family homes to Minnesota families and who systematically misrepresented their property-repair practices and failed to maintain habitable housing for their tenants. The settlement required the companies to cease their unlawful practices, provide \$2.2 million in cash restitution to their tenants, provide \$2 million in debt forgiveness for past tenants, and created a path for the sale of the entire rental portfolio to affordable-housing entities.
- In January 2024, filed a lawsuit against some dairy operations owners alleging that the companies systematically deprived its vulnerable, low-wage dairy employees of millions of dollars in wages. The lawsuit alleges that this was accomplished by shaving both regular and overtime hours from workers’ paychecks, not paying wages owed at the beginning and end of workers’ employment, and by unlawfully deducting rent for substandard onsite housing that fails to meet standards of habitability under Minnesota law.
- Since the new reporting requirements for certain health care entity transactions law went into effect, the AGO has received 11 notices of transactions and completed review of eight of those transactions, including a five-year oversight agreement with Wisconsin-based Aspirus Health and St. Luke’s Hospital of Duluth, following review of the proposed acquisition of St. Luke’s by Aspirus.

- Entered into settlements that guarantees Minnesotans (both insured and uninsured) access to a one-month supply of insulin for no more than \$35. The agreement also requires donations of free insulin through charitable programs throughout the state.
  - The section has secured historic settlements with opioid manufacturers, distributors, and a consulting firm, as well as helped update Minnesota's landmark opioid legislation. This will result which will result in over \$300 million flowing into the state over the next 15 years. The first payments from these settlements were distributed in the fall of 2022. Minnesota received \$19.9 million from these companies in 2024. Pursuant to Minnesota's updated opioid legislation and the Memorandum of Agreement between the State and cities and counties, 75% of these funds will go directly to local governments and the remaining 25% will be put into a restricted opioid abatement fund, which is overseen by the Opioid Epidemic Response Advisory Council.
  - In a telecom proceeding, the Division helped obtain an order requiring CenturyLink to restore adequate landline telephone service to approximately 5,000 consumers. Most of these consumers are in rural areas and lack alternative service providers.
  - In 2024, reduced electric and gas utilities' proposed rate increases by \$67.85 million through settlements.
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## Consumer Protection Section

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b><u>Expenditures by Fund</u></b>						
1000 - General	3,523	4,491	12,162	20,067	13,470	13,279
2000 - Restrict Misc Special Revenue	8	21	10,321	609	589	589
2001 - Other Misc Special Revenue	4,314	3,384	5,500			
6000 - Miscellaneous Agency	438	573	2,134	2,937		
<b>Total</b>	<b>8,283</b>	<b>8,470</b>	<b>30,118</b>	<b>23,613</b>	<b>14,059</b>	<b>13,868</b>
Biennial Change				36,978		(25,804)
Biennial % Change				221		(48)
<b><u>Expenditures by Category</u></b>						
Compensation	7,844	7,897	13,351	7,240	7,447	7,256
Operating Expenses	438	573	16,766	16,373	6,612	6,612
<b>Total</b>	<b>8,283</b>	<b>8,470</b>	<b>30,118</b>	<b>23,613</b>	<b>14,059</b>	<b>13,868</b>
<b><u>Full-Time Equivalents</u></b>						
	<b>86.70</b>	<b>95.71</b>	<b>108.56</b>	<b>123.56</b>	<b>123.56</b>	<b>123.56</b>

## Consumer Protection Section

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
1000 - General						
Balance Forward In				7,396		
Direct Appropriation	4,798	4,898	20,129	12,671	13,470	13,279
Transfers In	577		967			
Transfers Out	1,853	407	1,538			
Balance Forward Out			7,396			
Expenditures	3,523	4,491	12,162	20,067	13,470	13,279
Biennial Change in Expenditures				24,216		(5,480)
Biennial % Change in Expenditures				302		(17)
Full-Time Equivalents	86.70	95.71	108.49	123.49	123.49	123.49

### 2000 - Restrict Misc Special Revenue

Balance Forward In	4	19	8,158	3,580	3,560	3,560
Receipts	23	6	4,744	589	589	589
Transfers In			1,000			
Balance Forward Out	19	3	3,581	3,560	3,560	3,560
<b>Expenditures</b>	<b>8</b>	<b>21</b>	<b>10,321</b>	<b>609</b>	<b>589</b>	<b>589</b>
Biennial Change in Expenditures				10,901		(9,752)
Biennial % Change in Expenditures				37,293		(89)
Full-Time Equivalents			0.07	0.07	0.07	0.07

### 2001 - Other Misc Special Revenue

Transfers In	4,314	3,384	5,500			
<b>Expenditures</b>	<b>4,314</b>	<b>3,384</b>	<b>5,500</b>			
Biennial Change in Expenditures				(2,198)		(5,500)
Biennial % Change in Expenditures				(29)		

### 6000 - Miscellaneous Agency

Balance Forward In	29,596	26,753	26,457	23,744	23,683	23,683
Receipts	1,217	5,670	2,662	2,876		
Transfers In	1,042		156			
Transfers Out	4,671	398	3,397			
Balance Forward Out	26,746	31,452	23,744	23,683	23,683	23,683
<b>Expenditures</b>	<b>438</b>	<b>573</b>	<b>2,134</b>	<b>2,937</b>		

## Consumer Protection Section

## Activity Financing by Fund

*(Dollars in Thousands)*

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Biennial Change in Expenditures				4,060		(5,071)
Biennial % Change in Expenditures				401		(100)



## Program: Attorney General

## Activity: Solicitor General Section

**AT A GLANCE**

In FY 2024-2025, the Solicitor General Section:

- Provided high-quality legal advice and representation to all three branches of Minnesota Government, including Constitutional officers, State agencies, boards, public officials, and employees.
- Successfully defended Minnesota laws from legal challenges brought before state and federal courts.
- Secured \$109 million to settle the class actions arising out of Tyler v. Hennepin
- Saved the State just over \$25 million by defeating or effectively resolving claims by plaintiffs.

**PURPOSE AND CONTEXT**

The Solicitor General Section provides high-quality and effective legal advice and representation to all three branches of Minnesota Government in a wide variety of civil cases. After a reorganization in January of 2020, the Solicitor General Section is made up of four litigation divisions: Employment, Torts, and Public Utilities Commission (“ETP”); Environment and Natural Resources (“ENR”); Tax Litigation; and Education. Each division serves its clients by providing proactive legal counsel in an effort to avoid lawsuits and representing clients in litigation to ensure that the public interest is protected.

The ETP Division advises and represents individuals and entities across state government in tort, employment, and other civil legal claims that do not fit neatly in other divisions. ETP lawyers often are called on to defend challenges to the constitutionality of Minnesota laws. The division also provides legal advice and representation to the Minnesota Public Utilities Commission.

The ENR Division advises and represents the Pollution Control Agency, Department of Natural Resources, Department of Agriculture, and Environmental Quality Board. In that role it helps enforce the State’s environmental laws and regulations and defends challenges to those agencies’ administrative actions. The ENR Division also houses the transactional attorneys from across the AGO, who primarily provide State clients with advice and expertise on contracting and real estate.

The Tax Litigation Division represents the Department of Revenue (“DOR”) in proceedings brought by taxpayers challenging DOR’s tax assessments; defends constitutional challenges to Minnesota’s tax laws; and advises DOR in the collection of delinquent taxes.

The Education Division advises and represents the Department of Education (“MDE”), the Office of Higher Education (“OHE”), the Perpich Center for Arts Education and the State Academies, as well as Minnesota State Colleges and Universities, with its system of 37 separate campuses. The Education division also represents the following pension boards: Teachers Retirement Association, Public Employees Retirement Association and Minnesota State Retirement System.

Finally, the Solicitor General ensures that all divisions of the AGO provide high quality and consistent representation in our state and federal appellate courts and takes on significant constitutional challenges to Minnesota laws.

## SERVICES PROVIDED

The Solicitor General Section provides the following services:

- Represents the above-mentioned government entities, the State of Minnesota and public officials in legal matters pending before state and federal courts, including at district court and appellate levels.
- Defends Minnesota laws against constitutional and other legal challenges.
- Defends Constitutional officers, State agencies, boards, public officials and employees in challenges to their implementation and administration of Minnesota laws.
- Defends Constitutional officers, State agencies, boards, public officials and employees in a variety of other civil matters, including in tort and employment claims.
- Advises and counsels the above-mentioned government entities and public officials on litigation risks and alternatives to avoid the commencement of adverse legal claims.
- Defends successfully against significant claims for monetary damages, saving and protecting taxpayer dollars.

## RESULTS

Specific benefits the Solicitor General Section obtained for the State include:

- The ETP Division saved the State just over \$19 million by defeating or settling claims against the State.
  - The Tax Litigation Division obtained new judgments/settlements totaling \$3,142,463 of which \$1,784,859 was already collected. The Tax Litigation division also saved the State \$6,320,744 and saved counties \$5,985,000 by defeating or settling claims.
  - Settled the class actions arising out of Tyler v. Hennepin, the United States Supreme Court case that held that when a public entity sells property to collect a debt, retaining excess value of the property above the owner's tax debt violates the Takings Clause of the United States Constitution. The parties negotiated a settlement, which the Legislature approved.
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# Solicitor General Section

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b><u>Expenditures by Fund</u></b>						
1000 - General	5,580	3,899	4,827	4,450	4,450	4,450
2001 - Other Misc Special Revenue		1,863	500			
2800 - Environmental		31		290	145	145
2801 - Remediation				500	250	250
<b>Total</b>	<b>5,580</b>	<b>5,793</b>	<b>5,327</b>	<b>5,240</b>	<b>4,845</b>	<b>4,845</b>
Biennial Change				(805)		(877)
Biennial % Change				(7)		(8)
<b><u>Expenditures by Category</u></b>						
Compensation	5,580	5,793	5,327	5,240	4,845	4,845
<b>Total</b>	<b>5,580</b>	<b>5,793</b>	<b>5,327</b>	<b>5,240</b>	<b>4,845</b>	<b>4,845</b>
<b><u>Full-Time Equivalents</u></b>						
	<b>44.51</b>	<b>47.08</b>	<b>44.33</b>	<b>44.33</b>	<b>44.33</b>	<b>44.33</b>

# Solicitor General Section

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
<b>1000 - General</b>						
Balance Forward In			0			
Direct Appropriation	4,075	3,875	4,450	4,450	4,450	4,450
Transfers In	1,505	586	377			
Transfers Out		533				
Cancellations		30				
<b>Expenditures</b>	<b>5,580</b>	<b>3,899</b>	<b>4,827</b>	<b>4,450</b>	<b>4,450</b>	<b>4,450</b>
Biennial Change in Expenditures				(201)		(377)
Biennial % Change in Expenditures				(2)		(4)
Full-Time Equivalents	44.51	47.08	44.33	44.33	44.33	44.33

## 2001 - Other Misc Special Revenue

Transfers In	1,863	500		
<b>Expenditures</b>	<b>1,863</b>	<b>500</b>		
Biennial Change in Expenditures			(1,363)	(500)
Biennial % Change in Expenditures				

## 2800 - Environmental

Balance Forward In	145	145		
Direct Appropriation	145	145	145	145
Cancellations		259		
Balance Forward Out	145		145	
<b>Expenditures</b>	<b>31</b>	<b>290</b>	<b>145</b>	<b>145</b>
Biennial Change in Expenditures			259	0
Biennial % Change in Expenditures				

## 2801 - Remediation

Balance Forward In	250	250		
Direct Appropriation	250	250	250	250
Cancellations		500		
Balance Forward Out	250		250	
<b>Expenditures</b>	<b></b>	<b>500</b>	<b>250</b>	<b>250</b>
Biennial Change in Expenditures			500	0
Biennial % Change in Expenditures				

**Program: Attorney General****Activity: Administrative Operations****AT A GLANCE**

In FY 2024-25, the Administrative Operations:

- Provided administrative, human resources, accounting services, information technology, and support services to the Attorney General's Office to provide efficient and effective legal representation.
- Ensconced several employee committees to help the office operate more effectively, inclusively, and efficiently to serve all Minnesotans.

**PURPOSE AND CONTEXT**

- Ensure that budget, human resources, payroll, and accounting practices are in accordance with State law and procedures.
- Protect and save taxpayer dollars by ensuring an efficient use of resources and staff.
- Purchase goods and services pursuant to State guidelines and requirements.
- Interact with other State agencies and boards on personnel, administrative, and accounting matters.
- Provide reliable, safe, and professional information technologies to support all staff and the State in delivering legal representation and services.

**SERVICES PROVIDED**

- Protect taxpayer dollars by ensuring accounting and payroll services are complete, accurate, and in accordance with the law.
- Maintain budget and accounting systems to ensure that they are in compliance with State law and practice.
- Develop and implement administrative policies and procedures in accordance with State law and requirements.
- Provide the AGO with necessary administrative support to provide high-quality and efficient legal representation.
- Supply human resources, administrative, and accounting services.
- Ensure that purchasing is cost effective and in accordance with all applicable laws and regulations.
- Provide hardware and software technical support to staff, maintain data security, and coordinate security updates and software improvements.
- Provide robust eDiscovery services, litigation support, and legal research tools.

**RESULTS**

- Administrative support is provided to carry out the delivery of high-quality legal services efficiently and effectively.
- Legal resources are available to ensure timely and effective representation.
- Fiscal matters are handled to ensure that efficient and accountable government services are provided and that the systems are in accordance with the laws of the State.
- The Office received the Star Tribune's 2024 Top Workplace award for the fourth year in a row. The Office was also named a Top Workplace nationally by USA Today for the third year in a row. The Office has also

received special recognition for the work it does to hire, retain, and support veterans and the military-connected community.

- Implementing Office-wide strategies, policies and training for further diversifying our workforce and increasing retention of our existing, talented workforce.
  - Staff training and professional development professional opportunities that help employees develop and maintain core competencies such as trial advocacy, deposition skills, and legal writing for litigators, or documentation and drafting techniques for transactional staff.
  - Renovation of the St. Paul office to update and modernize our present space, as well as improving physical security systems in the office. This work also includes enhancements to virtual court appearance spaces, conference rooms, and other collaboration spaces where attendees appear in person and remotely.
  - Rebuilding of the Office's outdated IT systems with a focus on security, data privacy and cybersecurity for sensitive data.
  - Expansion of the AGO's eDiscovery tools used to securely store and review large terabytes of data the AGO maintains when representing client agencies or bringing consumer protection litigation. Complex litigation matters often span multiple years, requiring large volumes of data to be hosted and searchable for long periods of time.
  - Modernization of the AGO Law Library through investment in digital research tools as well as an inventory tracking system, a self-checkout stand, and library security technology for the existing print collection.
  - Information technology services have been adapted to support hybrid work for the majority of AGO staff.
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## Administrative Operations

## Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<b><u>Expenditures by Fund</u></b>						
1000 - General	7,863	12,828	11,901	21,509	16,613	16,613
2000 - Restrict Misc Special Revenue	4	3	10	12		
2001 - Other Misc Special Revenue	1,814	2,064	2,123	1,038	568	568
3015 - ARP-State Fiscal Recovery	1,157	2,122				
<b>Total</b>	<b>10,838</b>	<b>17,016</b>	<b>14,033</b>	<b>22,559</b>	<b>17,181</b>	<b>17,181</b>
Biennial Change				8,738		(2,230)
Biennial % Change				31		(6)

### **Expenditures by Category**

Compensation	5,795	6,934	8,353	6,967	6,692	6,692
Operating Expenses	4,923	9,219	5,449	15,592	10,489	10,489
Grants, Aids and Subsidies	0	0	43			
Capital Outlay-Real Property	101	349	2			
Other Financial Transaction	18	513	186			
<b>Total</b>	<b>10,838</b>	<b>17,016</b>	<b>14,033</b>	<b>22,559</b>	<b>17,181</b>	<b>17,181</b>

### **Full-Time Equivalents**

<b>43.40</b>	<b>47.21</b>	<b>58.87</b>	<b>73.87</b>	<b>73.87</b>	<b>73.87</b>
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## Administrative Operations

## Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
<b>1000 - General</b>						
Balance Forward In		3,771		4,896		
Direct Appropriation	11,575	9,165	18,524	16,613	16,613	16,613
Transfers In	1,848	533	552			
Transfers Out	1,790	567	2,279			
Cancellations		75				
Balance Forward Out	3,771		4,896			
<b>Expenditures</b>	<b>7,863</b>	<b>12,828</b>	<b>11,901</b>	<b>21,509</b>	<b>16,613</b>	<b>16,613</b>
Biennial Change in Expenditures				12,719		(184)
Biennial % Change in Expenditures				61		(1)
Full-Time Equivalents	39.41	42.29	54.14	69.14	69.14	69.14

### 2000 - Restrict Misc Special Revenue

Balance Forward In		4	9	12		
Receipts	9	9	12			
Transfers Out		2				
Balance Forward Out	4	9	12			
<b>Expenditures</b>	<b>4</b>	<b>3</b>	<b>10</b>	<b>12</b>		
Biennial Change in Expenditures				14		(22)
Biennial % Change in Expenditures				196		(100)

### 2001 - Other Misc Special Revenue

Balance Forward In	500	477	419	470		
Receipts	390	461	374	568	568	568
Internal Billing Receipts	390	461	371	568	568	568
Transfers In	1,400	1,527	1,800			
Balance Forward Out	476	401	470			
<b>Expenditures</b>	<b>1,814</b>	<b>2,064</b>	<b>2,123</b>	<b>1,038</b>	<b>568</b>	<b>568</b>
Biennial Change in Expenditures				(716)		(2,025)
Biennial % Change in Expenditures				(18)		(64)
Full-Time Equivalents	3.99	4.92	4.73	4.73	4.73	4.73

### 3015 - ARP-State Fiscal Recovery

Balance Forward In		2,413				
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## Administrative Operations

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Direct Appropriation	3,571					
Cancellations		291				
Balance Forward Out	2,413					
<b>Expenditures</b>	<b>1,157</b>	<b>2,122</b>				
Biennial Change in Expenditures				(3,280)		0
Biennial % Change in Expenditures				(100)		

## Attorney General

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: Operating Budget Adjustment

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund	7,900	7,900	7,900	7,900
Expenditures				
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	7,900	7,900	7,900	7,900
FTEs	26	26	26	26

#### Request:

The Office of the Minnesota Attorney General (AGO) respectfully requests an on-going operating adjustment in the amount of \$7.9 million for FY26, \$7.9 million for FY27, and \$7.9 million FY28 and on-going. This will allow the AGO to attract and retain the best talent to serve the State and fund crucial positions so that the AGO can continue to help people afford their lives and live with dignity, safety, and respect.

#### Rationale/Background:

As has been pointed out in previous budget cycles, historically there has been a dramatic lack of investment in the Office of the Minnesota Attorney General. When adjusting for inflation, the base funding for the AGO has been in decline for decades. Over this same time period, Minnesota's population has grown in number and diversity. Society has become more complex and more litigious. The challenges that all Minnesotans face in affording their lives and living with dignity, safety, and respect continue. We must close the gap between those challenges and the resources of the Attorney General's Office to help Minnesotans meet them. During Attorney General Skip Humphrey's tenure, for example, the AGO employed over 500 staff. Currently the number of AGO employees is approximately 430, which includes the FTEs made available by the 2023 Legislature. While we have made headway on closing this gap, it is still not possible to fully do the work of the people of Minnesota today when we are below capacity in terms of full-time employees. The investments described below will allow this office to continue to make progress in rebuilding and modernizing the Office, creating a 21st Century attorney general's office, to best fulfill our duties to serve the State.

In 2023, the legislature agreed with the need for the Minnesota Attorney General's Office to build capacity and create a modern, efficient workplace. The on-going funding has allowed the office to hire much needed new staff on both the legal and administrative side and to begin to make headway on salary parity. The appropriation for office renovation expenses and to modernize technology from the 2023 Session has helped the office to begin making vitally important upgrades to the physical and technological structure of the building where many of the Attorney General's Office staff work. But there is more work to be done to close these gaps.

The proposed budget adjustments described below will allow the AGO to:

- Meet budget requirements needed to attract and retain talent in a cost-effective manner while maintaining excellent service to the State
- Ensure that the AGO has sufficient administrative and legal staff to support the office to effectively serve the State

The recurring annual funding adjustment request of \$7,900 million per FY increases the AGO general fund annual appropriation from \$40,909 million for FY 2025 to \$48,809 million per FY, a 19.3% increase.

## **Proposal:**

### **General Operating Expenses**

#### Operating Budget Increase

The new attorneys and legal assistants that have come on board since the end of the 2023 Session, provide needed additional capacity to better meet the needs of Minnesotans we serve through our criminal, charities, wage theft, post-conviction, antitrust, civil rights, and state agency legal work. These investments in new staff to serve Minnesotans has led to a need for an increase to the general operating budget to fund support services and a variety of expenditures: an increase in the budget of the Information Technology budget, increased parking costs, funds for deferred compensation, funds for unanticipated hirings, vacation payouts, salary adjustments, and to make up for a shortfall in partner billing. The AGO requests an on-going increase to its operating budget of \$1.5 million per FY.

#### Salary Adjustments

We are requesting a salary adjustment to help AGO salaries stay competitive and to retain talented attorneys and legal assistants instead of losing them to higher paid similar positions in county attorney or U.S. Attorney offices. In 2023 the Legislature passed an increase to the salaries of AGO staff which has helped in our goal of re-building key parts of the office and has enabled the AGO to attract top-tier talent to the office. At the same time the Legislature increased the budget of the Board of Public Defense by almost 50%, a sorely needed increase that resulted in increased salaries and decreased workloads for those attorneys. It has also had the effect of re-setting the salary floor for non-attorney staff who work at public law offices. The Office still struggles to match the salaries offered to staff at other comparably sized public law offices. This is an impediment to serving the State and the people of Minnesota at every step: in hiring, in retention, and in promotion. It poses a particular, predictable, and repeating challenge to attracting, retaining and promoting highly skilled, trained, and motivated staff at every point in their careers because the Office is unable to match salaries they can command at other public and not even come close to salaries at private law offices. The Office, the State, and Minnesotans suffer the loss of investment in years of training and experience over and over again as our greatest resources— our staff and attorneys — take their expertise gained at the AGO to another office that pays more, only to be replaced by often less-experienced attorneys, and the cycle repeats itself. We request \$2.7 million per fiscal year to bring parity to the legal assistant level of staff and to continue to close the salary gap between the legal staff of the AGO and the staff of other public law offices.

### **SUFFICIENT STAFF TO SERVE MINNESOTANS**

#### **Legal Staff Needs**

##### Increased Medicaid Fraud Staff

The Medicaid Fraud Division is a federally certified Medicaid Fraud Control Unit (MFCU) that investigates and prosecutes health care providers who commit fraud in the delivery of services in the Medical Assistance (“Medicaid”) program. Upon referral from a Minnesota county attorney, the Division also has authority to investigate and prosecute abuse, neglect, and financial exploitation cases that occur in certain Medicaid-funded facilities, or against certain Medicaid recipients.

The Minnesota Department of Human Services administers the Medicaid program in Minnesota. DHS's Medicaid Provider Fraud and Audits Division (MPAI) is responsible for investigating fraud in the Medicaid program. After completing its administrative investigation, MPAI may refer cases to the Division for criminal investigation and prosecution. The Division also receives referrals from other sources, including but not limited to managed-care organizations, other state agencies, and other federal, state, and local law enforcement entities.

Most of the Division's work involves investigating and prosecuting health-care providers who participate in the State's Medicaid program and submit false claims for reimbursement. Typical fraud schemes include billing for services not provided, billing for authorized units rather than actual units of care provided, providing group care but billing as if one-on-one care is provided, and billing for services provided by individuals who are not qualified due to a prior conviction, a lack of credentials, or failure to pass background checks. Some fraud cases have a criminal neglect component because the recipient's condition is compromised due to lack of care. According to a staffing algorithm from the Department of Health and Human Services' Office of Inspector General, the Minnesota MFCU is currently understaffed for the size of State Medicaid spending in the state. Accordingly, the Attorney General's Office requests 9 FTEs dedicated to Medicaid Fraud investigations. This would include 1 Assistant Attorney General, 7 investigators, and 1 support staff. 75% of the cost of these FTEs will be paid for by the federal government, this request is for 25% of the costs for 9 FTEs.

#### Post-Conviction Unit FTEs

The Post-Conviction Justice Division (the Division) was created to carry out two important initiatives to seek justice for persons who have been convicted of crimes in the past. First, the Division's Conviction Review Unit (CRU) seeks to identify cases in which a wrongful conviction may have occurred. Second, the Division also seeks to mitigate the collateral consequences of past criminal convictions for persons who have served their sentences and rehabilitated themselves through the Attorney General's Office Statewide Expungement Program (SWEP).

The Division houses Minnesota's first-ever CRU, which is an independent unit in the Attorney General's Office with a mission to identify, remedy, and prevent wrongful convictions. Most CRUs throughout the country are housed in the office of a single-jurisdiction prosecutor, like a district attorney or a county attorney. Minnesota is one of several states that has developed a statewide CRU, providing applicants from any county in the state an opportunity for case review. The CRU has an application process to allow persons with a credible claim of actual innocence to request review of a conviction. For cases accepted for review, the CRU will conduct a comprehensive and non-adversarial review of the evidence in the case, in cooperation with both the applicant's counsel and the prosecuting attorney. The CRU review is an extrajudicial process, meaning it occurs outside of the court system. The CRU operates independently from the prosecutors that obtained the conviction in the first place, and from the other prosecutors in the Criminal Division within this Office.

Since its inception, the CRU has received over 1,100 applications for assistance. With the assistance of volunteer attorneys and law-school externs from numerous law schools, the CRU screens all applications to determine whether there are plausible claims of a wrongful conviction. The CRU has prioritized case reviews and has closed 850 of the applications without recommending relief to the applicant. The vast majority of the remaining applications are pending further review. Upon that review, the CRU may commence a more in-depth investigation to thoroughly explore the applicant's claim, or it may close the case.

In cases where the CRU concludes there was a wrongful conviction, the CRU will work cooperatively to seek remedial measures necessary to correct injustices uncovered. The CRU will also study and collect data on the causes of wrongful convictions in order to shape policies and procedures to prevent them from occurring in the future. The need for post-conviction reviews and the large number of requests for expungements is currently more than the existing staff can handle. The Attorney General's Office requests 4 FTEs to continue this important work.

## Antitrust Division FTEs

The Minnesota Attorney General has authority to enforce both state and federal antitrust laws, which protect the marketplace and benefit consumers and businesses by maintaining competition. Antitrust laws are a critical piece of Minnesota's consumer protection framework. Rather than picking winners or losers among businesses, antitrust laws are designed to protect *competition*, allowing the marketplace to deliver superior goods and services to consumers at a higher quality and a lower price than a market without competition. Vigorous enforcement of antitrust laws is even more important in today's global economy. For example, a recent report by the U.S. House of Representatives about the dominance of Apple, Amazon, Google, and Facebook argued for more enforcement of antitrust laws to protect competition, improve innovation, and safeguard our democracy.

As a result of the 2023 Legislative session, the Office received funding to add two additional antitrust assistant attorneys general, increasing the size of the Office's antitrust enforcement team from four attorneys to six. All positions have been filled and the Office created a separate Antitrust Division allowing the antitrust enforcement team to undertake more investigations and enforcement actions. Such investigations and enforcement actions continue to be focused on enforcement in industries important to Minnesota, including agriculture, healthcare, and technology, among others, and include enforcement of the 2023 law requiring pre-merger notification of certain healthcare transactions and the Digital Fair Repair Act. The addition of the healthcare transaction law, the Digital Fair Repair Act and the on-going anti-trust work of the office mean that to continue to do this work effectively, the Attorney General's Office requests 1 FTE for the Anti-Trust Division.

## eDiscovery & Litigation Support FTEs

The Litigation Support Services & Records team serves as a bridge between legal and traditional IT working with attorneys to assess case needs, managing the technological tools used to conduct investigations and litigation, and evaluating and implementing emerging technologies. This team supports the AGO's complex investigative and litigation portfolio. The division manages terabytes of litigation data, consisting of tens of millions of documents, and processes several hundred document productions each year. For these purposes, the AGO requires 3 eDiscovery and litigations support FTEs as follows:

First, a litigation support specialist to provide technical support on discovery, litigation, and other technology matters that concern the identification, preservation, collection, processing, review, analysis, production, and presentation of data, including electronically stored information (ESI). The current litigation support specialist to attorney and investigator ratio is 1:80. As technology continues to evolve, so do the demands that are placed on our legal technology staff. Another litigation support specialist will provide more operational continuity and allow the team to support more complex investigations and litigation.

Second, a digital forensics examiner to work on specialized forensic projects. The AGO does not currently have a certified forensic examiner on staff. The AGO must either use MNIT forensic services or retain an external vendor. MNIT's forensic lab supports the entire executive branch and is consistently backlogged with requests, rendering them unusable for urgent matters. Local vendors charge significantly higher rates for forensic services. One local vendor provided an estimate of \$25,000 to preserve two dozen devices. This cost did not include analysis, report writing, or court testimony. A full-time forensics examiner on staff will allow the AGO to work on forensics projects that require quick turnaround and will be less costly compared to paying for vendor services for each project.

Third, 1 legal operations specialist to support several important functions of the division. This role supports the law library, records, and data practices functions of the office. Additionally, these roles support state agency and outside counsel billing. Finally, these roles support the AGO's case management system which tracks legal matters and client billing information. This role will be responsible for the ongoing administration of the platform. The Attorney General seeks funding for 3 FTEs to help the eDiscovery & Litigation team's important role.

## Enforcement of Minnesota Consumer Data Privacy Act

The 2024 Legislature passed the Minnesota Consumer Data Privacy Act which regulates businesses' use of personal data on individuals. It also gives Minnesotans various rights regarding their personal data. The Act is effective July 31, 2025. The fiscal note for that bill showed that the Attorney General's Office required \$988,000 per year beginning in FY 2026 and on-going to enforce this law. The Act allows for civil penalties that are directed to the General Fund. (See Minn. Stat. § 8.31, subd. 3 providing for civil penalties of up to \$25,000 per violation. The front page of the fiscal note shows the cumulative impact of the staff costs and the revenue generated, which could be read as the AGO costs are reduced by \$240,000 (revenue generated from civil penalties) per year beginning in FY 2027. However, as civil penalties go to the General Fund and are not returned to the AGO, the civil penalty revenue does not off-set AGO costs. Beginning in FY 2026, the AGO is requesting the \$240,000 per year needed to bring the funding for the Act up to \$988,000 on an on-going basis.

### **Administrative Staff Needs**

The capacity of the administrative, non-legal side of the Attorney General's Office to meet the always growing complexity of enforcing the law, assisting county attorneys, serving State agencies, protecting Minnesota consumers and helping them afford their lives has always been tight, and had continued to steadily worsen over time, due primarily to no increase in the Office's General Fund appropriation for three successive biennia until 2019. As we rebuild the Office, additional employees are needed in the following areas:

#### Law Clerk/Internship coordinator and Digital Communications

The Minnesota Attorney General's Office has a Law Clerk program that offers law students a unique opportunity to work directly with Assistant Attorney Generals and gain hands-on experience reviewing documents, researching legal issues, and drafting written product. This position allows law students to develop professional skills and expand their knowledge while performing meaningful and challenging work on a wide variety of issues. Beginning in January 2025, the Attorney General's Office will offer the Mondale-Humphrey Internship Program. This program has been designed to introduce undergraduate students to state service and the Minnesota Attorney General's Office. As an undergraduate program open to all types of majors and school or career goals, interns will have the opportunity to work directly with both legal and non-legal professionals supporting the mission of our Office. Currently these two programs are administered by Assistant Attorney Generals who do this work on top of their regular workload. The AGO requests an increase of 1 FTE to coordinate and lead in the execution of these two important programs.

The Attorney General's Office needs to be able to meet Minnesotans where they are in terms of using 21<sup>st</sup> Century channels of communications that can help us reach the most Minnesotans. We want to ensure that Minnesotans know about the resources of the AGO and the ways that the Office can assist them with the issues they are facing. To that end, the office requires a digital communication position to create, design, write, and edit digital content for the office's social media platforms. The AGO requests 1 digital communications FTE.

#### Information Technology

Technology modernization is imperative to keep pace in the legal world. Outdated equipment with patchwork approaches is no longer acceptable for the safety and security required of this area of the Office. This administration has taken a thoughtful, intentional approach to rebuilding the Office's systems needed with a keen focus on security for sensitive data. The AGO is subject to several federal and state data security requirements because of the data it receives from state agency clients and members of the public. In 2023 the Office was able to hire a full-time Chief Information Officer (CIO) who is responsible for office-wide IT, data privacy, and cybersecurity strategy for the AGO. As the office is rebuilding capacity in general, this also necessitates an increase in IT staff. The AGO requests funding for a Data Governance and Compliance Analyst to implement

policies, rules, and systems that direct the use of data within the AGO; and to comply with regulatory standards. Additionally, a Cybersecurity Analyst is needed to leverage security tools to investigate and remediate various types of cyber threats, including phishing, malware, and identity and access management. The IT division requests 2 additional FTEs.

### Human Resources

The Human Resources (HR) staff to employee ratio within the Attorney General's Office (AGO) is 1:3 (HR staff/total staff). This is well below the ratio for other state agencies and any recommended ratio from any reputable source. A BNA HR Department Benchmarks and Analysis report from 2021 recommends the ratio at a minimum of 1.4 and the Society for Human Resources (SHRM) Workforce Analytics report from 2018 recommends an average ratio of 2.57. Historically, HR was always understaffed within the AGO and included administrative tasks that dominated the role. This administrative work has been shifted to administrative staff and the AGO has been rebuilding and developing an HR department that meets the needs of our Office. Our currently understaffed HR department cannot support our 430 staff through the complete cycle of employment from strategic recruitment, supportive onboarding, salary equity, employee development, leave management, workforce planning, compliance, policy, labor relations, diversity, equity, inclusion, accessibility, and more. To continue to build our office, 2 additional FTEs are needed for this work.

### Shared Services

In an effort to serve the office more efficiently, the AGO re-organized support services positions across the office into a Shared Services Team. The purpose of the Shared Services Team is to serve the entire office by supporting it with essential clerical and administrative functions, many of which, must be completed in person at the office. This includes things like mail handling, package handling, printing services, project support, supply requests and general offices services. As the AGO is rebuilding its capacity by adding more staff the demand for the services of the Shared Services team has increased. The AGO respectfully requests 2 FTEs to add additional capacity to this team.

### Security Staff

In the current political climate, government buildings face many real, targeted threats including bombings, sabotage, unlawful entries, threats of violence to staff, and theft. The safety of staff and visitors, as well as the security of important government and legal documents are of paramount importance. For this reason, addressing Office physical security with the addition of 1 FTE security officer is an imperative operational requirement.

### Other Items

#### Consumer Litigation Revolving Fund

In 2023, the Minnesota Legislature established and appropriated the initial, one-time funding of a Consumer Litigation fund. The State regularly litigates in complex consumer protection actions in Minnesota and around the country to protect the rights of Minnesota consumers. This litigation includes consumer fraud/deceptive trade practices cases, antitrust cases, wage theft cases, false claims matters, and other complex civil litigation, requires budgeting for litigation costs, document review platforms, expert witnesses, and other items. These complex cases are best served at times joining efforts with other states to provide the greatest benefit to Minnesotans. The AGO regularly brings in tens of millions of dollars of recoveries from these cases to the State, which are deposited under statute into the general fund. The \$1 million from the initial set-up of the consumer protection fund has already or will be soon entirely used for its intended purposes. The office now faces the prospect of being back where we were in January of 2023 before the creation of this fund: without dedicated funds to use for the purpose of important litigation, and unable to utilize this fund for the purpose for which it was created. To

make the fund functional, the AGO is proposing legislation as part of this budget request to turn this into a revolving fund, using recoveries from consumer protection cases where a small percentage of those recoveries will be used to fund on-going litigation in same or similar matters, in essence, renewing the initial funding provided in the 2023 request. It is anticipated that there will be no cost to this proposal.

#### Establish a Consumer Protection Restitution Fund

In the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Congress established a victims relief fund, called the Civil Penalty Fund, to provide money to people who have been harmed by companies that break federal consumer financial protection laws. The AGO proposes to establish a similar fund in Minnesota to provide compensation to consumers who have been harmed by violations of Minnesota consumer financial protection law but have not been able to receive restitution. In consumer enforcement action cases where the Attorney General's Office is able to recover additional money after consumers are fully restituted, a portion of that additional money will be deposited into the Consumer Protection Restitution Fund. The money in this fund will then be used to compensate other victims of consumer fraud who have not been able to receive any restitution. Creating a mechanism for Minnesotans who have been victims of consumer fraud to have a small measure of restitution is in exact alignment with the mission of this office.

#### Transfer from the 1201 Fund Increase

The Health and Teacher Licensing Division represents Minnesota's health-related licensing boards, the Emergency Medical Services Regulatory Board, the Health Professionals Services Program, and the Professional Educator Licensing and Standards Board in litigation and administrative actions related to their licensure and regulatory oversight of healthcare providers and educators. The Division also investigates complaints received by the boards alleging licensee misconduct and provides legal advice to the boards. Funding for this work comes from the 1201 Fund, the fund where licensure fees from health-related licensure boards are deposited. To meet increased demand for the work of the Health and Teacher Licensing Division, the transfer of funds from the 1201 Fund to the Attorney General's Office needs to be increased by \$500,000. There is no cost to the General Fund for this increase.

#### **PROPOSAL:**

For all FTEs proposed, as soon as funds are appropriated, the Attorney General will recruit and train staff to pursue described benefits as soon as possible. Amounts respectfully requested for FY2026 and FY2027 combined are:

Total Operating Budget Request FY 2026-27: \$15,800 million

Operating Budget Increases FY 2026-27: \$8,400 million

Total Legal and Administrative Staff FY 2026-27: 26 FTE \$7,400 million

Legal Staff FY 2026-2027: 17 FTE, \$4,484 million

- Medicaid Fraud Unit (1 Assistant Attorney General, 8 Legal Assistant) 9 FTE, \$781,500 (25% state match)
- Post-Conviction Unit (2 Assistant Attorney General, 2 Legal Assistant) 4 FTE, \$1,716,000
- Antitrust Unit (Assistant Attorney General) 1 FTE, \$534,000
- eDiscovery & Litigation support (3 Legal Assistant) 3 FTE, \$972,000
- Enforcement of MN Consumer Data Privacy Act: \$480,000

Administrative Staff FY 2026-2027: 9 FTE, \$2,916 million



- Law Clerk/Internship Coordinator (Legal Assistant) 1 FTE, \$324,000
- Digital Communications (Legal Assistant) 1 FTE, \$324,000
- Information Technology (Legal Assistant) 2 FTE, \$648,000
- Human Resources (Legal Assistant) 2 FTE, \$648,000
- Shared Services (Legal Assistant) 2 FTE, \$648,000
- Security Staff (Legal Assistant) 1 FTE, \$324,000

This request will make significant progress in rebuilding and modernizing the AGO, creating a 21st Century public law office, to best fulfill our duties to serve the State.

### **Impact on Children and Families:**

The mission of the Minnesota Attorney General's Office is to help Minnesotans afford their lives and live with dignity, safety, and respect. The impact of this request on children and families is wide-ranging: from directly helping consumers mediate complaints with businesses so that money they lost can go directly back into their pockets, to fighting scams and fraud; from winning restitution and loan forgiveness for low-income students who were defrauded by for-profit colleges; to ensuring public school students can participate in school activities despite any lunch debt they may have; from holding the largest e-cigarette manufacturer legally accountable for deceptively addicting children and youth to their products; to supporting county attorneys in fighting sex trafficking, particularly in Greater Minnesota; and much more. This request for an operating adjustment will help ensure the most experienced attorneys can stay in public service and support children and families in many aspects of their lives.

Children and families, like all Minnesotans, benefit from increased enforcement of Minnesota's charities laws. These populations are often the intended beneficiaries of charitable assets and are deprived of critical resources when unscrupulous actors divert charitable funds from their intended beneficiaries. In one instance, the Charities Division ensured that \$66,000 that a charity had misused funds were redirected to their intended purpose of helping foster children.

Funding of increased law enforcement resources for wage theft enforcement will have a direct impact on children and families that depend on the resources of low-wage workers that are negatively impacted by wage theft. Such families would see more resources and fairer wages from increased enforcement of Minnesota's wage theft laws. Moreover, robust enforcement of Minnesota's wage theft and antitrust laws will make the marketplace fairer for all participants, which also brings benefits to children and families.

Finally, all Minnesotans deserve to be safe and feel safe in their homes and on the street: enhancing the ability of the Attorney General's Office to prosecute violent and exploitative crimes will contribute to their safety. This request will also help all Minnesotans, especially low-income Minnesotans and those raising children, better afford their lives by expanding the capacity of the office to prosecute serious economic crimes. This request, if funded, will for the first time provide statewide capacity for prosecuting sex trafficking, which is particularly under-addressed in Greater Minnesota due to lack of capacity and resources.

### **Equity and Inclusion**

Currently, Minnesotans in need of consumer protection and other types of assistance either call our office or submit a complaint online. This presumes that people know that the Attorney General's Office is available to support them with challenging issues. The increased communications and outreach capacity will allow us to reach out directly to communities that have traditionally been less aware of the Office such as Native American tribes, the Black community, other communities of color, and new Americans, many of whom may not read or speak English fluently. Direct and targeted outreach will provide resources to connect those communities to legal and other resources that the Office offers to all Minnesotans, which they might not otherwise be aware of or have access to.

The Attorney General’s Office is deeply committed to its vision of helping Minnesotans afford their lives and live with dignity, safety, and respect. Over the past four years, the Office has demonstrated its special attention to communities that have experienced historic and lasting inequities by focusing efforts on entities that have targeted marginalized and vulnerable communities. One example is the launch of the Wage Theft Unit, which has recovered hundreds of thousands of dollars for victimized workers. People of color and marginalized communities, like all Minnesotans, benefit from increased enforcement of Minnesota’s wage theft laws and a fair marketplace. Robust enforcement of wage theft laws will especially benefit marginalized and vulnerable communities who often are the victims of unlawful wage theft practices.

The Office initiated a Special Outreach and Protection Unit during the COVID pandemic to specifically focus on improving the lives of marginalized communities and individuals in Minnesota. One area where communities of color benefitted from this work was in the area of tenants’ rights – securing important victories to protect low-income renters, the majority from communities of color. The expansion of that work through the creation of a Civil Rights Unit has created critical capacity focused on protecting a wider spectrum of the civil rights of all Minnesotans – especially those that have a history of disparities in Minnesota.

Increased enforcement of Minnesota’s charities laws also has a major impact on equity and inclusion. Historically underserved populations are often the intended beneficiaries of charitable assets and are deprived of critical resources when unscrupulous actors divert charitable funds from their intended beneficiaries. For example, in the Matter of Minnesota Cameroon Community, the Charities Division required the organization to restructure and correct deficiencies so it could better serve the communities it was intended to benefit.

Supporting enhanced criminal enforcement and initiatives will improve service to marginalized communities, including but not limited to persons of color, those with limited education or English language skills, and those living on fixed incomes or at or near the poverty level, who are disproportionately represented among crime victims. However, crime victims cut across all groups and demographics. The Attorney General’s criminal justice reform measures provide benefits to communities that have been overrepresented in the criminal justice system.

Increased enforcement of Minnesota’s antitrust laws promotes a fair marketplace, resulting in positive changes to the state’s economy and lower prices for higher-quality goods for everyone.

Finally, it is important to state that the Attorney General’s Office is deeply committed to and has had early success broadening its recruitment of attorneys, legal assistants and support staff that better reflects the State’s diverse population.

**Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No

**Statutory Change(s):**

The office will seek to amend section 16A.151 to make the existing Consumer Litigation Fund into a revolving fund. The creation of the Consumer Protection Restitution Fund will also require an amendment to 16A.151 and 8.3. At present, section 16A.151 requires the Attorney General’s office to put recoveries in the general fund unless they are paid as restitution.

## Attorney General

### FY 2026-27 Biennial Budget Change Item

#### Change Item Title: One-Time Operating Adjustment

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	940		0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	940		0	0
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Request:

The Office of the Attorney General respectfully requests a one-time operating adjustment of \$940,000 in FY 2026 to:

- Complete the renovations in the Town Square Tower building
- Upgrade the AGO Server room
- Consultant for Website accessibility
- Invest in a web-based performance evaluation system

#### Rationale/Background:

The funding that the Minnesota Attorney General's office received in 2023 has allowed the office to hire much needed new staff on both the legal and administrative side; and to begin to make headway on salary parity. The appropriation for office renovation expenses and to modernize technology from the 2023 Session has helped the office to begin making vitally important upgrades to the physical and technological structure of the building where many of the Attorney General's Office staff work. The AGO requests the following one-time investments to continue to build the Office into a top-functioning, 21<sup>st</sup> century public law office to best serve all of Minnesota.

#### Proposal:

##### Office Renovation Expenses

One of the top priorities of the AGO is to attract and retain top talent to serve the public. However, our office space- first leased in 1994, nearly 30 years ago is getting its first update in order to create a professional and functional work environment where employees choose to stay. The AGO seeks one-time funding of \$500,000 to complete office updates and renovations. The lease for the downtown Saint Paul office space that houses the vast majority of the staff of the Attorney General's Office was set to expire in January 2023. Because this was known well in advance, administrative and executive staff began a comprehensive process in 2019 to assess the current and future space needs of the Office and then issued a Request for Proposals through the Department of Administration. After reviewing bids, executive staff determined that the most cost-effective way to meet the current and anticipated needs of the Office is to update and renovate our present space and replace aging furniture that is no longer operational. Additionally, in the current political climate, government buildings face many real, targeted threats including bombings, sabotage, unlawful entries, threats of violence against personnel, and theft. The safety of staff and visitors, as well as the security of important government and legal documents,

are of paramount importance. For this reason, finishing the update and improving physical security systems is an imperative operational requirement.

#### Modern, Secure Server Room

The Attorney General's Office is requesting a one-time appropriation of \$250,000 to upgrade our primary server room in the Town Square Tower building. This server room is used to house critical IT infrastructure, including servers, storage, and networking equipment. Maintaining an ideal and secure environment for this equipment is necessary to ensure the safety and availability of our IT systems and data. After a thorough evaluation of the server room, we have identified several risks, deficiencies, and outdated/failing equipment that need to be addressed.

This request involves replacing the building's fire suppression/remediation system with a server room grade system. If there were a fire in the building, the existing fire suppression system would destroy the physical hardware and result in a loss of equipment, data, and operability of the server room. This request also includes modifications to the battery backup and power distribution system, modifications to the cooling system, implementation of environment monitoring equipment, implementation of physical security equipment, and upgrades to server racks and cabling throughout. This request includes mechanical, engineering, and installation costs of these various systems.

#### Web-based Performance Evaluation system

The AGO requests \$40,000 for a dedicated performance evaluation system. This dedicated system will enhance the office's security, data practices, and overall data hygiene practices for performance evaluations.

#### Consultant for Website Accessibility

The goal of the Minnesota Attorney General's office is to help every Minnesotan afford their lives and live with dignity, safety, and respect. The AGO website is a one-stop shop for information about things like scams, tenants' rights, charities, price transparency, how to file a complaint with the AGO, and more. Websites that are not truly accessible can make it difficult or impossible for some people to access government services that are quickly and easily available to other members of the public online. The AGO requests \$150,000 to hire a web consultant to advise the office on how to best ensure that our website is accessible.

These one-time strategic investments will help the AGO continue to rebuild into a top-functioning 21<sup>st</sup> century public law office.

#### **Tribal Consultation:**

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No