HOUSE FISCAL AGENCY

Budget Briefing: Attorney General

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Briefing Topics

- Funding Sources
- Appropriation Areas
- Major Budget Topics

Department of Attorney General

The attorney general's powers are prescribed by the State Constitution and further delineated by statute and case law.

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

Key Budget Terms

Fiscal Year: The state's fiscal year (FY) runs from October to September. FY 2026-27 is October 1, 2026 through September 30, 2027.

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

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

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

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

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

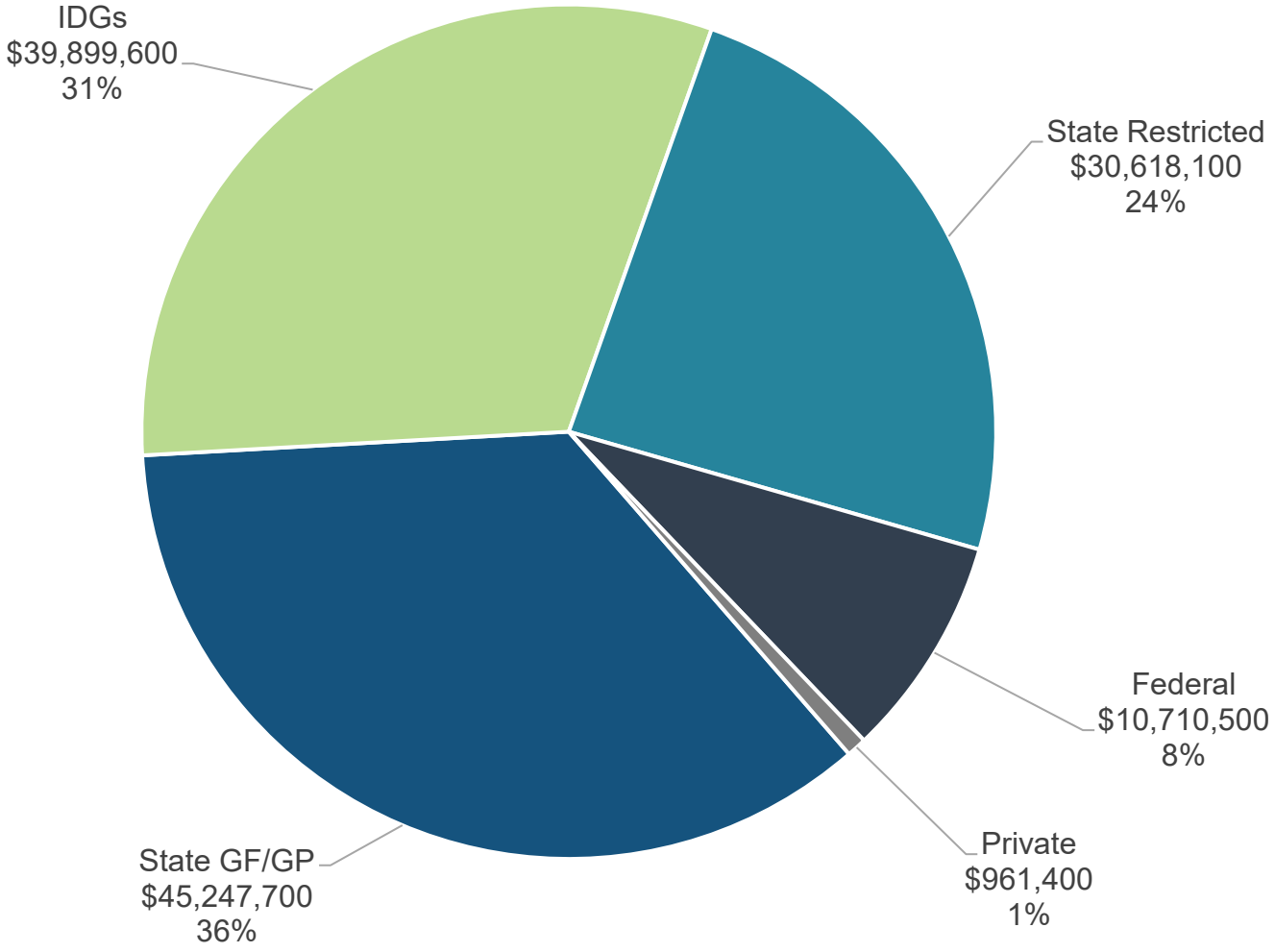
Funding Sources

FY 2026-27 Attorney General Budget

Fund Source	Funding	Description
Gross Appropriations	$127,437,300	Total spending authority from all revenue sources
Interdepartmental Grants (IDG) Revenue	39,899,600	Funds received by one state department from another state department, usually for services provided
Adjusted Gross Appropriations	$87,537,700	Gross appropriations excluding IDGs; avoids double counting when adding appropriation amounts across budget areas
Federal Revenue	10,710,500	Federal grant or matching revenue; generally dedicated to specific programs or purposes
Local Revenue	0	Revenue received from local units of government for state services
Private Revenue	961,400	Revenue from individuals and private entities, including payments for services, grants, and other contributions
State Restricted Revenue	30,618,100	State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue
State General Fund/General Purpose (GF/GP) Revenue	$45,247,700	Unrestricted revenue from taxes and other sources available to fund basic state programs and other purposes determined by the legislature

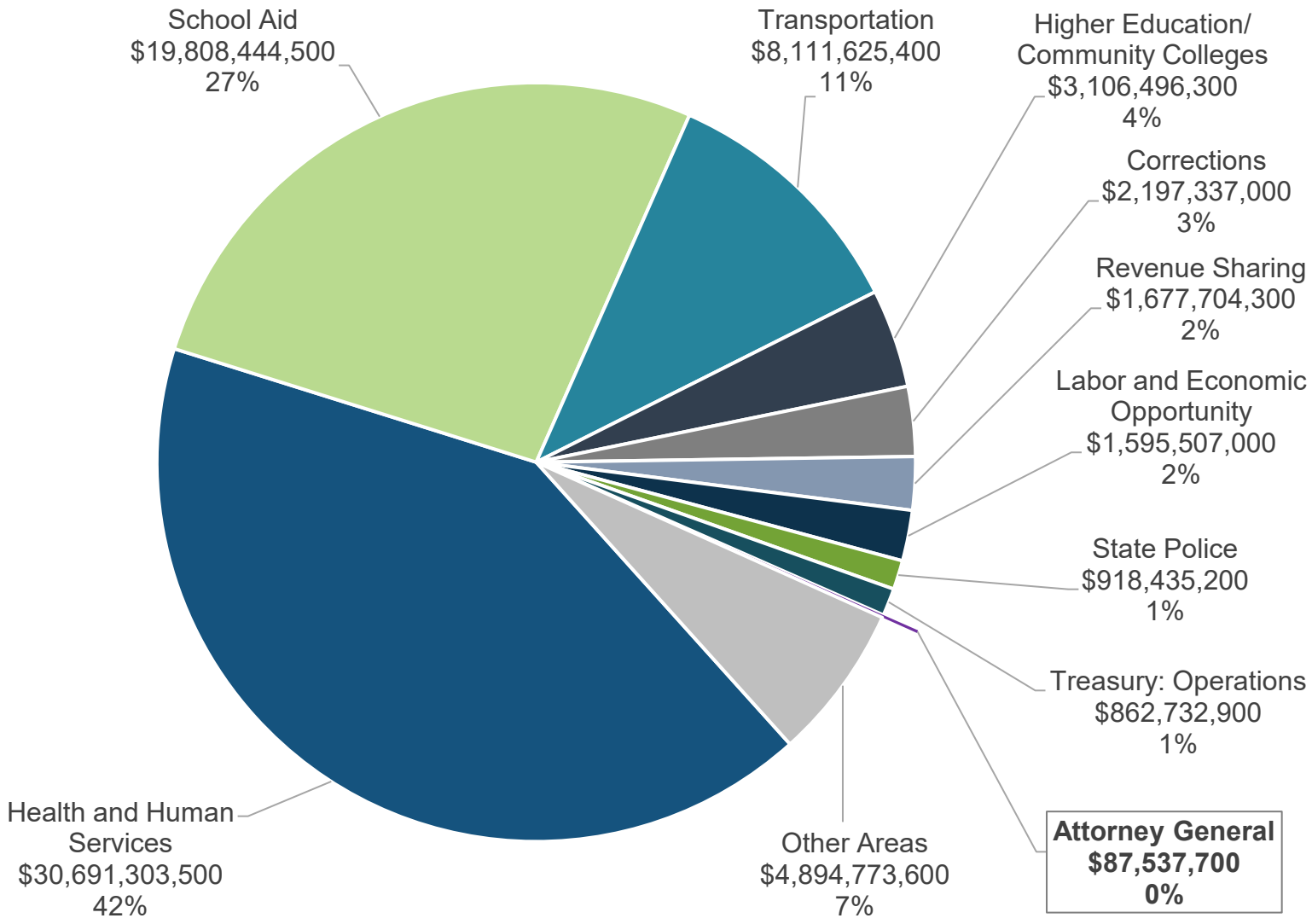
FY 2026-27 Fund Sources

Of the **$127.4 million** Attorney General budget, **36%** is funded by general fund/general purpose revenue. Over half of the budget comes from charges for legal services to departments through IDG funding and state restricted funding.



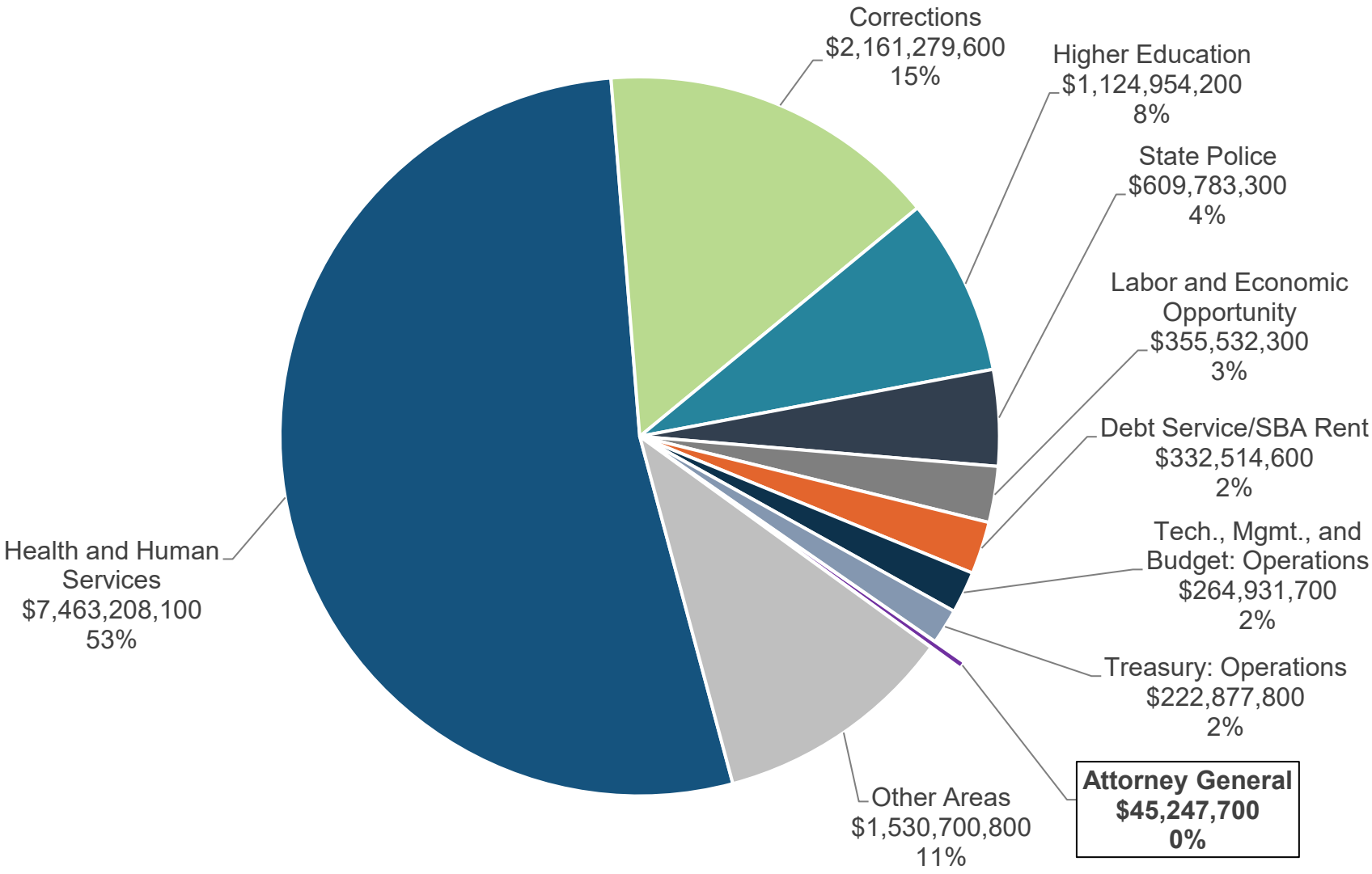
Attorney General Share of Total State Budget

The Attorney General budget represents less than **1%** of the **$74.0 billion** state budget (adjusted gross) for FY 2026-27.



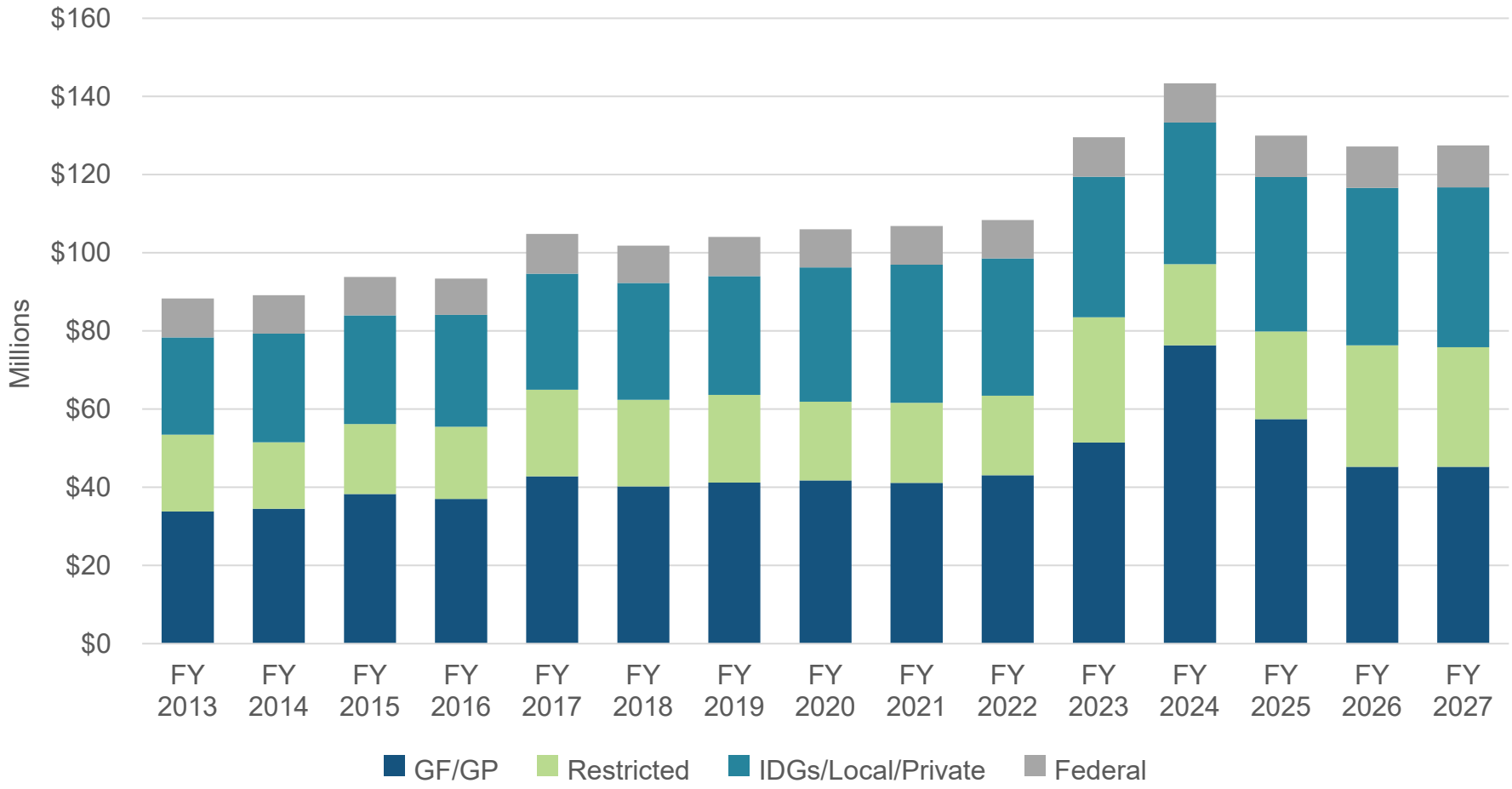
Attorney General Share of Total GF/GP Budget

The Attorney General budget represents less than **1%** of the state's **$14.1 billion** GF/GP budget for FY 2026-27.



Attorney General – Funding History

Total appropriations for the attorney general have increased by **44.3%** since FY 2012-13. Funding increased following FY 2022-23 driven mainly by the appropriation of opioid settlement revenues, increased one-time appropriations, and expanded responsibilities and programs. The decrease starting in FY 2024-25 is attributed to removal of the Prosecuting Attorneys Coordinating Council, Public Safety Initiative, and one-time appropriations.



Appropriation Areas

Attorney General Appropriation Areas

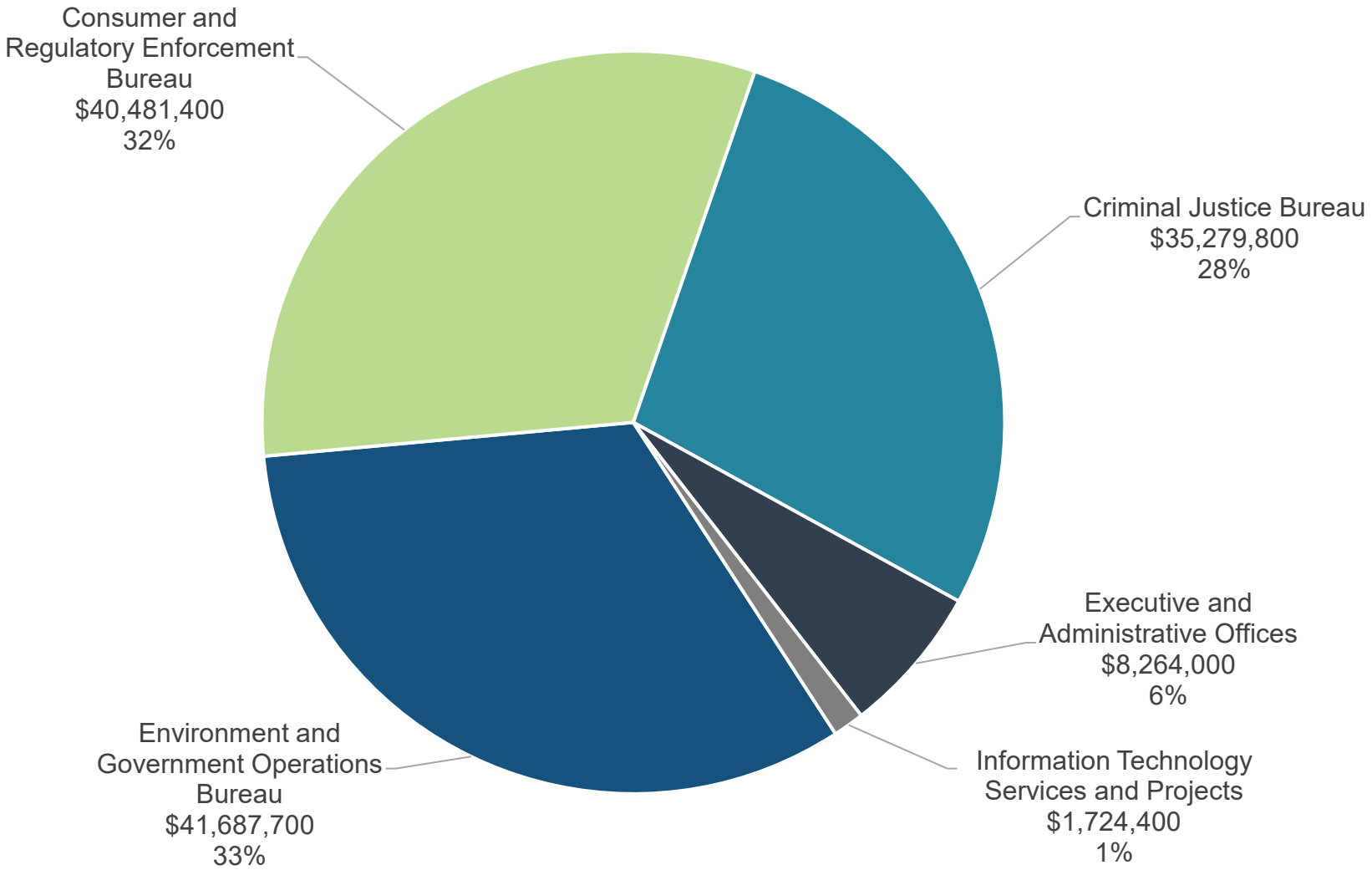
Department Operations: Personnel and operational costs associated with executive administration and provision of legal advice and representation to state departments. Costs include:

- Salaries and benefits for attorneys and other staff;
- Legal representation and advice to state departments, ongoing special investigations, sexual assault law enforcement, child support enforcement, contractual services, building occupancy and rent;
- Department led initiatives such as opioid litigation, hate crimes and counterterrorism unit, PFAS contamination support, among others;
- Funds fringe benefits for unclassified positions. Supported primarily with revenues from agencies and programs utilizing AG services.

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

FY 2026-27 Gross Appropriations

Of the **$127.4 million** Attorney General budget, approximately 92% is distributed evenly across the department's three legal bureaus.



Major Budget Topics

Operations Unit

In FY 2025-26, the Operations line item was unrolled into 31 new line items delineated by existing departmental divisions and administrative and executive offices. These new line items are maintained in FY 2026-27 and are shown below and on the next slide.

Consumer and Regulatory Enforcement Bureau

Health Education & Family Services

Children and Youth Services

Labor

Licensing and Regulation

Child Support Enforcement

Alcohol and Gambling Enforcement

Public Service

Corporate Oversight

Environment and Government Operations Bureau

State Operations

Corrections

Environment, Natural Resources, and Agriculture

Revenue and Tax

Collections

Transportation

Civil Rights and Elections

Finance

Special Litigation

Public Administration

Operations Unit – Continued

Criminal Justice Bureau

Criminal Trials

Health Care Fraud

Child Elder Family Financial Crimes

Assistance with Convictions and Expungements

Criminal Investigations

Criminal Appellate

Sexual Assault Law Enforcement

Victim Rights/ Victim Services

Executive and Administrative Offices

Solicitor General

Executive Office

Fiscal Management

Office of Communications

Human Resources

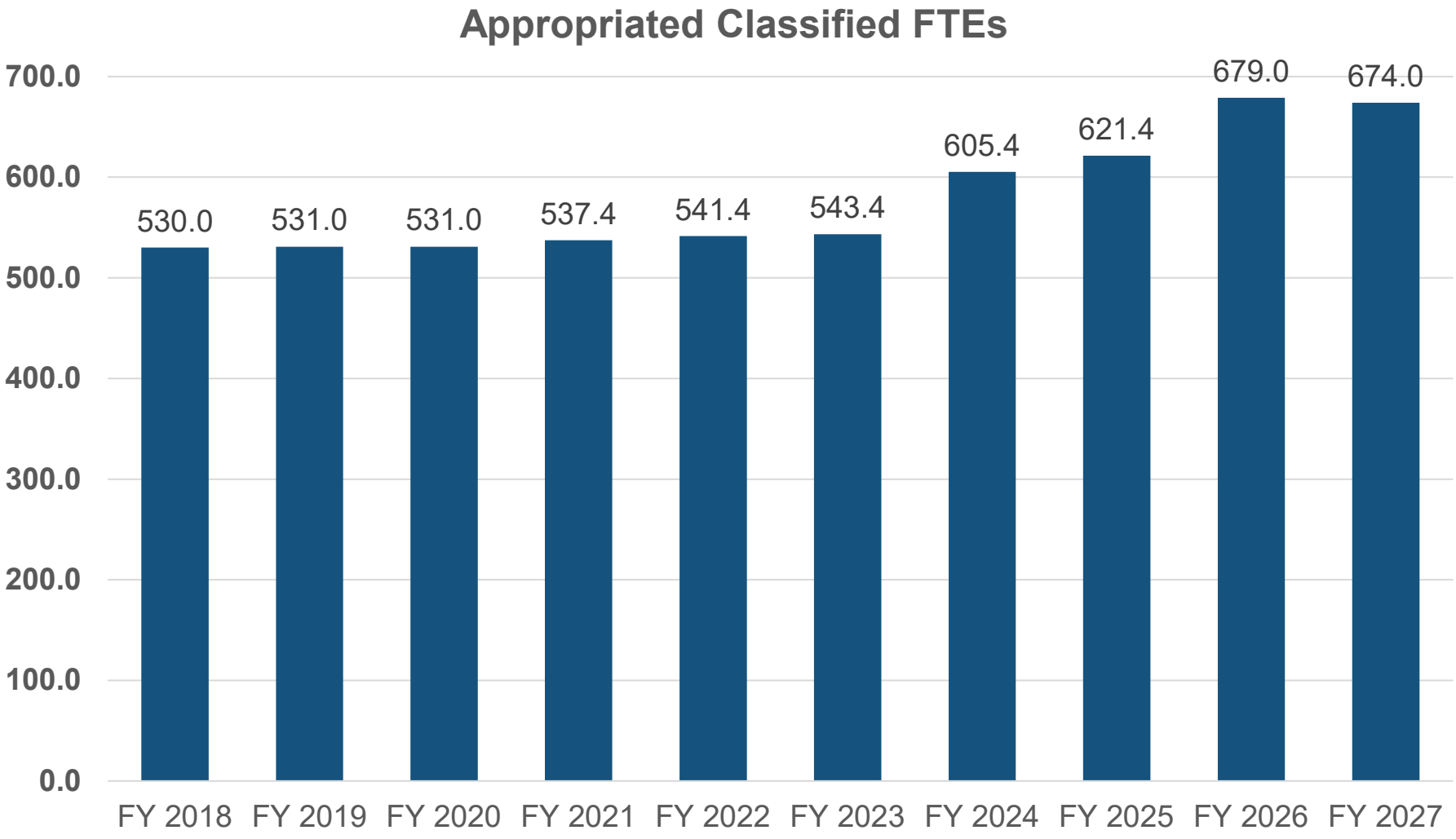
Unclassified Salaries

Opinions Review Board

Legislative Affairs

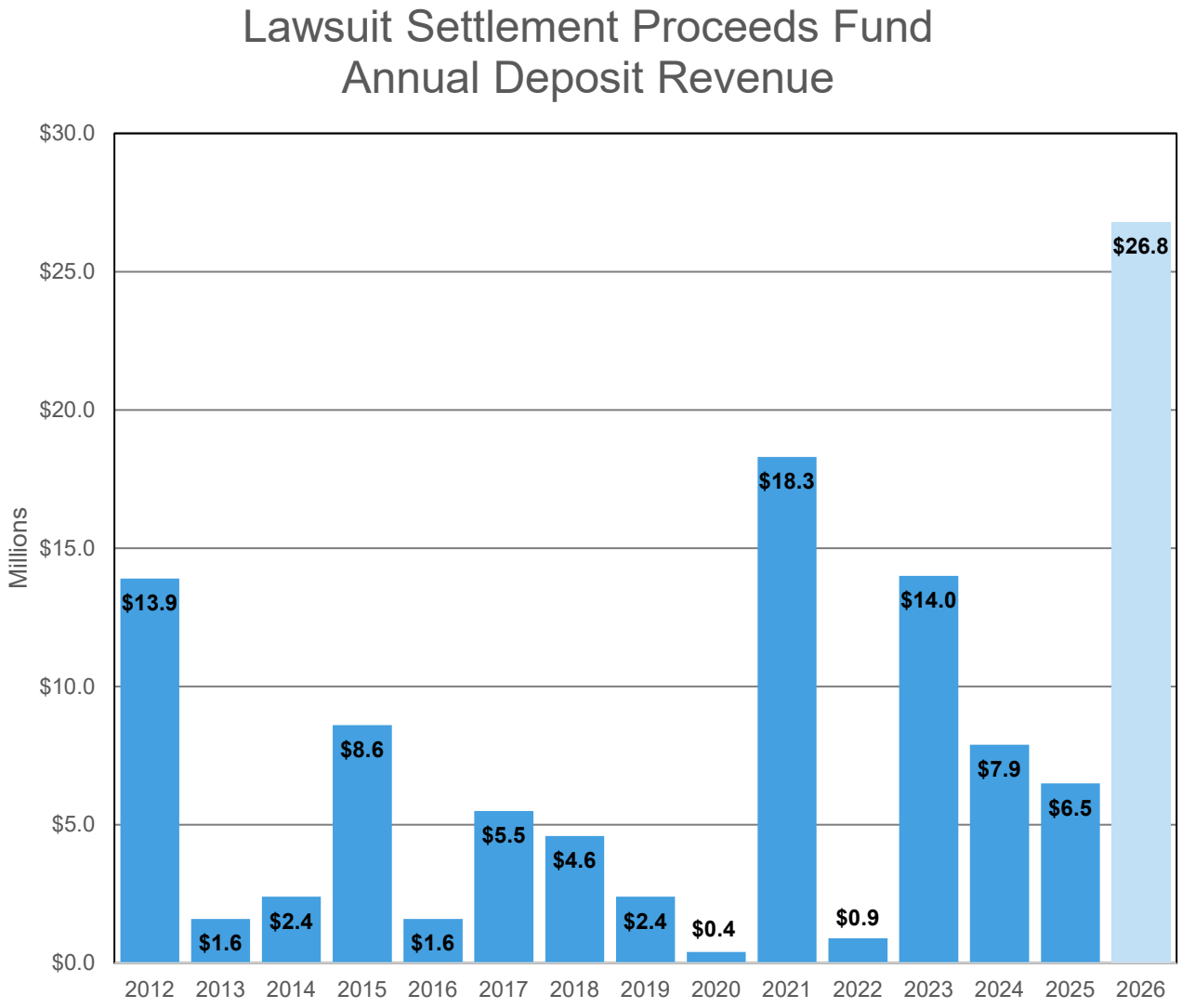
FTE Authorization History

Authorization for FTE positions has increased **24%** since FY 2022-23 due largely to expansion of new and existing programs, directed by the department and legislation, and to provide administrative flexibility with the unrolled Operations line item.



Lawsuit Settlement Proceeds Fund

- Created in 1996 to require legislative appropriation for expenditure of lawsuit proceeds.
- Unless appropriated, revenue in the fund lapses to the General Fund at the end of the fiscal year.
- In recent years, **$2.7 million** had been appropriated annually to support the Flint water investigation but in FY 2025-26 is available to support departmental operations broadly.
- At least **$26.8 million** in settlement revenue is expected to be deposited in FY 2025-26, mainly from settlements with Google and Johnson & Johnson.



Department Initiatives and Programs

In addition to the ongoing work of legal divisions supporting state agencies, the department also initiates limited-time programs to address various state issues. Expenditures come from various line items and, for FY 2024-25, are noted below.

Utility Rate Increases ($2.5 million) – Intervenes through cases against electric and gas companies regulated by the Michigan Public Service Commission to limit increases on utility rates.

Job Court ($2.2 million) – Prosecutorial diversion program that offers the option of dismissal of charges for selected pre-trial defendants charged with low-level, non-assaultive crimes who secure gainful employment and complete the one-year program. There are currently 3 participating courts in Wayne, Genesee, and Marquette Counties.

Elder Abuse Task Force ($1.2 million) – Effort between AG, Michigan Supreme Court, legislature, and other organizations to prevent elder abuse and to support its victims. Created to implement systemic changes recommended by previous task forces and to assess current problems in the system and address them.

Organized Retail Crime ($967,054) - Works to reduce demand for stolen merchandise, limit opportunities to sell stolen merchandise, and reduce theft opportunities.

Department Initiatives and Programs – Continued

Conviction Integrity Unit ($769,700) – Reviews eligible claims of innocence submitted by claimants arising from state-law convictions to determine whether the claimants are innocent of crime(s) for which they were convicted and sentenced. Conducts investigations and works with local officials and law enforcement.

Hate Crimes Unit ($265,400) – Investigates and prosecutes bias-motivated criminal offenses and provides resources for local and federal cases.

Address Confidentiality ($263,500) – Created in statute to protect victims of domestic violence, sexual assault, or those who may be in danger through disclosure of their physical address.

Opioid Litigation ($217,500) – Supplements local authorities and prosecutors in prosecuting drug enforcement cases.

PFAS Contamination ($153,100) – Provides legal support to the Department of Environment, Great Lakes, and Energy for investigating environmental contaminants, including perfluoroalkyl and polyfluoroalkyl substances (PFAS).

Other Initiatives – Includes Human Trafficking, Payroll Fraud Enforcement, Robocall enforcement, and Catholic Church Investigation.

For more information about the Attorney General budget:

HFA Resources

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

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