

# Table of Contents

## Attorney General

<i>Agency Profile</i> .....	1
Agency Expenditure Overview .....	3
Agency Financing by Fund .....	5
Agency Change Summary .....	9
<b><u>Change Item(s)</u></b> .....	11
<i>Expand Medicaid Fraud Division Staffing</i> .....	11
<i>Operating Adjustment</i> .....	13
<b><u>Program</u></b> .....	14
<b>Attorney General</b> .....	14
<b><u>Activity</u></b> .....	14
<b>Government Support</b> .....	14
<i>Activity Narrative</i> .....	14
Activity Expenditure Overview .....	16
Activity Financing by Fund .....	17
<b>Health and Safety Section</b> .....	18
<i>Activity Narrative</i> .....	18
Activity Expenditure Overview .....	20
Activity Financing by Fund .....	21
<b>Consumer Protection Section</b> .....	23
<i>Activity Narrative</i> .....	23
Activity Expenditure Overview .....	26
Activity Financing by Fund .....	27
<b>Solicitor General Section</b> .....	29
<i>Activity Narrative</i> .....	29
Activity Expenditure Overview .....	31
Activity Financing by Fund .....	32
<b>Administrative Operations</b> .....	34
<i>Activity Narrative</i> .....	34
Activity Expenditure Overview .....	36
Activity Financing by Fund .....	37
<b><u>Additional Documents</u></b> .....	39
<i>Federal Funds Summary</i> .....	39

<https://www.ag.state.mn.us/>

**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.

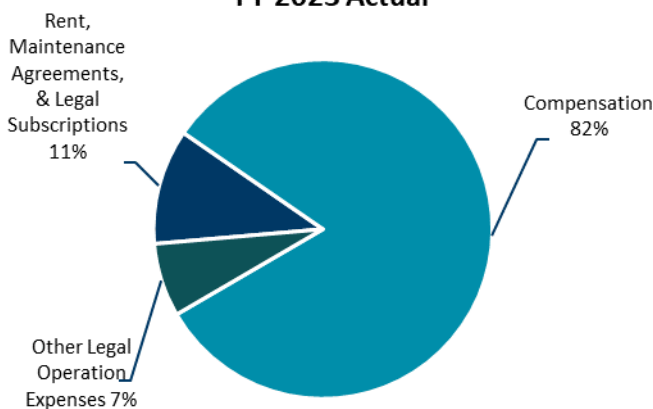
**PURPOSE**

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.

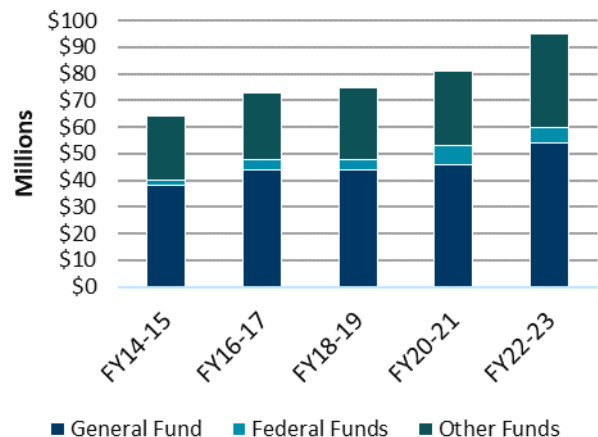
**BUDGET**

**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.
-

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General	24,927	29,457	40,924	55,253	42,959	42,768	44,003	44,482
1201 - Health Related Boards	2,084	2,428	2,521	2,521	2,521	2,521	2,521	2,521
2000 - Restrict Misc Special Revenue	158	400	10,757	838	589	589	589	589
2001 - Other Misc Special Revenue	12,178	14,088	12,803	15,993	15,101	15,101	15,101	15,101
2800 - Environmental		31		290	145	145	145	145
2801 - Remediation				500	250	250	250	250
3000 - Federal	2,951	3,324	2,960	4,771	4,232	4,232	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>	<b>66,841</b>	<b>67,320</b>
Biennial Change				58,880		(23,800)		(21,042)
Biennial % Change				61		(15)		(14)
Governor's Change from Base								2,758
Governor's % Change from Base								2

**Expenditures by Program**

Attorney General	43,899	52,423	72,100	83,103	65,797	65,606	66,841	67,320
<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>	<b>66,841</b>	<b>67,320</b>

**Expenditures by Category**

Compensation	37,212	40,445	48,670	49,679	47,669	47,478	48,713	49,192
Operating Expenses	6,568	11,095	23,196	33,424	18,128	18,128	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>	<b>66,841</b>	<b>67,320</b>

Total Agency Expenditures	43,899	52,423	72,100	83,103	65,797	65,606	66,841	67,320
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>	<b>66,841</b>	<b>67,320</b>

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b><u>Full-Time Equivalents</u></b>	332.60	363.36	392.69	433.69	433.69	433.69	442.69	442.69

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b>1000 - General</b>								
Balance Forward In		3,771	0	13,093				
Direct Appropriation	28,698	26,457	54,887	42,160	42,959	42,768	44,003	44,482
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>	<b>44,003</b>	<b>44,482</b>
Biennial Change in Expenditures				41,793		(10,450)		(7,692)
Biennial % Change in Expenditures				77		(11)		(8)
Governor's Change from Base								2,758
Governor's % Change from Base								3
Full-Time Equivalents	309.39	336.79	366.52	407.52	407.52	407.52	416.52	416.52

**1201 - Health Related Boards**

Balance Forward In		437						
Direct Appropriation	2,521	2,521	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>	<b>2,521</b>	<b>2,521</b>
Biennial Change in Expenditures				530		0		0
Biennial % Change in Expenditures				12		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

**2000 - Restrict Misc Special Revenue**

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

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.06		0.07	0.07	0.07	0.07	0.07	0.07

**2001 - Other Misc Special Revenue**

Balance Forward In	1,056	1,772	1,018	892				
Receipts	12,857	13,228	12,806	15,101	15,101	15,101	15,101	15,101
Internal Billing Receipts	390	461	371	568	568	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>	<b>15,101</b>	<b>15,101</b>
Biennial Change in Expenditures				2,530		1,406		1,406
Biennial % Change in Expenditures				10		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	3.99	4.92	4.73	4.73	4.73	4.73	4.73	4.73

**2800 - Environmental**

Balance Forward In		145		145				
Direct Appropriation	145	145	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>	<b>145</b>	<b>145</b>
Biennial Change in Expenditures				259		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**2801 - Remediation**

Balance Forward In		250		250				
Direct Appropriation	250	250	250	250	250	250	250	250
Cancellations		500						

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Balance Forward Out	250		250					
<b>Expenditures</b>				<b>500</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>
Biennial Change in Expenditures				500		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**3000 - Federal**

Balance Forward In		3		71				
Receipts	2,951	3,321	3,032	4,700	4,232	4,232	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>	<b>4,232</b>	<b>4,232</b>
Biennial Change in Expenditures				1,456		733		733
Biennial % Change in Expenditures				23		9		9
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	19.16	21.65	21.37	21.37	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		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

**6000 - Miscellaneous Agency**

Balance Forward In	29,602	26,753	26,457	23,744	23,683	23,683	23,683	23,683
Receipts	1,217	5,670	2,662	2,876				
Transfers In	1,042		156					



(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Transfers Out	4,671	398	3,397					
Balance Forward Out	26,746	31,452	23,744	23,683	23,683	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)		(5,071)
Biennial % Change in Expenditures				398		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

(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
Change Items				
Expand Medicaid Fraud Division Staffing		391	391	782
Operating Adjustment		653	1,323	1,976
<b>Total Governor's Recommendations</b>	<b>42,160</b>	<b>44,003</b>	<b>44,482</b>	<b>88,485</b>
<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>Total Governor's Recommendations</b>	<b>2,521</b>	<b>2,521</b>	<b>2,521</b>	<b>5,042</b>
<b>Fund: 2800 - Environmental</b>				
FY2025 Appropriations	145	145	145	290
Forecast Base	145	145	145	290
<b>Total Governor's Recommendations</b>	<b>145</b>	<b>145</b>	<b>145</b>	<b>290</b>
<b>Fund: 2801 - Remediation</b>				
FY2025 Appropriations	250	250	250	500
Forecast Base	250	250	250	500
<b>Total Governor's Recommendations</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>500</b>
<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>Total Governor's Recommendations</b>	<b>838</b>	<b>589</b>	<b>589</b>	<b>1,178</b>
<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>Total Governor's Recommendations</b>	<b>15,993</b>	<b>15,101</b>	<b>15,101</b>	<b>30,202</b>
<b>Fund: 3000 - Federal</b>				
Planned Spending	4,771	4,232	4,232	8,464

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Forecast Base	4,771	4,232	4,232	8,464
<b>Total Governor's Recommendations</b>	<b>4,771</b>	<b>4,232</b>	<b>4,232</b>	<b>8,464</b>
<b>Fund: 6000 - Miscellaneous Agency</b>				
Planned Spending	2,937			
Forecast Base	2,937			
<b>Total Governor's Recommendations</b>	<b>2,937</b>			
<b>Revenue Change Summary</b>				
<b>Dedicated</b>				
<b>Fund: 2000 - Restrict Misc Special Revenue</b>				
Forecast Revenues	635	589	589	1,178
<b>Total Governor's Recommendations</b>	<b>635</b>	<b>589</b>	<b>589</b>	<b>1,178</b>
<b>Fund: 2001 - Other Misc Special Revenue</b>				
Forecast Revenues	15,101	15,101	15,101	30,202
<b>Total Governor's Recommendations</b>	<b>15,101</b>	<b>15,101</b>	<b>15,101</b>	<b>30,202</b>
<b>Fund: 3000 - Federal</b>				
Forecast Revenues	4,700	4,232	4,232	8,464
<b>Total Governor's Recommendations</b>	<b>4,700</b>	<b>4,232</b>	<b>4,232</b>	<b>8,464</b>
<b>Fund: 6000 - Miscellaneous Agency</b>				
Forecast Revenues	2,876			
<b>Total Governor's Recommendations</b>	<b>2,876</b>			
<b>Non-Dedicated</b>				
<b>Fund: 1000 - General</b>				
Forecast Revenues	1,742	1,298	1,298	2,596
<b>Total Governor's Recommendations</b>	<b>1,742</b>	<b>1,298</b>	<b>1,298</b>	<b>2,596</b>

# Attorney General's Office

## FY 2026-27 Biennial Budget Change Item

### Change Item Title: Expand Medicaid Fraud Division Staffing

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	391	391	391	391
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	391	391	391	391
<b>FTEs</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>	<b>9.0</b>

#### Recommendation:

The Governor recommends funding to increase the Medicaid Fraud Division by 9 FTE dedicated to Medicaid Fraud investigations.

#### Rationale/Background:

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.

#### Proposal:

The Governor recommends funding to increase the Attorney General’s Medicaid Fraud Unit by 9 FTE. This increase would support one Assistant Attorney General, seven investigators, and one support staff. It is expected that 75% of staffing costs will be paid for by the federal government. This recommendation is for 25% of the costs for the 9 FTE.

**Dollars in Thousands**

Net Impact by Fund	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	391	391	782	391	391	782
Federal Funds (noted/not tracked)	1,173	1,173	2,346	1,173	1,173	2,346
<b>Total All Funds</b>	<b>1,564</b>	<b>1,564</b>	<b>3,128</b>	<b>1,564</b>	<b>1,564</b>	<b>3,128</b>

Fund	Component Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
GF	25% State Share	391	391	782	391	391	782
Fed	75% Federal Share	1,173	1,173	2,346	1,173	1,173	2,346

**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. Children and families, like all Minnesotans, benefit from increased investigations and prosecutions of abuse, neglect, and financial exploitation cases that occur in certain Medicaid-funded facilities, or against certain Medicaid recipients.

**Equity and Inclusion:**

The Attorney General’s Office is deeply committed to its vision of helping Minnesotans afford their lives and live with dignity, safety, and respect. 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.

**Tribal Consultation:**

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

- Yes
- No

**Results:**

This recommendation is intended to help the Attorney General address understaffing based on the Department of Health and Human Services’ Office of Inspector General metrics against overall State Medicaid spending.

# Attorney General's Office

## FY 2026-27 Biennial Budget Change Item

### Change Item Title: Operating Adjustment

Fiscal Impact (\$000s)	FY 2026	FY 2027	FY 2028	FY 2029
General Fund				
Expenditures	653	1,323	1,323	1,323
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	653	1,323	1,323	1,323
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Recommendation:

The Governor recommends additional funding of \$653,000 in FY 2026 and \$1.323 million in each subsequent year from the general fund to help address operating cost increases at the Attorney General's Office.

### Rationale/Background:

The cost of operations rises each year due to increases in employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat year to year.

This recommendation provides additional resources to help address these cost pressures and pay for the Attorney General's operations.

### Proposal:

The Governor recommends increasing agency operating budgets to support current services. For the Attorney General's Office, this funding will help cover expected growth in employee compensation and insurance, IT services, and other operating costs.

### Dollars in Thousands

Net Impact by Fund	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
General Fund	653	1,323	1,976	1,323	1,323	2,646
<b>Total All Funds</b>	<b>653</b>	<b>1,323</b>	<b>1,976</b>	<b>1,323</b>	<b>1,323</b>	<b>2,646</b>

Fund	Component Description	FY 26	FY 27	FY 26-27	FY 28	FY 29	FY 28-29
GF	Operating Costs	653	1,323	1,976	1,323	1,323	2,646

### Results:

This recommendation is intended to help the Attorney General's Office address rising cost pressures and mitigate impacts to current levels of service and information to the public.

## 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.
-



# Government Support

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General	3,735	3,736	5,022	2,600	2,600	2,600	2,600	2,600
1201 - Health Related Boards	2,063	2,407	2,500	2,500	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	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>	<b>19,633</b>	<b>19,633</b>
Biennial Change				11,255		9,109		9,109
Biennial % Change				60		30		30
Governor's Change from Base								0
Governor's % Change from Base								0
<b><u>Expenditures by Category</u></b>								
Compensation	9,149	9,753	9,802	20,045	19,623	19,623	19,623	19,623
Operating Expenses			300	10	10	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>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>	<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		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Balance Forward In			0					
Direct Appropriation	4,075	4,075	4,600	2,600	2,600	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>	<b>2,600</b>	<b>2,600</b>
Biennial Change in Expenditures				150		(2,422)		(2,422)
Biennial % Change in Expenditures				2		(32)		(32)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	77.78	82.43	78.63	78.63	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	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>	<b>2,500</b>	<b>2,500</b>
Biennial Change in Expenditures				530		0		0
Biennial % Change in Expenditures				12		0		0
Governor's Change from Base								0
Governor's % Change from Base								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	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>	<b>14,533</b>	<b>14,533</b>
Biennial Change in Expenditures				10,575		11,531		11,531
Biennial % Change in Expenditures				152		66		66
Governor's Change from Base								0
Governor's % Change from Base								0

## 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.
-

# Health and Safety Section

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b><u>Expenditures by Fund</u></b>								
1000 - General	4,227	4,503	7,012	6,627	5,826	5,826	6,217	6,217
1201 - Health Related Boards	21	21	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	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>	<b>10,470</b>	<b>10,470</b>
Biennial Change				2,714		(3,998)		(3,216)
Biennial % Change				13		(17)		(13)
Governor's Change from Base								782
Governor's % Change from Base								4
<b><u>Expenditures by Category</u></b>								
Compensation	8,844	10,068	11,837	10,187	9,062	9,062	9,453	9,453
Operating Expenses	1,206	1,303	681	1,449	1,017	1,017	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>	<b>10,470</b>	<b>10,470</b>
Total Agency Expenditures	10,050	11,391	12,520	11,636	10,079	10,079	10,470	10,470
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>10,470</b>	<b>10,470</b>
<b><u>Full-Time Equivalent</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>	<b>122.30</b>	<b>122.30</b>

# Health and Safety Section

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Balance Forward In				801				
Direct Appropriation	4,175	4,444	7,184	5,826	5,826	5,826	6,217	6,217
Transfers In	90	783	629					
Transfers Out	38	57						
Cancellations		667						
Balance Forward Out			801					
<b>Expenditures</b>	<b>4,227</b>	<b>4,503</b>	<b>7,012</b>	<b>6,627</b>	<b>5,826</b>	<b>5,826</b>	<b>6,217</b>	<b>6,217</b>
Biennial Change in Expenditures				4,909		(1,987)		(1,205)
Biennial % Change in Expenditures				56		(15)		(9)
Governor's Change from Base								782
Governor's % Change from Base								7
Full-Time Equivalents	60.99	69.28	80.93	91.93	91.93	91.93	100.93	100.93

## 1201 - Health Related Boards

Direct Appropriation	21	21	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>	<b>21</b>	<b>21</b>
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

## 2000 - Restrict Misc Special Revenue

Balance Forward In	1,870	1,773	1,894	1,684	1,513	1,513	1,513	1,513
Receipts	48	497	217	46				
Balance Forward Out	1,773	1,894	1,685	1,513	1,513	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)		(643)
Biennial % Change in Expenditures				24		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.06							

## 2001 - Other Misc Special Revenue

# Health and Safety Section

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
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)		(2,100)
Biennial % Change in Expenditures				(64)				
Governor's Change from Base								0
Governor's % Change from Base								

## 3000 - Federal

Balance Forward In		3		71				
Receipts	2,951	3,321	3,032	4,700	4,232	4,232	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>	<b>4,232</b>	<b>4,232</b>
Biennial Change in Expenditures				1,456		733		733
Biennial % Change in Expenditures				23		9		9
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalent	19.16	21.65	21.37	21.37	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		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

## 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.
-

**Consumer Protection Section**

**Activity Expenditure Overview**

*(Dollars in Thousands)*

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b><u>Expenditures by Fund</u></b>								
1000 - General	3,523	4,491	12,162	20,067	13,470	13,279	13,470	13,279
2000 - Restrict Misc Special Revenue	8	21	10,321	609	589	589	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>	<b>14,059</b>	<b>13,868</b>
Biennial Change				36,978		(25,804)		(25,804)
Biennial % Change				221		(48)		(48)
Governor's Change from Base								0
Governor's % Change from Base								0
<b><u>Expenditures by Category</u></b>								
Compensation	7,844	7,897	13,351	7,240	7,447	7,256	7,447	7,256
Operating Expenses	438	573	16,766	16,373	6,612	6,612	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>14,059</b>	<b>13,868</b>
<b><u>Full-Time Equivalents</u></b>								
	86.70	95.71	108.56	123.56	123.56	123.56	123.56	123.56

## Consumer Protection Section

## Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b>1000 - General</b>								
Balance Forward In				7,396				
Direct Appropriation	4,798	4,898	20,129	12,671	13,470	13,279	13,470	13,279
Transfers In	577		967					
Transfers Out	1,853	407	1,538					
Balance Forward Out			7,396					
<b>Expenditures</b>	<b>3,523</b>	<b>4,491</b>	<b>12,162</b>	<b>20,067</b>	<b>13,470</b>	<b>13,279</b>	<b>13,470</b>	<b>13,279</b>
Biennial Change in Expenditures				24,216		(5,480)		(5,480)
Biennial % Change in Expenditures				302		(17)		(17)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	86.70	95.71	108.49	123.49	123.49	123.49	123.49	123.49

### 2000 - Restrict Misc Special Revenue

Balance Forward In	4	19	8,158	3,580	3,560	3,560	3,560	3,560
Receipts	23	6	4,744	589	589	589	589	589
Transfers In			1,000					
Balance Forward Out	19	3	3,581	3,560	3,560	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>	<b>589</b>	<b>589</b>
Biennial Change in Expenditures				10,901		(9,752)		(9,752)
Biennial % Change in Expenditures				37,293		(89)		(89)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents			0.07	0.07	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)		(5,500)
Biennial % Change in Expenditures				(29)				
Governor's Change from Base								0
Governor's % Change from Base								

### 6000 - Miscellaneous Agency

**Consumer Protection Section**

**Activity Financing by Fund**

*(Dollars in Thousands)*

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Balance Forward In	29,596	26,753	26,457	23,744	23,683	23,683	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	23,683	23,683
<b>Expenditures</b>	<b>438</b>	<b>573</b>	<b>2,134</b>	<b>2,937</b>				
Biennial Change in Expenditures				4,060		(5,071)		(5,071)
Biennial % Change in Expenditures				401		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

## 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.
-

Solicitor General Section

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b><u>Expenditures by Fund</u></b>								
1000 - General	5,580	3,899	4,827	4,450	4,450	4,450	4,450	4,450
2001 - Other Misc Special Revenue		1,863	500					
2800 - Environmental		31		290	145	145	145	145
2801 - Remediation				500	250	250	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>	<b>4,845</b>	<b>4,845</b>
Biennial Change				(805)		(877)		(877)
Biennial % Change				(7)		(8)		(8)
Governor's Change from Base								0
Governor's % Change from Base								0

**Expenditures by Category**

Compensation	5,580	5,793	5,327	5,240	4,845	4,845	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>4,845</b>	<b>4,845</b>

**Full-Time Equivalents**

	44.51	47.08	44.33	44.33	44.33	44.33	44.33	44.33
--	-------	-------	-------	-------	-------	-------	-------	-------



Solicitor General Section

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base FY26 FY27		Governor's Recommendation FY26 FY27	
<b>1000 - General</b>								
Balance Forward In			0					
Direct Appropriation	4,075	3,875	4,450	4,450	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>	<b>4,450</b>	<b>4,450</b>
Biennial Change in Expenditures				(201)		(377)		(377)
Biennial % Change in Expenditures				(2)		(4)		(4)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	44.51	47.08	44.33	44.33	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)		(500)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

**2800 - Environmental**

Balance Forward In		145		145				
Direct Appropriation	145	145	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>	<b>145</b>	<b>145</b>
Biennial Change in Expenditures				259		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

**2801 - Remediation**

Balance Forward In		250		250				
--------------------	--	-----	--	-----	--	--	--	--

**Solicitor General Section**

**Activity Financing by Fund**

*(Dollars in Thousands)*

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Direct Appropriation	250	250	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>	<b>250</b>	<b>250</b>
Biennial Change in Expenditures				500		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

## 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.
- Enconced 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.
-

# Administrative Operations

# Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	FY26	FY27
<b><u>Expenditures by Fund</u></b>								
1000 - General	7,863	12,828	11,901	21,509	16,613	16,613	17,266	17,936
2000 - Restrict Misc Special Revenue	4	3	10	12				
2001 - Other Misc Special Revenue	1,814	2,064	2,123	1,038	568	568	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>	<b>17,834</b>	<b>18,504</b>
Biennial Change				8,738		(2,230)		(254)
Biennial % Change				31		(6)		(1)
Governor's Change from Base								1,976
Governor's % Change from Base								6

## **Expenditures by Category**

Compensation	5,795	6,934	8,353	6,967	6,692	6,692	7,345	8,015
Operating Expenses	4,923	9,219	5,449	15,592	10,489	10,489	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>	<b>17,834</b>	<b>18,504</b>

## **Full-Time Equivalent**

	<b>43.40</b>	<b>47.21</b>	<b>58.87</b>	<b>73.87</b>	<b>73.87</b>	<b>73.87</b>	<b>73.87</b>	<b>73.87</b>
--	--------------	--------------	--------------	--------------	--------------	--------------	--------------	--------------

# Administrative Operations

# Activity Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base		Governor's Recommendation	
					FY26	FY27	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	17,266	17,936
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>	<b>17,266</b>	<b>17,936</b>
Biennial Change in Expenditures				12,719		(184)		1,792
Biennial % Change in Expenditures				61		(1)		5
Governor's Change from Base								1,976
Governor's % Change from Base								6
Full-Time Equivalents	39.41	42.29	54.14	69.14	69.14	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)		(22)
Biennial % Change in Expenditures				196		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

## 2001 - Other Misc Special Revenue

Balance Forward In	500	477	419	470				
Receipts	390	461	374	568	568	568	568	568
Internal Billing Receipts	390	461	371	568	568	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>	<b>568</b>	<b>568</b>
Biennial Change in Expenditures				(716)		(2,025)		(2,025)
Biennial % Change in Expenditures				(18)		(64)		(64)

# Administrative Operations

# Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY22	FY23	FY24	FY25	FY26	FY27	FY26	FY27
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	3.99	4.92	4.73	4.73	4.73	4.73	4.73	4.73

## 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		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								

# Attorney General

# Federal Funds Summary

(Dollars in Thousands)

Federal Agency and ALN	Federal Grant Name Brief Purpose	FY 2024 Actual	FY 2025 Budget	FY 2026 Base	FY 2027 Base	Required State Match or MOE?	FTEs
U.S. Dept. of Health and Human Services Office of the Inspector General 93.775	Minnesota Medicaid Fraud Control Unit - Investigate and prosecute health care providers committing fraud against the Medicare program	\$ 2,960	\$ 4,771	\$ 4,232	\$ 4,232	Match	21.4
<b>Federal Fund – Agency Total</b>		<b>\$ 2,960</b>	<b>\$ 4,771</b>	<b>\$ 4,232</b>	<b>\$ 4,232</b>		<b>21.4</b>

## Narrative

The AGO uses federal grant money for 75% of the funding of its Medicaid Fraud Control Unit (MFCU). The MFCU investigates and criminally prosecutes health care providers committing fraud against the Medicaid program in cases referred by the Minnesota Department of Human Services or other agencies. The MFCU provides investigative support to and jointly prosecutes providers with the U.S. Attorney’s Office for the District of Minnesota. The Maintenance of Effort level for the MFCU is a 25% funding match by the State of Minnesota. The Minnesota legislature appropriates this match bi-annually as part of the state budget process.