

DEPARTMENT OF LAW LONG RANGE PLAN

VISION

At the Colorado Department of Law (“DOL” or “Department”), we are committed to serving as the “People’s Lawyer.” The DOL vision for this role is: “*Together, we serve Colorado and its people by advancing the rule of law, protecting democracy, and promoting justice for all.*”

DOL CORE VALUES

To guide how we implement this vision, the DOL developed four core values—*we are principled public servants who are innovative and better together.*

Our first core value is that we are *principled*. As we work on a range of issues on behalf of the people of Colorado, we act according to the highest ethical standards, rigorous legal analysis, and a careful evaluation of the facts.

Our second core value is to act as *public servants*. Our work is not about us; it is about serving the people of Colorado. Whatever matters we are working on—improving our criminal justice system and protecting public safety; addressing the opioid epidemic; protecting consumers; or protecting our land, air, and water—we are doing it to serve the people of Colorado.

Our third core value is to be *innovative*. At the DOL, we ask “what is the best way we can accomplish our goals?” In some cases, the traditional approach will be best; in other cases, we will try new approaches. In all events, we will make decisions deliberately and with an eye to whether there are opportunities to improve or experiment with new approaches.

Finally, we are *better together*. At the DOL, we are committed to supporting one another across the office, working collaboratively with our clients, and engaging people and resources across Colorado to accomplish our goals. Our best work will be done in partnership with others.

In summary, the DOL core values include:

1. We are Public Servants:
 - a. We uphold the rule of law and serve all the people of Colorado;
 - b. We are engaged and empathetic;
 - c. We act with humility;
 - d. We serve our client agencies.
2. We are Innovative:
 - a. We act with courage;
 - b. We seek and create opportunities for others;
 - c. We are creative problem solvers;
 - d. We are committed to continuous improvement.
3. We are Principled:
 - a. We act with integrity;
 - b. We do our best;
 - c. We deliver excellent work;
 - d. We are transparent.

4. We are Better Together:
 - a. We are inclusive and diverse;
 - b. We work as a team;
 - c. We are respectful of others;
 - d. We have fun.

The DOL has a special opportunity to demonstrate how government can work efficiently, effectively, and fairly. By doing so, the DOL advances our constitutional commitment to work towards a more perfect union.

PRIORITIES

The DOL aims to achieve its vision and accomplish its mission through these priorities set by the Attorney General:

- **Defending the Rule of Law:** Advancing the principles of justice, freedom, and equality for all.
- **Addressing the opioid epidemic:** Fighting the opioid epidemic through accountability, collaboration, and innovation.
- **Improving the criminal justice system and protecting public safety:** Keeping communities safe through smarter, fairer response to crime.
- **Protecting consumers:** Allowing responsible businesses to thrive by holding bad actors accountable.
- **Protecting Colorado's land, air and water.** Preserving and protecting Colorado's precious and limited natural resources.
- **Community engagement:** Engaging in meaningful dialogue with communities around the State.

The DOL Strategic Plan describes some of the Department's activities to further the DOL priorities and how the DOL's work reflects and advances the vision and core values.

STATUTORY AUTHORITY

The statutory authority for the Attorney General and for the DOL is found in section 24-31-101, et seq., C.R.S. Additional statutory authority is found in titles 5, 6, 10, 11, 12, 25, 33, 34, 36, 37 and 39.

DEPARTMENT DESCRIPTION

The Attorney General and the DOL represent and defend the legal interests of the people of the State of Colorado and its sovereignty. The Attorney General exercises the responsibilities given to the office by the Colorado Constitution, Colorado Revised Statutes, and the common law.

The Attorney General has primary authority for enforcement of consumer protection and antitrust laws, prosecution of criminal appeals and certain complex white-collar crimes, training and certification of peace officers, and most natural resource and environmental matters. Most complex

criminal matters are investigated by the Statewide Grand Jury. Additionally, the Department works concurrently with Colorado's 22 district attorneys and other local, state, and federal law enforcement authorities to carry out the criminal justice responsibilities and activities of the Department. The Attorney General is also the State's chief legal representative as well as the chief legal counsel and advisor to the State government's Executive Branch—including the governor, 19 principal departments, and other state agencies, boards, and commissions—and Judicial Branch.

The DOL is largely a cash-funded agency that receives funding from state agencies and various programs for the provision of legal services, the investigation and prosecution of fraud, and the protection of citizens of this State through a number of consumer protection efforts. The DOL delivers its responsibilities within an approximately \$147 million appropriated budget and utilizes roughly 660 employees to carry out these responsibilities.

The DOL's services are primarily delivered through eight operational sections (referred to in statute as "division"). These sections carry out their specific responsibilities in order to provide the highest quality legal representation for State clients, to all State government principal departments and agencies, and each program and board within. Additionally, investigative and prosecutorial efforts help protect the interests of Colorado citizens by minimizing fraud and ensuring public safety. These eight sections include:

1. **Revenue and Regulatory Law** – Provides legal advice and litigation services to several state agencies, including the Department of Regulatory Agencies and the Divisions of Professions and Occupations, Banking, Civil Rights, Financial Services, Insurance, Real Estate, and Securities. The Section also represents the Department of Agriculture, the State Personnel Board, the Independent Ethics Commission, the Department of Revenue, the Public Utilities Commission trial staff, the Property Tax Administrator and Property Tax Division within the Department of Local Affairs, and statewide clients regarding bankruptcy matters.
2. **Civil Litigation and Employment Law Section** – Defends State employees and agencies in administrative, state, and federal courts. Cases may involve personal injury suits, property damage, constitutional violations, or employment discrimination among others. The Section also prosecutes civil rights violations in administrative and state courts and provides employment law advice to all state agencies. The Section provides day-to-day advice to the Departments of Corrections, Public Safety, and Transportation. The Section also advises and represents all State agencies on labor and employment issues, including advice regarding the classified personnel system and collective bargaining agreements with state employee organizations.
3. **Consumer Protection Section** – Protects Colorado consumers and businesses by enforcing State and federal laws designed to maintain a fair and competitive business environment while protecting consumers from being targets of fraud. The Consumer Protection Section is devoted to meeting the goals of keeping Coloradans safe by enforcing antitrust laws, combating unfair or deceptive trade practices, enforcing data privacy and cyber security laws, stopping unscrupulous lenders and debt collectors, assuring fair and reasonable utility rates, and fighting fraud against older Coloradans. The Consumer Protection Section also works to hold those who caused or contributed to the opioid epidemic accountable, including

by actively investigating and suing irresponsible drug manufacturers, distributors, retailers, and others for their deceptive actions that fueled this crisis. It also investigates and prosecutes fraud committed against the State by providers of Medicaid products and services, as well as abuse and neglect of patients in federally funded long-term care facilities.

4. **Criminal Appeals Section** – Represents law enforcement interests when defendants challenge their felony convictions in the state and federal appellate courts.
5. **Criminal Justice Section** – Assists local prosecutors and law enforcement agencies throughout the State on matters that occur in more than one local jurisdiction, including presenting cases to the Statewide Grand Jury and serving as special district attorneys in local counties upon request. Section members provide special assistance to district attorneys in complex violent crimes including homicides and cold cases. The Section also prosecutes multi-jurisdictional cases that include human trafficking, major drug trafficking organizations, white-collar, and environmental crimes. The Section prosecutes crimes in which it has original jurisdiction, including securities, insurance, and election fraud. The Section also coordinates the prosecution of foreign fugitives and houses the Peace Officer Standards and Training Board (“POST”).
6. **Natural Resources and Environment Section** – Works with client agencies to protect and improve the quality of Colorado’s natural environment. The Section provides legal counsel and representation to the Department of Natural Resources on the regulation of mining, oil and gas, parks and wildlife, state lands, and water rights, and to the Department of Public Health and Environment on the regulation of air quality, water quality, radiation control, and hazardous and solid waste management. The Section also advocates on behalf of the State Natural Resource Trustees and the Colorado Energy Office.
7. **State Services Section** – Provides representation to eight of sixteen executive branch principal departments and Colorado’s five statewide elected public officials: the Governor, Lieutenant Governor, Attorney General, Secretary of State, and Treasurer. The Section also represents the Judicial Branch, the Public Utilities Commission, the Departments of Human Services, Health Care Policy and Financing, Personnel and Administration, Public Health and Environment (on health matters), State Institutions of Higher Education, Department of Higher Education, and the Department of Education. The Section reviews hundreds of state contracts and defends the State against claims typically involving the inadequacy of funding of various programs. The Section also advises state agencies on data privacy and cybersecurity, and the Colorado Open Records Act.
8. **Division of Community Engagement** – Serves as Coloradans’ open door to the Department. The Office builds relationships and establishes meaningful dialogue across Colorado to truly hear the needs, ideas, and voices of the people of our State. The Office engages with Coloradans on a range of issues—from criminal justice reform to financial literacy and protecting consumers, addressing the opioid epidemic, protecting our land, air, and water, to many others—through three primary areas of work: outreach and engagement, partnerships, and state impact programs (including the Safe2Tell™ program). Safe2Tell™ is an anonymous tip line that provides young people a way to report any threatening behaviors or activities endangering themselves or someone they know.

Overview of the Department of Law Appropriated FTE and Funding:

Request/Funding	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2024-25 Appropriation	\$147,356,786	655.4	\$26,843,858	\$25,134,947	\$91,543,772	\$3,834,209
FY 2023-24 Appropriation	\$133,002,028	630.3	\$24,270,302	\$23,707,954	\$81,229,600	\$3,794,172
FY 2022-23 Appropriation	\$114,046,570	592.6	\$20,758,901	\$20,847,923	\$69,211,549	\$3,228,197
FY 2021-22 Appropriation	\$103,559,556	565.1	\$16,156,035	\$20,060,528	\$65,007,133	\$2,486,388
FY 2020-21 Appropriation	\$91,496,189	524.8	\$14,284,468	\$19,382,055	\$55,459,431	\$2,370,235
FY 2019-20 Appropriation	92,553,270	512.8	18,717,773	17,875,249	53,606,154	2,354,094
FY 2018-19 Appropriation	83,465,953	482.2	16,611,039	18,047,080	46,805,512	2,002,322
FY 2017-18 Appropriation	81,081,662	473.5	16,214,183	17,314,175	45,724,833	1,828,471
FY 2016-17 Appropriation	78,167,956	484.5	15,138,947	15,612,031	45,633,944	1,783,034
FY 2015-16 Appropriation	77,511,848	477.6	15,058,065	15,796,431	44,863,475	1,793,877
FY 2014-15 Appropriation	73,980,231	464.3	13,534,300	15,683,936	43,013,584	1,748,411
FY 2013-14 Appropriation	67,936,080	446.5	12,168,714	12,689,397	41,307,605	1,770,364
FY 2012-13 Appropriation	57,357,128	430.4	9,896,185	10,779,963	35,104,815	1,576,165

*Fiscal year appropriations include Long Bill and Special Bills

General Fund:

The DOL General Fund primarily funds portions of the Criminal Justice section efforts and Consumer Protection efforts, the Federal and Interstate Water Unit, and a portion of the Office of Community Engagement. Lastly, the DOL receives roughly \$2.9M in GF to fund 80% of the minimum salary and benefit costs for each elected District Attorney and additional GF to support District Attorney training and bond compliance grants.

Specifically, within the Criminal Justice section GF supports:

- Roughly 20.0 FTE in the Special Prosecution Section and associated operating costs;
- The Criminal Appeals section is primarily funded by the General Fund, and;
- The Medicaid Fraud Control Unit is funded 75% through a federal grant award, with a required GF match of 25%.

Cash Funds:

The DOL has various cash funds that it administers for specified statutory efforts. Some of the larger DOL cash funds include:

1460- CP- Custodial Funds

This fund was established per court orders for the deposit of funds to be held in custody by the Attorney General and used for the specific purposes set forth in the court orders. In the 2000 legislative session, the General Assembly passed SB 00-075 which defined and established an exception from appropriation for, custodial funds in Section 24-31-108(3) and (4), C.R.S. The statute states: “Any custodial money placed in a separate account pursuant to this subsection (3) shall be expended only for the purposes for which the moneys have been provided.”

Custodial funds were defined in subsection (4) as, “moneys received by the Attorney General:

- (I) That originate from a source other than the State of Colorado;
- (II) That are awarded or otherwise provided to the State for a particular purpose;
- (III) For which the State is acting as a custodian or trustee to carry out the particular purpose for which the moneys have been provided.”

The Consumer Protection Custodial Fund supports the salary, state paid benefits, and associated operating of the classified employees in the Consumer Protection and Antitrust Line Item. This fund also supports other specific efforts initiated by the Attorney General that fits within the purposes of the court awards.

1461- False Claims Recovery Fund

This fund was created pursuant of Section 24-31-1209(1), C.R.S. All state revenue retained from false claim actions are to be deposited in this fund. The funds are appropriated annually by the General Assembly for the administration and enforcement of this code and for payment to those governmental entities that are due recoveries.

14D0- Mortgage Fraud Settlement Custodial Fund

This fund was established per court orders for the deposit of funds to be held in custody by the Attorney General and used for the specific purposes set forth in the court orders.

The DOL received \$50M in FY2012-13 from a national mortgage settlement, a settlement reached in 2012 after 49 states sued mortgage servicers after the 2008 financial crisis. The court award established the purpose and funding mechanism. “The first \$1.0 Million paid to the State of Colorado . . . shall be held in trust by the Colorado Attorney General and used for future consumer protection and antitrust enforcement and education efforts. The remainder of the funds paid under this provision, and any interest thereon, shall be held in trust by the Colorado Attorney General and used for programs relating to foreclosure prevention, loan modification and housing and for future consumer protection and antitrust enforcement and education efforts.

1470 - Special Prosecution Custodial Fund

Pursuant to the terms of the agreement between the DOL and the U.S. Department of Justice and Drug Enforcement Administration, the DOL may request an equitable share of the net proceeds of asset forfeitures, for those investigations or prosecutions, the DOL directly participates in. Permissible uses of these funds may include investigations, law enforcement trainings, law enforcement equipment and other like uses. Currently, net proceeds are deposited in this fund.

1500- Collection Agency Board

This fund was created pursuant of Section 5-16-134(1)(a), C.R.S. All revenue, except fines, collected pursuant to this article is deposited in the Collection Agency Board Cash Fund. The funds are appropriated annually by the General Assembly for the administration and enforcement of this code. This fund supports 7.0 FTE and associated operating expenses in the Consumer Credit Unit Line Item. Beginning July 1, 2024, this fund is combined with Fund #1510 in Fund 1515 - Consumer Credit Unit Cash Fund (Continuously Appropriated established by SB23-248).

1510- Uniform Consumer Credit Code (Other Special Revenue Fund)

This fund was created pursuant to Section 5-6-204(1), C.R.S. All fees collected under the provision of the code are deposited to this fund. The funds are appropriated annually by the General Assembly for the administration and enforcement of this code. This fund supports 14 FTE and associated operating expenses within the Consumer Credit Unit Line Item. Beginning July 1, 2024, this fund is combined with Fund #1500 in Fund 1515 - Consumer Credit Unit Cash Fund (Continuously Appropriated established by SB23-248).

1511- Student Loan Ombudsperson and Student Loan Servicer Licensing Fund

This fund was created pursuant to Section 5-20-104(3), C.R.S. All fees collected under the provision of the code are deposited to this fund. The funds are continuously appropriated to the DOL for the administration and enforcement of this code. This fund supports 4 FTE and associated operating expenses within the Consumer Credit Unit Line Item.

1515 Consumer Credit Unit Cash Fund

This fund was created pursuant to Section 5-2-302(11)(a) and is continuously appropriated. All fees collected pursuant to articles 2, 6, 10, 16, 19, and 21 of the Consumer Credit Code, starting July 1, 2024, are deposited into the fund. Additionally, on September 30, 2024, the bill transfers the unexpended and unencumbered balances of funds #1500 and #1510 into the fund. This fund supports 21 FTE and associated operating expenses within the Consumer Credit Unit Line Item.

16Z0- Insurance Fraud Cash Fund

This fund was created pursuant to Section 24-31-104.5, C.R.S. for providing adequate funds to the Colorado Department of Law for the investigation and prosecution of allegations of insurance fraud. This fund supports roughly 14 FTE and associated operating expenses.

26Q0 – Legal Services Cash Fund (Internal Service Fund)

This fund was created pursuant to Section 24-31-108, C.R.S. All revenue collected from state agencies for the provision of legal services or for litigation expenses is recorded in this fund. The fund is subject to annual appropriation. This fund supports roughly 362 FTE and associated operating expenses in the provision of services to client agencies.

2960- P.O.S.T. Board Cash Fund

This fund was created pursuant to 24-31-303(II)(b), C.R.S. All revenue collected under the provisions of the POST Board statutes are appropriated annually by the General Assembly for the administration of the Peace Officers Standards and Training Program. This fund supports roughly 15 FTE and associated operating expenses with the Peace Officers Standards and Training Board

Support Line Item, and roughly \$4M in grants for various peace officer trainings. The primary source of revenue for the fund is a statutory \$1 per vehicle registration.

15RS – Marijuana Tax Cash Fund

Created pursuant to section 39-28.8-501 C.R.S., the fund consists of retail marijuana sales tax. The funds are appropriated by the General Assembly. This fund supports 3.0 FTE associated with Intoxicating Hemp efforts associated with SB22-205.

4300 – Tobacco Litigation Settlement Fund

Created pursuant to 24-22-115, C.R.S. The cash fund consists of all moneys transmitted to the state treasurer in accordance with the terms of the master settlement agreement, the smokeless tobacco master settlement agreement, and the consent decree approved and entered by the court in the case denominated State of Colorado. This fund supports 2.0 FTE in the Consumer Protection and Antitrust Line Item.

Additionally, this fund supports the Tobacco Litigation Line Item. This line item supports the litigation efforts provided by outside counsel.

Reappropriated Fund Sources:

Reappropriated funds are amounts of General Fund, cash funds, or federal funds that are appropriated more than one time in the same fiscal year. For example, the DOL receives funding from the Department of Regulatory Agencies (DORA) Securities Division. DORA is appropriated a line item titled “Securities Fraud Prosecution” from their Securities Cash Fund. These revenues are transferred to the DOL to fund securities fraud investigations and prosecution. Since these dollars are already appropriated in DORA, they are labeled in the DOL section of the Long Bill as “Reappropriated” to minimize any double counting of actual dollars spent within the state enterprise.

Reappropriated spending authority includes:

Securities Fraud Prosecution: These dollars transferred from DORA funds 6.5 FTE in the Criminal Justice section and associated operating costs.

Mortgage Broker Consumer Protection: These dollars transferred from DORA funds 1.5 FTE in the Consumer Protection and Antitrust Line Item and associated operating costs.

Comprehensive Environmental Response, Compensation and Liability Act (CERCLA): These dollars are transferred from the Colorado Department of Public Health and Environment (CDPHE) and funds 3.5 FTE and associated operating for state CERCLA efforts.

Auto Theft Prevention Grant: The DOL receives roughly \$332K from the Department of Public Safety. These dollars support an attorney and a portion of a special agent for auto insurance investigations and prosecutions.

Victim’s Assistance: The DOL receives roughly \$86K from the Department of Public Safety. These dollars support the 1.0 FTE dedicated to Victim Assistance efforts within the DOL.

Legal Services to State Agencies: A majority of the Legal Services to State Agencies cash fund revenues come from Legal Services Line Items funded in client agency budgets. As such, the spend of these dollars are shown as reappropriated in the DOL section of the Long Bill.

Federal Funds:

The DOL receives roughly \$3.8M in federal dollars annually to support 75% of the DOL's Medicaid Fraud Control Unit. These dollars support 28 FTE and associated operating expenses.

Financial Forecasts and Trends:

Roughly 75 percent of the DOL appropriated budget is funded through cash funds for which the DOL is responsible for annual revenue settings, including the Legal Services to State Agencies cash fund. The DOL is not anticipating any significant changes in the numbers of businesses with licenses or registrations that would impact DOL revenues. If, however, this were to occur, the DOL would adjust spending patterns in a particular cash fund to ensure the DOL operated within any revenue or spending authority limitations, while maximizing program effectiveness.

Lastly, the DOL is not aware of any potential federal fund reductions associated with the Medicaid Fraud Control Unit. This unit is funded on a 25 percent General Fund/75 percent federal funds split. Again, if federal funds were reduced, the DOL would analyze program efforts against available resources to ensure the most effective program delivery within available resources. The DOL has a federal grant in place for FFY 25, which runs through September 30, 2025.