



**Statement of Karl A. Racine
Attorney General for the District of Columbia**



Before the

**Committee on the Judiciary and Public Safety
The Honorable Charles Allen, Chairperson**

**PUBLIC HEARING ON
THE FISCAL YEAR 2020 BUDGET OF THE
OFFICE OF THE ATTORNEY GENERAL**

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**1:00pm
Room 120
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, District of Columbia**

I. Introduction

Good afternoon Chairman Allen, Councilmembers, and staff. I am Karl A. Racine, and I have the privilege of serving as the Attorney General for the District of Columbia. I am honored to have this opportunity to testify regarding the FY2020 budget for the Office of the Attorney General (OAG).

As you know, the Attorney General serves the residents and government of the District of Columbia as their chief legal officer. OAG's attorneys and staff take great pride in our three (3) primary functions: (1) providing independent and objective legal services to District agencies, the Mayor, and the Council of the District of Columbia; (2) defending and advancing the District's interest in court; and (3) using the law to promote the public interest, with a particular emphasis on protecting our most vulnerable residents. When the residents of the District overwhelmingly voted to create an independent, elected, attorney general, it was because they wanted to join the forty-five (45) states and territories whose AG's are directly accountable to their electorate, and add an important additional check and balance in government.¹ While OAG is now an independent agency, it welcomes the Judiciary Committee's thorough and critical oversight responsibility because democracy requires transparency and accountability. Since 2015, I and my Chief Deputy, Natalie Ludaway, who combined have 30-plus years of leadership and law firm management experience, have committed to being responsible stewards of taxpayer money that is invested in OAG.

We want to make the District proud. Our goal is to be recognized as the premier state Attorney General office in the United States, and we are on the way of achieving this objective. Success is never final, however, and there is more work to be done. We want to thank the

¹ On November 2, 2010, 76 percent of District voters, by referendum, approved a Council-enacted amendment to the Home Rule Act to, for the first time, make the Attorney General an elected position.

Judiciary Committee, you personally, and the Council for its support over the last four (4) years.

Indeed, with the Council's support, OAG has been able to accomplish the following:

- (i) Successfully prosecute violent criminal offenses, while developing innovative evidence-based programs that reduce crime, promote trauma-informed services that keep our children out of the juvenile justice system and puts them on the right path for success;
- (ii) Negotiate substantial concessions for the District in two utility mergers;
- (iii) Take legal action against slumlords and businesses that harm our residents;
- (iv) Educate the public on how to protect themselves from consumer scams, child sex trafficking, wage theft, elder financial exploitation, and have taken dozens of other legal actions that have advanced the safety and welfare of District residents;
- (v) Increase professional training;
- (vi) Upgrade; OAG's internal operations, to include a modern document management system;
- (vii) And, importantly, ensure that OAG continues to attract and retain a diverse set of legal and non-lawyer professionals, including former law clerks from the United States Supreme Court, federal Circuit, federal district, DCCA, and Superior Court, as well as experienced counsel from top law firms, and newly minted lawyers from our country's top law schools, which, of course, includes Howard University, University of the District of Columbia, Georgetown, George Washington University, American University, and Catholic University.

When Ms. Ludaway and I entered District government, we met with dozens of our counterparts in other states, who made clear that a well-funded OAG can be a state's greatest

return on taxpayer investment. We respectfully submit that despite structural problems in how OAG's budget is established, an issue that I will address in a moment, OAG has proven to be a winning investment for DC taxpayers. Significantly, since FY2015, we estimate that OAG's work has provided approximately \$2.5 billion in savings and benefits to the District and relief for residents who need our help. This includes approximately:

- \$11.4 million secured for harmed consumers because of OAG mediating complaints and holding businesses accountable for breaking the law;
- \$2.7 million secured from neglectful building owners to fix issues such as mold, vermin infestations, water damage, and fire code violations at properties across the District;
- \$265,000 in relief paid directly to District tenants who were forced to live in unsafe and unlawful conditions;
- \$224 million in child support collected on behalf of District children;
- \$139 million in settlements and judgments won;
- \$403 million in tax revenue preserved and bond program fees collected; and, of tremendous importance,
- Working with the Mayor and District agency leaders, OAG lawyers have worked hard to avoid a potential \$1.8 billion in civil liability, because we win 92% of the cases filed against the District in court and win 93% of the appellate cases in which our Office of Solicitor General appears.

I recommend that the public review our current OAG Annual Report for greater detail on the activities and accomplishments of the office. The report can be found on our website at oag.dc.gov and hard copies have been provided to all councilmembers. I have also asked my

staff to forward an electronic version to the Committee for inclusion with my testimony on the Council's website.

II. OAG Fiscal Year 2020 Budget as Proposed by the Mayor

As I mentioned in the beginning of my testimony, the process in which OAG's budget is submitted and approved is fundamentally flawed. DC Code § 1-301.86 requires the Attorney General to submit a budget that she or he believes is necessary to adequately represent the District's legal interests and fulfill the public interest. This year, as in the past three (3) years, I submitted, as required, a budget to the Mayor that I believe is necessary to provide excellent service to the government and District residents. Unlike the Executive Office of the Mayor (EOM), the Council or the Office of the Chief Financial Officer (OCFO), the amount of money that I requested on behalf of OAG, is not accorded the deference, or comity that EOM, the Council, and the OCFO provide each other. For example, EOM proposed a 14.2 percent increase in FY2020 over its FY2019 budget. OCFO proposed a 5.9 percent increase in FY2020 over its FY2019 budget. The Council has proposed a 4.5 percent increase in FY2020 over its FY2019 budget. It appears that each of these bodies have fully accepted the others' proposed FY2020 budget. On the other hand, OAG is not accorded the same deference or comity on its budget.

Although the Mayor has maintained OAG at its current services funding level in order to receive funding for its important initiatives, OAG is left with the only option available to it—go hat in hand to individual Councilmembers and plead with them to fund a small portion of our budget request that comports with the individual Councilmember's priorities. This process is not sustainable. Nevertheless, however flawed, it is the process that we have, and thus, following this flawed process, I determined that a budget of \$113,537,138 was necessary to fulfill our

mandate, an approximate \$5 million or 4.5% increase in funding over FY2019. Exercising her discretion as the District's CEO, the Mayor considered OAG's approximately \$5 million request, and at the end of the day, granted OAG \$409,000 or a .05 percent increase over our FY2019 budget.

To be sure, the \$409,000 included in the Mayor's proposed budget will fulfill our requests for a criminal investigator and gun offense prosecutor in our Public Safety Division, and a land use attorney in our Commercial Division. We appreciate the Mayor's support for these three (3) positions. OAG also appreciates that the Mayor permanently funded, with local dollars, a land acquisition attorney in the Commercial Division to work with the Department of Housing and Community Development that had previously been funded with intra-District dollars. Since submitting our budget to the Mayor, we have looked even deeper into our agency's needs, and I will soon discuss the enhancements that we are asking the Council to fund. But prior to speaking about our enhancement requests, I want to express my concern that the transmitted budget does not include a commitment to the Cure the Streets violence interruption program.

The reduction of gun violence and public safety must be our number-one priority. Violence impacts our City's safety and contributes mightily to the profound trauma that shape our children's lives.

Failure to take aggressive steps to prevent violence, will result in more trauma that will beget more violence. Our children deserve better. Cure the Streets is a critical part of our efforts, and the Council should consider measured and appropriate funding to determine whether the model should be expanded more broadly. Thanks to the Council's initial financial support and trust in OAG, we have launched a program that takes a public-health approach to violence reduction – treating gun violence like the true epidemic that it is. To be clear, the outcomes we

are seeking through Cure the Streets can only be reached through intensive intervention targeting the areas of highest crime. As you know, OAG carefully reviewed the data and chose one site in Ward 8 (Cluster 39), which had almost double the number of shootings and homicides as compared to any another other cluster over the last three to five years.² We also selected a site in Ward 5 (Cluster 23), which was among the areas with the next highest rates.³ Cure Violence instructed us to gather street intelligence to understand where the historical beefs were that caused homicides, and identify target neighborhoods that captured the various warring groups.

As you know from our previous hearings, we have seen success in violence reduction and residents feeling safer due to the passionate work of the Cure the Streets team, and the dozens of volunteers Cure has recruited to leverage its efforts. I want to specifically thank Eric Weaver, founder of the National Association for the Advancement of Returning Citizens, our partner in launching and managing OAG's Cure the Streets program. Mr. Weaver's selfless and principled leadership is felt throughout the community, and he is driven to see an end to senseless violence. Equally impressive is the extraordinary commitment of the Cure employees who put themselves at risk every day in order to make our community safer and so that DC kids no longer live in fear.

The Council made an initial investment of \$362,000 in Cure the Streets last Memorial Day Weekend when the city's uptick in murders was tragically highlighted by four (4) murders and eight (8) other persons wounded by shootings in our streets. That money ran out on September 30, 2018. To continue to fund Cure the Streets, we scrubbed OAG's budget, sought private philanthropic dollars, and identified funds from legal settlements to fund these two sites through the halfway point of FY2020. While the two (2) sites will provide us with a basis to

² Cluster 39: Congress Heights, Bellevue, and Washington Highlands

³ Cluster 23: Ivy City, Trinidad, Arboretum, and Carver Langston

ascertain the effectiveness of the model, investing in two (2) to four (4) additional sites would provide us with a deeper well of data upon which to base future investment decisions. From OAG's perspective, we seek more certainty as to whether we should look to District resources to modestly expand or seek resources elsewhere, including an enhanced OAG litigation support fund.

Since the launch of our two sites in August 2018, our Cure the Streets staff have held 112 community events; lead weekly safe passage walks to and from elementary, middle schools and high schools within the two sites; conducted 14 shooting responses in the last six months; distributed over 6,800 flyers spreading the message that gun violence is unacceptable; conducted 33 formal mediations between individuals with conflicts that might have led to retaliatory violence; and countless other informal de-escalations of conflict. We know from conversations with residents in our targeted sites, that due to the presence of our Cure the Streets staff, people feel safer, tension has dissipated, and we believe that Cure the Streets has made a significant impact.

If the Council wishes to continue or expand this program to other areas in this city, the cost per site will range from approximately six hundred twenty-five thousand to eight hundred thousand for one year. While there are strong indicators that the program is having a positive impact, we are only seven months into this pilot period. We must continue to collect data and learn how to best proceed. Thanks to this Committee, OAG recently hired a highly regarded expert data analyst to fully review our Cure data, as well as the efficacy of other OAG programs. Our data expert will improve upon our data collection, and he will establish reliable metrics on which the Cure program can be evaluated. If the Council elects to expand Cure the Streets, I caution that it first be expanded to geographic areas solely determined by crime and violence

data. We must be responsible and prudent, and prioritize the opening of new sites in our city's most violent areas.

III. OAG's Enhancement Requests

In FY2020, OAG will continue to build a first-rate public law firm in two ways: enhancing internal operations and enhancing service to District residents. Before determining what resources to request, we closely analyzed our existing budget and resources, and to the extent possible, reallocated existing resources to minimize FY2020 enhancement requests. The enhancements that OAG will present to this Committee today are only those that are critical to the core mission of the agency and that will create significantly better outcomes for District residents, businesses, and government agencies. Our enhancement requests also take into consideration the feedback OAG received from our outreach in the community.

To be sure, OAG's proposed local budget enhancements is a big ask. It totals approximately \$7.9 million and 54.2 FTEs. With the understanding that the Council may need to make some difficult priorities, our total critical legal and administrative enhancement request is \$5,420,659. This represents a 5.27 percent increase in FY2020 over that of FY2019. In the interest of time, I will use my testimony to highlight a few of our requests, and I am prepared to answer questions about any additional requests on our list.

Enhancements to Better Serve District Residents

We are requesting several budget enhancements that will improve outcomes for District residents and further bolster the large return on investment that OAG provides to the District's taxpayers. Some of the highlights of these requests are:

- **Fighting Elder Abuse:** Elder abuse is a major concern in the District and a high priority for OAG. Under the *Criminal Abuse, Neglect and Financial Exploitation of Vulnerable*

Adults and the Elderly Act of 2016, OAG can seek civil penalties and injunctive relief against those who exploit the elderly and other vulnerable adults. We are eager to use this authority to protect vulnerable District residents and have seen a significant increase in referrals for enforcement of potential elder financial exploitation. The District’s Adult Protective Services reports that the number of investigations it has opened into elder abuse has more than doubled in the last four years, from 921 in Fiscal Year 2015 to 1,783 in Fiscal Year 2018. These cases are very resource-intensive. Currently, OAG’s Public Interest Division (PID) uses three attorneys from its Civil Enforcement Section (CES) to investigate and civilly prosecute elder abuse referrals; however, investigatory and litigation demands currently outpace the available resources that these attorneys can dedicate to investigation and prosecution. PID currently has more than 60 active referrals from Adult Protective Services, MPD, Legal Counsel for the Elderly, other District agencies, and the community. To address this need, OAG requests two elder abuse civil enforcement attorneys, one elder abuse civil investigator, and one elder abuse section chief. The FTEs will allow PID to address the rapidly growing problem that is elder abuse.⁴

- **Protecting Civil Rights:** Discrimination remains a prevalent and persistent problem in the District of Columbia. Civil rights violations affect the personal dignity and integrity of District residents. The Council enacted the *District of Columbia Human Rights Act (HRA)* “to secure an end in the District of Columbia to discrimination for any reason other than that of individual merit,” securing the opportunity for “[e]very individual [to] have an equal opportunity to participate ... in all aspects of life[.]” The HRA is among the District’s most important laws and carries a mandate from the Council to be vigorously enforced by all agencies and officials in the District of Columbia. To be clear, PID’s work will not supplant the work done by other agencies, but it will bolster the District’s effectiveness in enforcing the HRA on a larger scale. Moreover, the US Department of Justice continues to scale back investigations and enforcement of civil rights violations, including in the District of Columbia. Investment in these positions ensures that OAG can increase its role in filling this crucial gap to protect District residents. To meet this need, OAG requests a section chief, line attorney, investigator, and paralegal to develop and litigate major cases.
- **Protecting the District’s Environment:** Due to our proximity to the eastern shore, the District is particularly vulnerable to the effects of sea level rise and other factors that could impact the health of our residents, making environmental justice increasingly crucial to the daily lives of our residents. Moreover, residents testified at our most recent performance oversight hearing that OAG can potentially do more for environmental

⁴ PID currently has more than 60 active referrals from Adult Protective Services, MPD, Legal Counsel for the Elderly, other District agencies and the community.

issues, and we agree. Currently, OAG has two FTEs working on environmental cases, but one of those attorneys is funded by a fellowship through the NYU School of Law's State Energy & Environmental Impact Center. This fellowship expires in April of 2020 – mid-way through the fiscal year. It is essential for OAG to add an FTE to ensure our environmental work continues.

- **Protecting Public Safety Through Restorative Justice:**⁵ OAG's Restorative Justice Program provides youth accused of breaking the law an alternative to prosecution with results that not only reduce violent reoffending, but also heal communities. Restorative Justice recognizes that the effects of crime include breaches in relationships and a disturbance of societal norms. Restorative justice uses mediation to empower victims to express how they were affected by crime and requires offenders to accept responsibility and engage in action to repair the harm they cause. Nationwide, statistics show restorative justice programs have better success than traditional prosecution by rehabilitating offenders, increasing victim satisfaction, and lowering costs. Since OAG launched our Restorative Justice Program in 2016, more than 130 cases have been referred to the program — and the rate of case referral is increasing. Currently we have five (5) full-time Restorative Justice Coordinators, including one funded with federal grant funds that will expire on September 30, 2019. Retaining the current staffing level is critical to OAG's ability to continue this innovative alternative to juvenile involvement in the justice system.
- **Preserving Tax Revenues for the District:** OAG requests an additional tax attorney for the Commercial Division's Tax and Finance Section – perhaps the single most effective investment the Council can make in the District's financial health. In the past, we projected that for each additional tax attorney OAG received, we would annually preserve up to \$14 million in taxes on real property by effectively litigating marginally credible lawsuits seeking a refund of real property taxes paid. Consistent with our forecast, in FY 2017, each of OAG's then-four tax litigating attorneys preserved \$14 million in real property taxes and associated interest payments. In FY 2018, each of OAG's five tax litigating attorneys preserved \$18 million in real property taxes and associated interest payments. Granting OAG's request for an additional tax attorney would generate an estimated additional \$14 million in annual savings on real property tax lawsuit settlements (and associated interest payments) and fund OAG's enhancement requests.

⁵ This is the nation's first in-house restorative justice program in a prosecutor's office. OAG is guiding other jurisdictions and prosecutors' offices on establishing their own similar programs. In 2018, OAG's restorative justice team received the prestigious Cafritz Award, an honor given for outstanding service by District government employees.

Enhancements to Strengthen Internal Operations

As a new independent agency with an elected Attorney General, OAG's responsibilities have significantly increased. Functions that executive agencies previously performed on OAG's behalf such as community engagement, human resources, information technology, and procurement are now OAG's responsibility. A first-rate public law firm requires strong internal operations to support its legal mission and to promote the public interest. Accordingly, among our enhancement requests are:

- **Permanently funding a Chief Operating Officer:** This will allow OAG to institutionalize its chief operating officer position to serve as an agent to provide leadership, management, and vision to oversee OAG's ongoing operations and procedures in finance, procurement, human resources, information technology, facilities, and support services.
- **Supporting Community Engagement:** Currently, OAG has only 2 FTEs to respond to and engage with the community. By adding a Director of Community Engagement and a third Community Engagement Specialist, OAG would be able to implement a strategic community engagement plan that will guide our efforts to inform residents about how OAG can help them, educate residents about their rights, elicit community feedback to help us identify priorities, gauge community sentiment on issues that are relevant to OAG, and build relationships with community partners.
- **Expanding Capacity to Obtain Outside Grants:** To minimize dependency on locally appropriated funds, OAG is requesting a grants officer to research available grants and write proposals to fund OAG initiatives on issues – such as violence interruption and truancy reduction – that improve District residents' lives. The grants officer will also administer the grants to ensure that funding is used in accordance with grant requirements and to provide any reports required by the grant.
- **Right-Sizing OAG's Human Resources Team:** As part of the Fiscal Year 2016 Budget Support Act of 2015, the Council gave OAG personnel authority independent of D.C. Human Resources (DCHR). As a result, OAG is solely responsible for nearly all aspects of personnel, including aspects formerly supported by DCHR staff. Although OAG received independent personnel authority, we did not receive additional resources to perform these new responsibilities, including hiring a senior leader for the human

resources team. Rather, OAG has had to rely on the leader of the Personnel, Labor & Employment Division to be responsible for managing a division with 13 lawyers and staff who are responsible for defending the City against hundreds of employment and worker's compensation actions to also function as the head of its Human Resources Section. Additionally, OAG has an insufficient number of HR staff to support the agency. While OAG currently has three HR specialists, other independent District agencies similar in size to OAG have at least seven HR specialists to manage their needs. Currently, each of OAG's HR Specialists services 223 employees, almost three times as many as HR Specialists at some other similarly sized District agencies.⁶ Put simply, OAG needs additional HR staffing.

- **Non-Attorney Staff – Class and Compensation Review:** In 2009, OAG began hiring non-attorneys in “no promotion potential” positions because of budget reductions. This lack of promotion potential is a blow to morale and creates the real risk of losing talent that does not see a future at the agency. At OAG, 149 of 290 administrative professionals are in positions with no promotion potential or unfunded potential (133 with no promotion potential; 16 without dedicated funding in OAG's budget). OAG is seeking \$929,352 in FY2020 to begin to address this issue.

Non-OAG Programs

I want to thank Mayor Bowser for adding \$2.5 million to fund legal support for immigration services, and request that the Council retain this funding so that our immigrant population can benefit from legal representation at a time when their rights are facing great threats. I also ask the Council to support three critical programs and initiatives outside of OAG that need continued support and/or funding in FY2020:

- **Safe Shores:** The DC Children's Advocacy Center is a nonprofit organization dedicated to supporting and working directly with child victims of sexual and physical abuse in the District of Columbia. Combating human trafficking and abuse of children is a primary focus of OAG. OAG partners closely with Safe Shores to ensure that child victims of sexual and physical assault are provided the therapeutic support they need to achieve justice and safety.

⁶ One example is the District of Columbia Public Library.

- **Alternatives to the Court Experience (ACE):** Because juvenile justice reform has been a top priority for OAG, our office has increased the rate at which we refer low-risk youth to the ACE diversion program operated by the Department of Human Services. The diverted youth receive substantial rehabilitative care and services, including mental health treatment, family therapy, mentoring, and substance abuse treatment that help address the root causes of these young people’s problems. ACE is much more effective than traditional juvenile prosecution at keeping youth out of trouble in the long run.⁷
- **Boys and Girls Club of Greater Washington:** Attorney General Offices across the country have partnered with their local Boys and Girls Clubs to ensure that children, especially at-risk youth, have safe, quality, nurturing, challenging, and structured out of school time. Several solid programs exist, but the Boys & Girls Club of Greater Washington (“BGC”) would appear to present the District with the greatest return on investment. The BGC operates four (4) clubs in the District of Columbia. It serves nearly 3,000 youth at THEARC in Ward 8; 2,300 youth at Clubhouse #14 in Ward 7; over 1,800 youth at Jelleff in Ward 2; and over 500 youth in Ward 4 at 801 Shepard Street, NW. Significantly, 65% of the youth served qualify for free and reduced lunch. Last year, BCG served 54,608 snacks and 31,046 meals. During the summer, breakfast, lunch and snacks are served. Substantive programs include Our Lives Matter, Keystone Leadership & Service Club, STEM, Passport to Manhood, and the Smart and Fearless Girls programs. More than ten (10) percent or \$225,000 of BCG’s budget goes to rental payments for its facility at THE ARC. Relieving BCG of that burden would allow it to invest that money into needed infrastructure enhancements and programming at its four (4) facilities. I urge the Council to consider alternatives to having BCG spend precious resources on rent.

Budget Support Act and Budget Request Act Recommendations

I will now focus the remainder of my time on OAG’s proposed Budget Support Act language for FY2020, and additional Budget Request Act language. I have provided language to the Committee, and I will briefly summarize our requests for the public record.

Elder Abuse Civil Restitution Amendment Act of 2019

Currently, restitution is only available for criminal violations of the Criminal Abuse, Neglect and Financial Exploitation of Vulnerable Adults and the Elderly Act (Act), codified at

⁷ ACE has shown great success: about 75 percent of 2,000 participating youth have not been rearrested.

D.C. Official Code §§22-931, *et. seq.* Specifically, D.C. Code §22-936.01 provides that a person who commits the offense of financial exploitation of a vulnerable adult or elderly person shall be subject to criminal penalties and shall make restitution before the payment of any fines or civil penalties.

Under the civil statute, a person who violates D.C. Code §22-933.01 shall be subject to civil fines up to \$5,000 per violation, revocation of all permits and licenses, and a temporary or permanent injunction. D.C. Code §22-937. Restitution is not available in the civil action, which creates an unfortunate predicament for the District and the elder or vulnerable adult. For example, in cases filed against two abusers, OAG successfully obtained judgments requiring the offenders to pay civil fines to the District but there was no compensation to the elders whose property was stolen by the abusers. Because most financial exploitation referrals to OAG are civil matters, victimized elders and vulnerable adults are unable to recoup the monies or assets wrongfully taken from them under the current civil statutory scheme. Moreover, while full recovery is often elusive, the prospect of being able to recover at least some of their financial loss may encourage more victims to report and to participate in the civil prosecution. The Act should be amended to include restitution as a civil penalty under D.C. Code §22-937(a).

Litigation and Operations Support Fund Amendment Act of 2019

In 2015, OAG faced serious financial constraints. The Executive proposed a flat budget that did not account for the public interest mandate that the agency had as an independent office. To meet our immediate needs, while not imposing on the general fund, OAG proposed a \$15 million Special Purpose Fund to capture settlement dollars and use them toward FTEs and programmatic expenses. Because we were so new, the Council decided to support our office with a few critical local dollars and to create a Litigation Support Fund - limited to non-personnel

needs (with a cap under \$2 million) and allowed OAG to build a track record of financial success to rationalize future enhancements of that fund.

Now, thanks to this Committee's leadership, OAG's Litigation Support Fund is capped at \$5 million dollars. However, we still face the same pressures to meet the District's needs with little chance of significant input during the District's initial budget formulation. After reviewing our financial stewardship of the Litigation Support Fund, OAG urges the Council to increase the cap we retain to \$10 - \$12 million. Moreover, we respectfully request that the uses of that fund be expanded to matters like violence interruption and human trafficking initiatives. We also ask that we use a portion of this fund for recurring FTEs. These amendments will allow OAG to rely less on local dollars and the general fund to meet the needs of the agency and District residents.

Interest Rate on Judgments Amendment Act of 2019

This amendment sets a cap on interest, when authorized by law, on judgments or decrees against the District of Columbia, its officers, or its employees acting within the scope of their employment. The cap will be the lower of either four percent or the statutory judgment interest rate. The statutory judgment interest rate is calculated based on the rate of interest set by the Secretary of the Treasury pursuant to the Internal Revenue Code. Currently, although the statutory judgment interest rate is far lower than four percent, the District still pays four percent interest on all judgments. This is the case even though all other litigants are only required to pay the statutory interest rate. This amendment would ensure that the District does not pay an inflated interest rate when interest rates are low and will ensure that the District is treated the same as any other litigant.

Budget Request Act

OAG respectfully requests an increase in the budget authority for the Reception & Representation Fund to \$25,000.⁸ To be clear, this is not actual money. This is simply budget authority. Our current authority is limited to \$10,600.

Conclusion

Finally, as I have said in previous years' budget oversight testimony, while OAG currently works to protect and defend District residents, enforce District laws, and provide excellent legal advice to D.C. government agencies, continuing to fund OAG as if it were still a subordinate District agency is irresponsible. I am willing to work with the Committee, the Executive, and the Chief Financial Officer to explore alternative budgeting options.

In the year ahead, we are committed to developing new strategies and initiatives to protect District residents. As my testimony demonstrates, OAG's focus will include: reducing gun violence and saving lives in the District; addressing the harmful effects of childhood trauma; fighting elder abuse and protecting vulnerable residents; and standing up for our civil and human rights. I deeply appreciate the trust that District residents have placed in me and I am grateful for my talented, dedicated team of lawyers and professionals. I am also thankful for the strong support and consistent engagement of D.C. residents, the Council, and the willingness of the Executive to partner on matters that help our residents.

Thank you for the opportunity to highlight some of the important work of the Office of the Attorney General and our budget priorities. My team and I are pleased to answer any questions that the members of the Committee may have. Thank you.

⁸ The Mayor and Chairman currently have a \$25,000 limit.