

# BUDGET LETTER

<b>SUBJECT:</b> ATTORNEY GENERAL'S LEGAL SERVICES RATE INCREASES FOR CLIENT DEPARTMENTS	<b>NUMBER:</b> 08-29
<b>REFERENCES:</b> GOVERNMENT CODE SECTION 11044(B)	<b>DATE ISSUED:</b> October 10, 2008
	<b>SUPERSEDES:</b> BL 05-27

TO: Agency Secretaries  
Department Directors  
Departmental Budget Officers  
Departmental Accounting Officers  
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

This Budget Letter (BL) addresses fiscal year 2009-10 increased legal services rates for services provided to state departments and agencies by the Department of Justice (DOJ).

Government Code §11044(b) requires the Attorney General to charge an amount sufficient to recover the costs incurred for legal services to state departments and agencies. The current hourly rates, as identified in the 2009-10 Price Letter (BL 08-18), are \$158 for attorney services and \$101 for paralegal services. Effective July 1, 2009, the Attorney General is increasing the rates to \$170 per hour for attorney services and \$120 per hour for paralegal services. State departments receiving services from the DOJ are subject to these rates.

In order to determine the appropriate expenditure authority for 2009-10 DOJ costs, departments must first estimate the level of billable hours that are funded from various applicable funding. However, any increases in funding for legal costs remain subject to the overall funding limits pursuant to BL 08-23. Attachment I is a worksheet provided for departments to calculate the total costs associated with the legal services rate increases. Attachment II provides the line item information needed to properly update 2009-10 planning estimates. Departments requiring an increase in expenditure authority must complete Attachments I and II, submit them to their respective Department of Finance (Finance) Budget Analyst for approval, and upon approval, reflect the approved adjustment in all budget documents developed in preparation of the 2009-10 Governor's Budget. The approved adjustment will be reflected as a baseline adjustment on Line 0700 in the Planning Estimates for 2009-10 only.

Departments are required to return the completed worksheet to their respective Finance Budget Analyst as soon as possible, but no later than Friday, October 17, 2008.

Any questions regarding this BL should be directed to either your Finance Budget Analyst or Jennifer Osborn, Principal Program Budget Analyst, at (916) 445-8913.

/s/ Todd Jerue

Todd Jerue  
Program Budget Manager

Attachments