



## GENERAL LEGAL ACTIVITIES Civil Division (CIV)

### FY 2014 Budget Request At A Glance

FY 2012 Enacted:	\$283.1 million (1,420 positions; 1,020 attorneys)
Current Services Adjustments:	+\$5.6 million
Program Changes:	+\$8.6 million
FY 2014 Budget Request:	\$297.3 million (1,471 positions; 1,052 attorneys)
Change From FY 2012 Enacted:	+\$14.2 million (+5.0%) (+51 positions; +32 attorneys)

#### Mission:

The United States is party to about 50,000 lawsuits each year, representing some 200 client agencies. The vast majority involve lawsuits against the United States. Many suits challenge the constitutionality of statutes and policies. Most cases involve monetary disputes associated with government contracts or tort allegations. In 2012, some \$90 billion was at issue. By thwarting exaggerated claims, CIV's work avoided treasury payouts of about \$30 billion in 2012. Additionally, CIV generates revenue for government agencies, entitlement programs such as Medicare, and the General Fund by penalizing fraud, waste, and violations of consumer protection laws. In FY 2012, CIV recovered over \$6 billion and returned \$47 for each \$1 spent. Most notable is CIV's commitment to recovering money lost to financial fraud and misconduct leading up to and during the 2008 economic crisis. Lastly, CIV administers the Vaccine Injury Compensation Program, the Radiation Exposure Compensation Program, and the September 11<sup>th</sup> Victim Compensation Fund.

#### Resources:

The FY 2014 budget request for CIV totals \$297.3 million, which is a 5.0% increase over the FY 2012 Enacted.

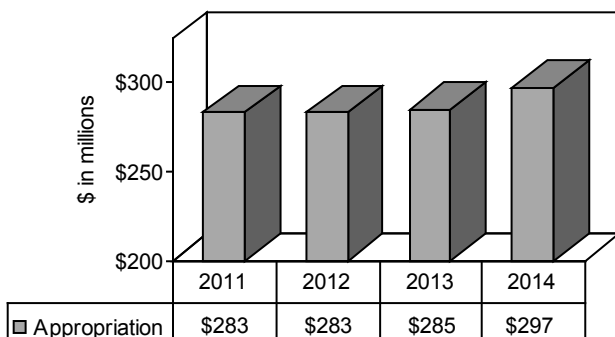
#### Organization:

The CIV Assistant Attorney General is appointed by the President and confirmed by the Senate. The Division is composed of six litigating branches and an administrative office. The Commercial Litigation Branch defends claims associated with government transactions and recovers money owed to Medicare, the military, government programs, and the U.S. treasury. The Federal Programs Branch defends the constitutionality of laws, regulations, and policies of the Government. The Office of Immigration Litigation represents the United States in immigration matters, such as removal actions and denaturalization. The Torts Branch handles a variety of defensive matters such as aviation and environmental issues, and is home to one of the Government's largest affirmative cases – Deepwater Horizon. The Appellate Staff represents the United States in federal circuit courts. The Consumer Protection Branch enforces laws to protect the public's health and safety. A core function is to vigorously enforce laws governing the financial sector and expose fraud that has hurt millions of Americans.

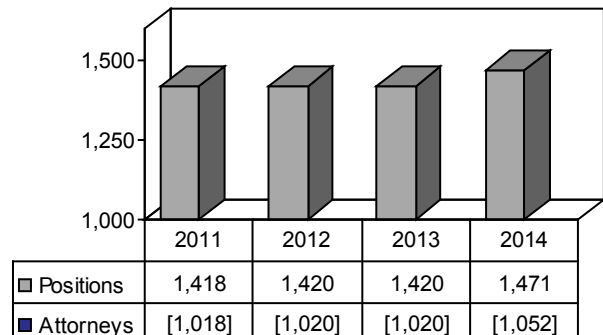
#### Personnel:

The CIV's direct positions for FY 2014 total 1,471 positions. CIV's FY 2014 request includes an increase of 51 positions over the FY 2012 Enacted of 1,420 direct positions.

**Funding (FY 2011 - 2014)**



**Personnel (FY 2011 - 2014)**



## **FY 2014 Strategy:**

The Civil Division's role is two-fold: it must represent diverse government agencies while establishing legal precedents that best serve the Government as a whole. First, CIV defends the Federal Government to avoid payment of unmerited monetary claims. Defensive litigation, which represents almost 90 percent of the Division's work, reflects the diversity of government activities. CIV defends challenges to federal statutes, regulations, and policies in areas such as national security and entitlement programs. Additionally, CIV handles cases involving some of the Nation's most sensitive national security, immigration, and counterterrorism matters, including the Guantanamo Bay detainee habeas cases and challenges to foreign terrorist organizations.

Suits handled by CIV tend to be massive by any standard, requiring dedicated teams of attorneys and contract support for acquiring and computerizing evidence that may prove pivotal to prevailing in court. One of its largest cases involves matters related to the Deepwater Horizon explosion and oil spill in the Gulf of Mexico. CIV attorneys are working to recover billions of dollars in government response costs and to assess and pursue damages. CIV also represents the Government in the massive nearly \$60 billion lawsuit filed by AIG alleging that the Government's role during the recent financial crisis constitutes an unconstitutional taking. Most recently, Civil filed a lawsuit against Standard & Poor's for its fraudulent credit-rating practices that led to the financial crisis.

Because nearly 90% of CIV's cases are defensive, the Division has little control over its workload. It must respond to court mandates and production deadlines or bear unfavorable settlement agreements and court rulings. CIV strives to protect its two most important resources that have contributed to record successes in and out of court – its dedicated and highly-skilled workforce and its litigation support services. To preserve its staffing and access to information technology, CIV has drastically reduced spending elsewhere, including travel, consultants, printing, supplies, publications, performance awards, overtime pay, and utilities. Additionally, CIV's participation in the Residential Mortgage Backed Securities Working Group and Financial Fraud Enforcement Task Force enables fraud attorneys to utilize shared resources to better investigate mortgage and financial fraud resulting from misconduct leading up to and during the 2008 financial crisis.

Civil Division's program increases are proposed with the overarching goal of improving efficiency and concentrating resources on top priorities.

## **FY 2014 Program Changes:**

**Financial and Mortgage Fraud:** \$7.0 million and 51 positions (32 attorneys)

This enhancement will boost CIV's efforts to combat fraud that goes to the very heart of the recent financial crisis. Funding this request will add muscle to its affirmative efforts to recover billions of dollars for federal coffers each year and reduce the nation's debt. When announcing the Division's lawsuit against the ratings firm Standard and Poor's, the Attorney General noted that resources for civil fraud enforcement are essential to hold accountable those who contributed to the worst economic crisis in recent history. In addition to recovering billions of dollars for the FDIC, CIV will also use the additional resources to provide justice for consumers who fell victim to unscrupulous mortgage fraud, debt relief, and other types of scams responsible for crippling many sectors of the economy today. The FY 2013 President's Budget included this request; the FY 2014 President's Budget includes the same request in the same amount. The FY 2014 current services for this initiative are 56 positions (46 attorneys) and \$16.3 million.

**Attorney Productivity Initiative:** \$1.6 million and 0 positions

The CIV goes head to head with the leading law firms in the Nation. Top law firms provide their attorneys with ample support resources so that they may focus their efforts on devising and implementing litigation strategies. For many, the ratio of support staff (including paralegals and secretaries) to attorneys is one support staffer for every one attorney. In contrast, the CIV has one secretary for every 7.5 attorneys and one paralegal for every six attorneys. This imbalance is inefficient and puts CIV at a distinct disadvantage when opposing blue chip firms in complex cases that often involve billions of dollars in claims.

This program increase is sought to promote attorney productivity by increasing the number of support personnel to assist with fact discovery, exhibit preparation, privilege review, database maintenance, and other support activities intrinsic to successful litigation. Absent this increase, attorneys will spend a significant amount of their time on paralegal and clerical tasks – diverting much needed resources from substantive legal work and endangering attorneys' legal representation in court and at the settlement table. This enhancement will provide funding to fill 17 positions that are currently vacant. Since the funding will fill vacant positions, no new positions are shown. The FY 2014 current services for this initiative are 278 positions (0 attorneys) and \$37.9 million.

**Civil Division**  
(Dollars in Thousands)

	Civil Division		
	Pos	FTE**	Amount
<b>2012 Enacted</b>	<b>1,420</b>	<b>1,326</b>	<b>283,103</b>
<b>2013 Continuing Resolution*</b>	<b>1,420</b>	<b>1,233</b>	<b>284,836</b>
<b>2014 Request</b>	<b>1,471</b>	<b>1,259</b>	<b>297,313</b>
<b>Change 2014 from 2012 Enacted</b>	<b>51</b>	<b>-67</b>	<b>14,210</b>
<b>Technical Adjustments</b>			
Adjustment - 2013 CR 0.612%	0	0	-1,733
<b>Total Technical Adjustments</b>	<b>0</b>	<b>0</b>	<b>-1,733</b>
<b>Base Adjustments</b>			
ATB Transfers	0	0	1,350
Pay & Benefits	0	0	2,818
Domestic Rent & Facilities	0	0	1,370
Other Adjustments	0	0	86
Foreign Expenses	0	0	-14
<b>Total Base Adjustments</b>	<b>0</b>	<b>0</b>	<b>5,610</b>
<b>2014 Current Services</b>	<b>1,420</b>	<b>1,233</b>	<b>288,713</b>
<b>Program Changes</b>			
<b>Increases:</b>			
Attorney Productivity Initiative	0	0	1,600
Financial and Mortgage Fraud	51	26	7,000
<b>Subtotal, Program Increases</b>	<b>51</b>	<b>26</b>	<b>8,600</b>
<b>Decreases:</b>			
<b>Subtotal, Program Decreases</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Program Changes</b>	<b>51</b>	<b>26</b>	<b>8,600</b>
<b>2014 Request</b>	<b>1,471</b>	<b>1,259</b>	<b>297,313</b>

\* The Continuing Resolution includes the 0.612% funding above current rate, provided by P.L. 112-175, sec. 101 (c).

\*\* The FTE for FY 2012 is actual and for FY 2013 and FY 2014 are estimates.

**Civil Division**  
(Dollars in Thousands)

Comparison by activity and program	2012 Enacted			2014 Current Services		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Legal Representation	1,420	1,326	283,103	1,420	1,233	288,713
<b>Total</b>	1,420	1,326	283,103	1,420	1,233	288,713
Reimbursable FTE	0	112	0	0	124	0
<b>Grand Total</b>	1,420	1,438	283,103	1,420	1,357	288,713

Comparison by activity and program	2014 Total Program Changes			2014 Request		
	Perm Pos.	FTE	Amount	Perm Pos.	FTE	Amount
Legal Representation	51	26	8,600	1,471	1,259	297,313
<b>Total</b>	51	26	8,600	1,471	1,259	297,313
Reimbursable FTE	0	0	0	0	124	0
<b>Grand Total</b>	51	26	8,600	1,471	1,383	297,313