

ATTORNEY GENERAL WILLIAM TONG STATE OF CONNECTICUT

Office of the Attorney General Responses to Appropriations Subcommittee General Government B Questions Friday, March 14th, 2025

1. Can you bring a list of what the agency brought in for funding during FY 2024 to the working group?

During the 2023-2024 fiscal year, \$ 574,567,330 was generated by the Attorney General's Office, as described below, including \$ 147,708,139 deposited to the General Fund. The remaining monies were directly paid to, protected and/or used to benefit constituents, businesses, and other entities.

A. Revenue Generated for the General Fund

Tobacco Settlement Fund Collections	\$ 111,190,091
Child Support Collections	23,907,032
DAS Collections	7,724,139
Privacy Violation Settlements	1,355,937
Department of Social Services Collections / Civil	1,159,922
DAS Workers Compensation Collections	697,141
Consumer Protection Collections	5,000
Office of the State Treasurer Collection	1,000
*Miscellaneous Collections	1,667,877
Total Revenue Generated for General Fund	\$ 147,708,139
B. <u>Revenue Generated for Special Funds</u>	
Opioid Settlement Fund	\$ 72,112,939
Special Environmental Projects	2,000,000
Unpaid Wage, Civil Penalty & Unemployment Tax	177,896
	646 365
Consumer Fund Collection	646,365

Total Revenue Generated for Special Funds 75,025,778 \$



C. <u>Revenue Generated for Individuals, Agencies and Businesses</u>

Child Support Collected/Enforced for Families	\$ 204,490,859
Consumer Assistance Section - Recovered for Consumers	1,816,848
Settlement Proceeds collected for DECD	171,799
Home Improvement Contractors -	
Consumer Restitution from Criminal Prosecution	115,071
Court ordered restitution to DCP Guaranty Fund	16,820
Healthcare Advocacy Benefit to Consumers	684,656
Total Revenue Generated Individuals and Businesses	\$ 207,296,053
D. <u>Revenue Protected for Consumers and Businesses</u>	
Charitable Trusts Protected	\$ 18,700,807
Charitable Funds Recovered or Preserved	2,336,553
Utility Rate Increases Requested (not obtained)	123,500,000
Total Revenue Protected	\$ 144,537,360
TOTAL REVENUE ACHIEVED	\$ 574,567,330

* Miscellaneous Collections include but are not limited to penalties and settlements in cases involving Consumer Protection, Environment and Government Fraud Sections. For example:

\$20,000 penalty in Cannabis case involving advertising;

\$100,000 penalty in an environment case involving the unlawful discharge of wastewater;

\$77,655 settlement in a case involving a physician accepting kickbacks;

\$498,310 settlement in a case involving a dental office's violation of the False Claims Act

\$398,777 settlement in a case involving a physician's unlawful billing in violation of the False Claims Act.



2. Can you bring additional information on the PFAS litigation to the working group?

Background on PFAS

PFAS is the universal moniker for a class of over 12,000 chemicals. First invented by DuPont, they are highly durable chemicals widely used since the 1940s for their non-stick, anti-stain, and fire-retardant properties. PFAS are known as "forever chemicals" because they do not degrade in the environment. The largest historical producers of PFAS, 3M and DuPont, allegedly withheld their knowledge for decades that PFAS are toxic and are actively accumulating in humans, animals and the environment, including in drinking water supplies, waterbodies, and soils. High concentrations of PFAS in the human body, even if accumulated from exposure to small levels of PFAS, are now recognized as toxic and are associated with detrimental human health effects, including increased risk of kidney, breast, pancreas, prostate, and testicular cancers; ulcerative colitis; liver damage; decreased birth weight and birth defects; decreased vaccine response; high cholesterol; infertility; and diabetes.

<u>Harm</u>

Unfortunately, the widespread use and permanency of PFAS have created unprecedented environmental contamination in Connecticut and across the country. PFAS have entered the environment through the use of firefighting foam, the application of biosolids to agricultural land, and leakage from landfills and wastewaters from waste treatment facilities. The contamination at these sites enters the groundwater and spreads out, contaminating areas well beyond the footprint of those facilities. The scope of the contamination is staggering. The U.S. Geological Survey estimates that at least 45% of tap water in the United States is contaminated with PFAS. According to the Centers for Disease Control, at least 98% of humans have PFAS in their blood.

Role of the Connecticut Attorney General

Since 2023, our office has been deeply involved in nationwide PFAS litigation. On January 25, 2024, we filed two lawsuits in Connecticut Superior Court against 28 chemical manufacturers responsible for PFAS contamination from firefighting foam and from consumer products. Through these lawsuits, in coordination with the Departments of Energy and Environmental Protection and Public Health, we are seeking to remove these chemicals from Connecticut's lands and waters and to recover past and future remediation costs. We are litigating in multiple jurisdictions including federal courts in New York and South Carolina, bankruptcy court in Delaware, and here in Connecticut Superior Court. We are devoting significant resources to ensure that Connecticut is a leader in this important fight to hold those responsible for this problem accountable.

Litigation Goals: Recovering Funds for Testing and Remediation

People are drinking PFAS-contaminated water right now. The State needs funds to conduct regular, widespread testing and to remediate this problem. Numerous sites across Connecticut are likely contaminated with PFAS, including industrial facilities, wastewater treatment plants,



landfills, fire training areas, and fire departments. Most urgent may be the threat to public health from contaminated drinking water. Water providers are working diligently to install new filtration systems, but these costs will ultimately be borne by ratepayers. Connecticut's 330,000 private drinking water wells are also vulnerable to contamination and will require expensive testing and treatment.

Key Takeaway

PFAS is a multibillion-dollar problem in Connecticut. While the litigation may not recover all the money needed to fix this problem statewide, our efforts are critically important to offset as much as possible the costs that will ultimately be borne by the taxpayers.

3. How much money did the OAG return to the General Fund in FY 24?

\$147,708,139 – For additional detail, see response to Question #1 above.

4. Can you provide additional information on the Cannabis funding transfer?

The Governor's proposed biennial budget recommends moving positions funded by cannabis revenue (Cannabis Social Equity and Innovation Fund and Cannabis Prevention and Recovery Services Fund) across ten agencies, including the Office of the Attorney General, to general fund revenue. This means that the four OAG positions related to cannabis litigation and enforcement would be funded through the general fund, rather than the Cannabis Social Equity and Innovation Fund, as is the case presently.

5. What do you project as far as funding, that the agency may bring in going forward?

The chart below reflects the revenue our office has returned to the general fund and other funds starting with the fiscal year ending in 2019. During this period, we have consistently returned over \$150 million to the state. Based on this history, we would predict similar returns to the general fund and other funds in the current fiscal year. In addition, in 2025 we have devoted significant resources to preserving federal revenue that our state budget and many residents rely on. We anticipate that work will continue during fiscal year 2026.





These revenues do not include revenues that we returned or protected on behalf of private individuals and businesses.

6. Can you provide additional detail on the current list of vacant positions.

We are working on refilling or reclassifying existing positions to fill the following vacancies:

- Assistant Attorneys General 1 and 2 for Consumer Protection, Public Safety, Special Litigation, Child Protection, Antitrust and Health and Education
- Secretaries 1 and 2
- Administrative Assistant
- Fiscal Administrative Manager
- Fiscal Administrative Officer
- Payroll Clerk
- IT Analyst 1



7. How many cases are outsourced (using outside counsel)? Can you provide a list?

The OAG seldom uses outside counsel. When we do, it is typically not for an entire case or legal matter, but a specific subject matter that is part of a larger matter or multiple matters. Outside counsel contracts are carefully managed to control costs, which come out of our budget. Typically, outside counsel contracts are subject to the state's competitive bidding process. Please see a list of recent and current outside counsel contracts below:

Vendor Names	Description	Begin Date	End Date
Napoli Shkolnik LLC	Opioids	11/04/20	11/03/22
Pullman & Comley LLC	Bankruptcy (Opioids)	12/01/20	11/30/25
Litigation Solutions LLC	Discovery	06/10/21	06/09/25
Law Office of Peter T. McDowell	Out of State Representation	05/15/23	05/14/24
Mehri & Skalet LLC	Health Insurance	07/13/23	09/30/23
Pullman & Comley LLC	Bankruptcy	02/01/24	01/31/26
Pullman & Comley LLC	Bankruptcy	10/07/24	10/06/27