



# Attorney General

**FY 2027 Budget Hearing Presentation**

**Submitted by: Gentner Drummond, Attorney General**

# Gentner Drummond

Attorney General



The Office of the Attorney General serves as the chief law officer of the state and is a Constitutional Elected Office. Eligibility, term of office, and authority of the Attorney General are provided for in Art. VI § 1,3, and 4 of the Oklahoma Constitution. Most statutory duties are listed in Title 74 Section 18b of the Oklahoma Statutes, however numerous statutory references require the Office of the Attorney General to perform duties.

Founded in 1907, the agency now encompasses the following divisions, units and commissions:

#### **Criminal Appeals**

#### **Criminal Justice**

- Including: Multi-County Grand Jury, Organized Crime, Social Security Fraud, Worker's Compensation and Insurance Fraud

#### **Fraud Prevention and Prosecution**

- Including: Medicaid Fraud Control

#### **Legal Services**

- Including: Legal Counsel, Victim Services

#### **Litigation**

#### **Public Protection**

- Including: Civil Rights Enforcement, Conservation, Consumer Protection, Pharmacy Benefits Manager, Tobacco Enforcement, Utilities Regulation

#### **Solicitor General**

# Agency Vision, Mission and Core Values

## **Vision:**

To be Oklahoma's best and most economical legal team. With the professional experience and talent to provide trusted and sound legal advice, the Attorney General represents Oklahoma's interests in state and federal courts and prosecutes fraud and corruption while being mindful of an ever-growing and ever-expanding range of legal mandates and responsibilities.

## **Mission:**

To seek justice for the people of Oklahoma by upholding the rule of law; serving public safety through prosecutions and enforcement actions; providing high-quality legal representation for state agencies; and protecting and defending the Oklahoma and United States Constitutions.

## **Core Values:**

As the chief legal officer for the state, the Office of the Attorney General will act when necessary to defend the interests of Oklahoma and its citizens; protect the public from fraud, abuse, and discrimination, and set the standard for professionalism through ethical behavior and stewardship of the public trust. The Office of the Attorney General is proud of the high-quality work employees produce. The Office of the Attorney General will maintain our loyalty and integrity by providing accountability for our work, continuing to increase skills and knowledge through training, education and experience, and rewarding professional development and accomplishments. The Office of the Attorney General will continue to be the voice of the public and will persevere through ever-changing, uncharted legal territory.



# Accomplishments

## Top accomplishments for FY 2025 – FY 2026

- 1) Expanded the use of the Organized Crime Task Force directly conducting 73 operations, resulting in the seizure of 329,075 marijuana plants, 152,612 pounds of processed marijuana, and 26,520 pounds of THC concentrate, 79 arrests, 27 deportations and 153 prosecutions.
- 2) The Pharmacy Benefits Manager Unit secured a \$46 million settlement for the state's health plan after CVS Caremark inappropriately withheld discounts and rebates owed to the plan.
- 3) Successfully challenged a Biden-era HHS rule that would have covered gender transition procedures under Medicaid, Medicare and state health exchanges.
- 4) Apprehended 17 fugitives through use of the 10 Most Wanted list.
- 5) Successfully implemented the provisions of HB 2163, creating the Public Access Counselor unit. In the first 6 months, the PAC received 83 complaints, successfully resolving 55 to date.
- 6) The Charity Enforcement Unit secured a \$400,000 settlement agreement related to the management of charitable funds intended for a continuing care retirement community and reviewed 29 charity dissolutions or mergers to ensure assets are appropriately distributed, examined 18 requests to modify charitable trusts to protect donor intent, and ensured the proper registration of over 100 charities.
- 7) Secured a 42-year sentence in the case of a high school teacher for multiple rape charges involving a young student as part of the AG's commitment to protect children from sex predators.
- 8) Secured convictions against 23 defendants for violating consumer protection laws resulting in \$3.6m in restitution to victims, including a 20-year sentence for a romance scammer targeting senior aged women and a 26-year sentence for a contractor who embezzled more than \$1 million from 19 victims.



# Holding PBMs Accountable

**HealthChoice** State Plan Settlement: \$46 million recovered



CVS/Caremark Settlement: \$5.1 million recovered for 330 pharmacies



Prime Therapeutics: appeal procedures improved, resulting in Oklahoma pharmacies getting money back



OptumRx: stopped PBM from illegally recouping more than \$3 million after an internal error





# Defending State Sovereignty

- **Ongoing defense of HB 4156** which enables local law enforcement to arrest illegal immigrants
- Successfully defended Oklahoma's **law banning gender transition procedures** for minors
- Working with Trump administration to restore **Title X family planning grant** funds
- Sued Biden administration over **Title IX** rule combining men's and women's bathrooms
- Supporting Trump **against NYC** public schools' transgender locker room and bathroom policies
- Defending EPA in methane case **against environmentalists**



# Organized Retail Crime

- Types of cases:

-  Fraudulent check cashing scheme

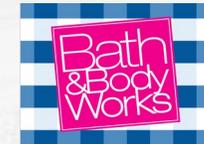
-  Identity theft

-  ATM jackpotting theft

-  Shoplifting

-  Assisted OKCPD with back-to-school blitz

- Assisted more than 156 different retailers including:

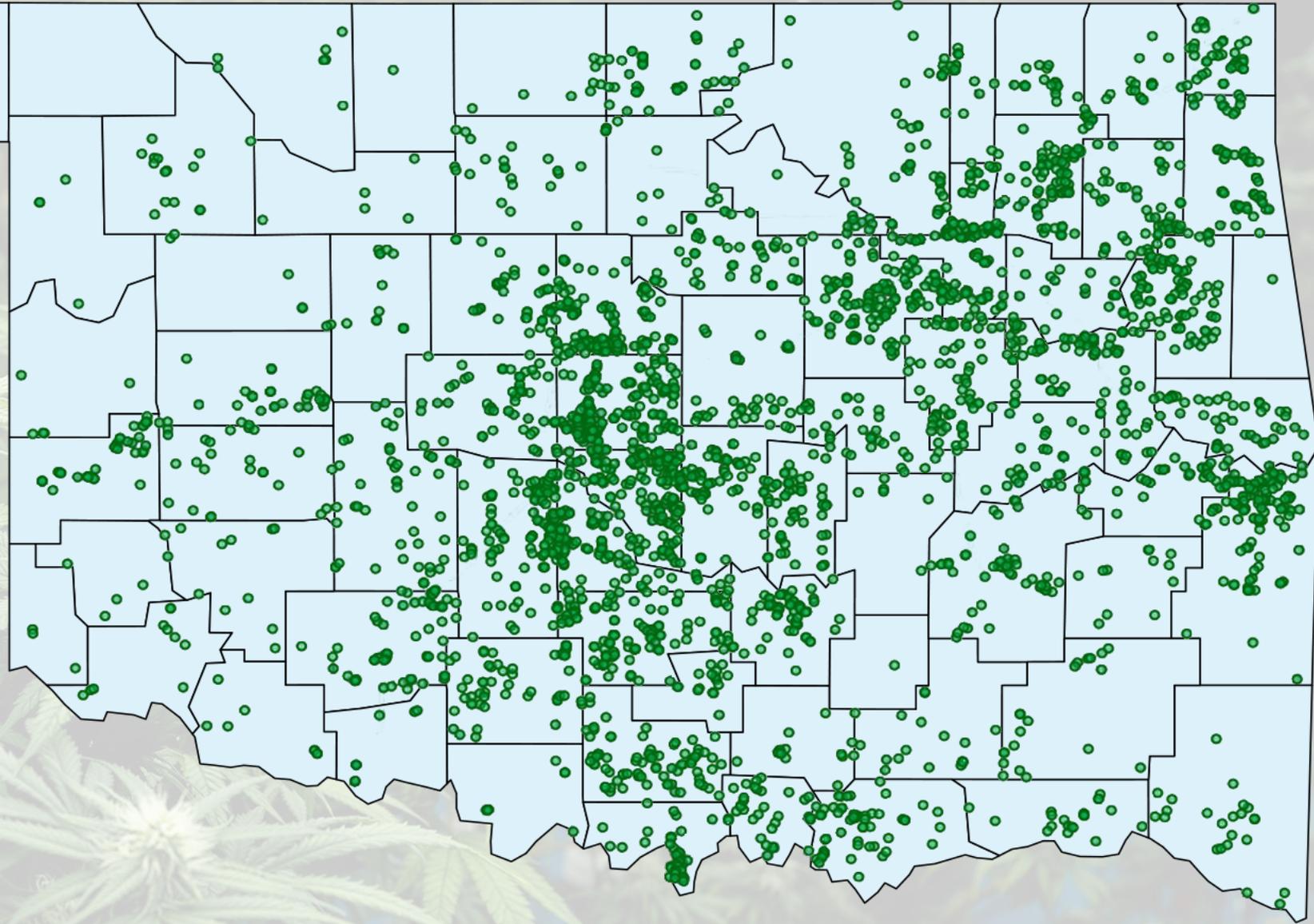


- In just **5 months**, issued **12 indictments/arrest warrants** and filed more than **100 charges**

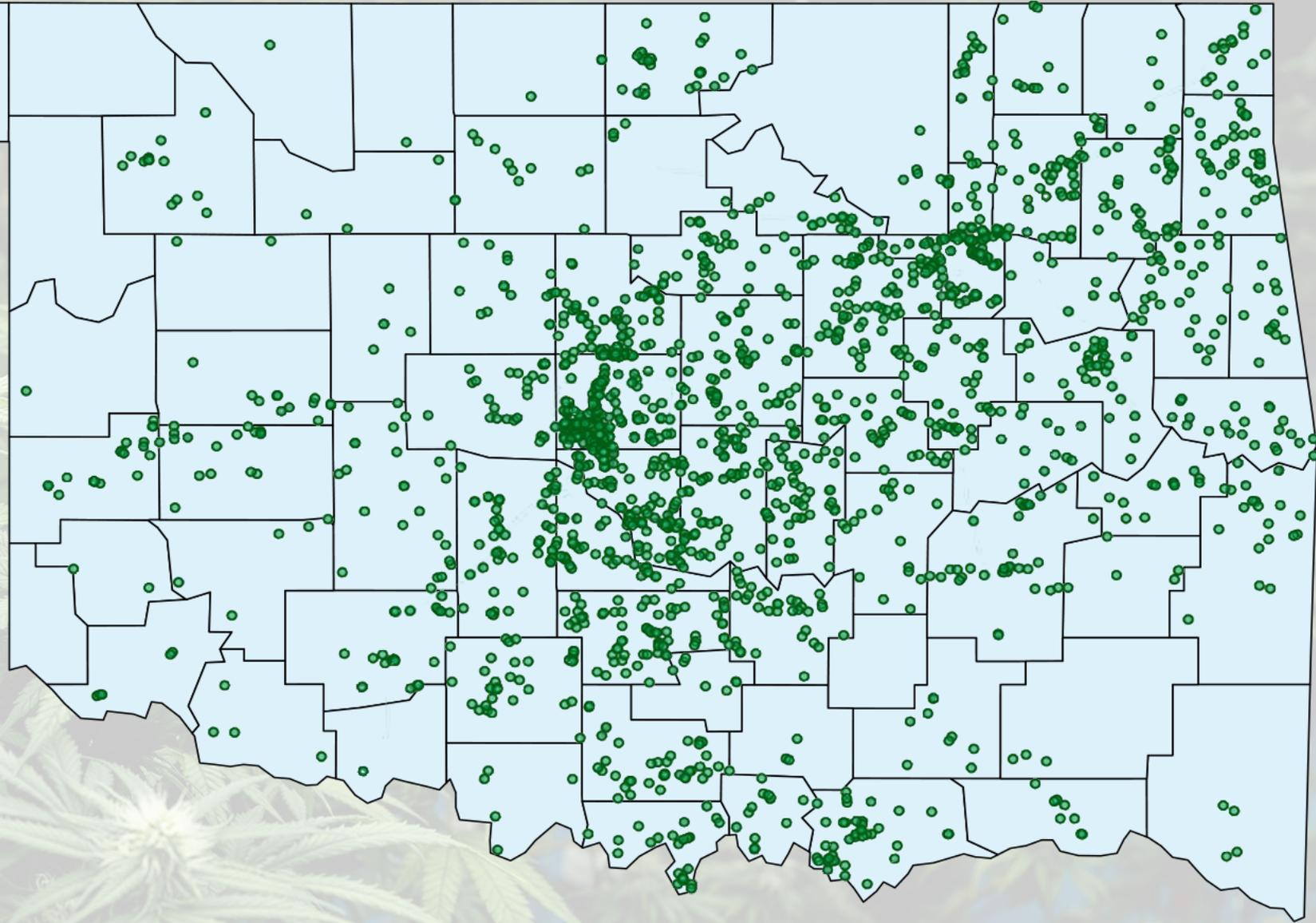
- Cases include a dollar loss of **more than \$368,000**



***Active  
Licensed  
Marijuana  
Growers  
Nov. 2022***



***Active  
Licensed  
Marijuana  
Growers  
Jan. 2026***













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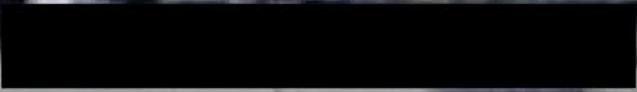
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**JUMBO VAPE**  
Hạ gục Muối ngay phút đầu tiên

**NHANG TRỪ MUỐI**  
HƯƠNG HOA LÀI 10 KHOANH

- Rào vệ gia đình của bạn! Hơi muối vẫn truyền bệnh sốt xuất huyết!
- Hơi gục muối ngay phút đầu tiên.
- Hương Hoa Lài tươi mát mang đến cảm giác dễ chịu.

**HƯỚNG DẪN SỬ DỤNG:**  
- Nhúng nhang sạch thành hình vòng tròn vào nước muối loãng.  
- Dùng nhang đã ngâm từ 10-15 phút để nhang thấm bằng dầu.  
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**THÀNH PHẦN:**  
- Muối tinh khiết: 0,022% w/w  
- Phụ gia: 99,978% w/w

**SẢN GIẤY TÀI VIỆT NAM**  
Sở Công Thương TP. Hồ Chí Minh  
Số 77, Thành FUMAKILLA VIỆT NAM  
Số 77, Thành FUMAKILLA VIỆT NAM  
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**FUMAKILLA**  
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**10 KHOANH**

**Hạ gục Muối ngay phút đầu tiên**

**JUMBO VAPE**  
NHANG TRỪ MUỐI  
Hạ gục Muối ngay phút đầu tiên

Multiple orange bags with labels, likely containing incense or other goods.

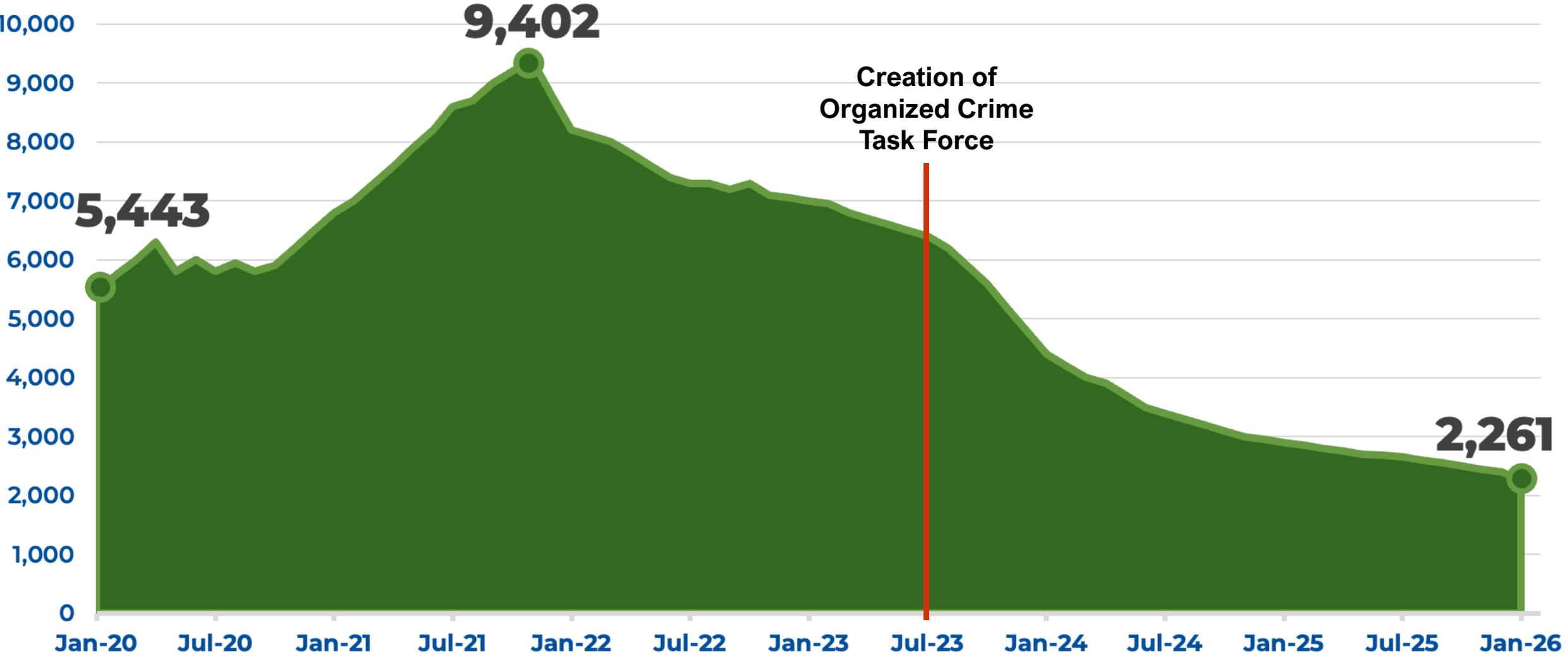
Best Choice  
**Kitchen Matchies**  
250 COUNT  
SPRINKLE ON HOT

Blue utility knife with a warning label.





# Number of Active Growers at the Beginning of the Month January 2020 - January 2026



# Attorney General by the Numbers: 2025



Fugitives Apprehended from 10 most wanted list: **17**



Convictions secured for violations of consumer protection laws: **23**



AG Opinions Issued: **21**



Officers Trained in LAP: **700**



Utility Rate Cases Reviewed: **51**



# Attorney General by the Numbers: 2025

 Funds Recovered from Medicaid Fraud: **\$2.7m**

 Officers trained in Human Trafficking: **250**

 Victims served: **500+**

 Public Access Counselor Complaints: **110 in first 6 months**

 Long-Term Care Ombudsman: **4,316 complaints investigated**



# Attorney General by the Numbers: 2025

## Across All Units



**528** Total Arrests



**29** Total Deportations



**174** Indictments/Warrants Issued



**246** Charges Filed



**1,013** Total Cases Opened



# Analysis of Agency Challenges

	<b>Challenge</b>	<b>Current Actions</b> (Briefly describe how the agency is currently addressing the challenge.)	<b>Planned Actions</b> (Briefly describe how the agency plans to address the challenge going forward.)
<b>1</b>	Illegal marijuana/ organized crime	AG's Office continues to both initiate investigations and provide support to other law enforcement agencies to shut down illegal grow operations.	Continue to build up capabilities to tackle complex operations.
<b>2</b>	PBM Enforcement	Ongoing settlement negotiations in multiple actions against PBMs.	Continue to review complaints and use enforcement actions to change behavior.
<b>3</b>	Opioid grant funds	Continue to monitor multiple rounds of opioid grant funds.	Initiate new rounds of funding for subdivisions, higher ed institutions, statewide projects
<b>4</b>	Public Corruption	AG's Office has multiple ongoing investigations and prosecutions into cases of public corruption.	Prosecute any criminal activity to the full extent of the law.
<b>5</b>	Consumer Protection/ Extraordinary Litigation	The AG's Office has several pending actions against companies committing fraud, endangering children and scamming Oklahoma citizens.	Continue to aggressively pursue actions against those targeting Oklahoma citizens.

# Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2025 (Actual \$ Savings)	FY 2026 (Projected \$ Savings)	FY 2027 (Projected \$ Savings)
<b>Reduced use of outside counsel</b>	Rely on employees of the AG's office for complex, specialized litigation as much as possible rather than outside counsel.	Hours billed and not subject to contingency fees	Hundreds of thousands in attys fees		
<b>Agency representation</b>	Provide high quality legal counsel to more than 100 agencies, boards, commissions at low cost.	Hours billed	<b>\$4,000,000</b>	<b>\$4,000,000</b>	<b>\$4,000,000</b>
<b>Partnerships with other law enforcement agencies</b>	Cross deputization with state and local law enforcement agencies, increased partnership with federal law enforcement (FBI, DEA, ATF, etc.)	Additional manpower	Unable to be measured		

\* Hours, FTE, square feet, etc.



# Agency Goals and Key Performance Metrics

Goal		Metric	FY 24 Target*	FY 24 Actuals	FY 25 Target	FY 29 Target
1	Protect the public and defend the laws and citizens of Oklahoma.	Utilize staff and outside counsel to achieve duties within budget constraints.				
2	Advocate for improved public safety of Oklahoma citizens through work of various divisions, units, and commissions.	Achieve stated goals within budget constraints.				
3	Represent the State's interests in all federal proceedings and resulting implementation of legal changes.	Work with federal, state, and tribal partners to implement legal solutions to <i>McGirt v. Oklahoma</i> in the best interests of our citizens.				
4	Serve as Oklahoma's most economical and knowledgeable legal team.	Fill vital vacancies while creatively utilizing staff and resources as efficiently as possible to remain Oklahoma's most economical and knowledgeable legal team.				
5	Strengthen collaboration with local, state, and federal law enforcement partners for increased efficiency and savings.	Work with State law enforcement partners to successfully fulfill task force initiatives and leverage and maximize federal partnerships.				

# Projects for FY 2026

- 1) Successfully prosecute those that have been indicted as part of organized crime rings including illegal marijuana, human trafficking, organized retail crime, robberies and other unlawful acts.
- 2) Continue to aggressively enforce the Patients Right to Pharmacy Choice Act by holding Pharmacy Benefit Managers accountable.
- 3) Increase the number of AG opinions completed over last year.
- 4) Hold companies like Meta accountable for failure to protect children from online predators.
- 5) Scale the Human Trafficking database to include a tip hotline and referrals.



# Projects for FY 2027

- 1) Aggressively work to eliminate illegal marijuana grow operations in the state and the concomitant criminal activity associated with Mexican drug cartels, Chinese crime syndicates and other organized crime.
- 2) Increase transparency in state government.
- 3) Ensure that Pharmacy Benefit Managers fully comply with the law.
- 4) Continue to provide quality, cost-effective legal counsel to more than one hundred agencies, boards and commissions.
- 5) Defend the rights of Oklahomans and work to protect the interests of the State of Oklahoma.



# Total Historic Actual Expenditures (FY 2021-25) and Current Year Budget (FY 2026)

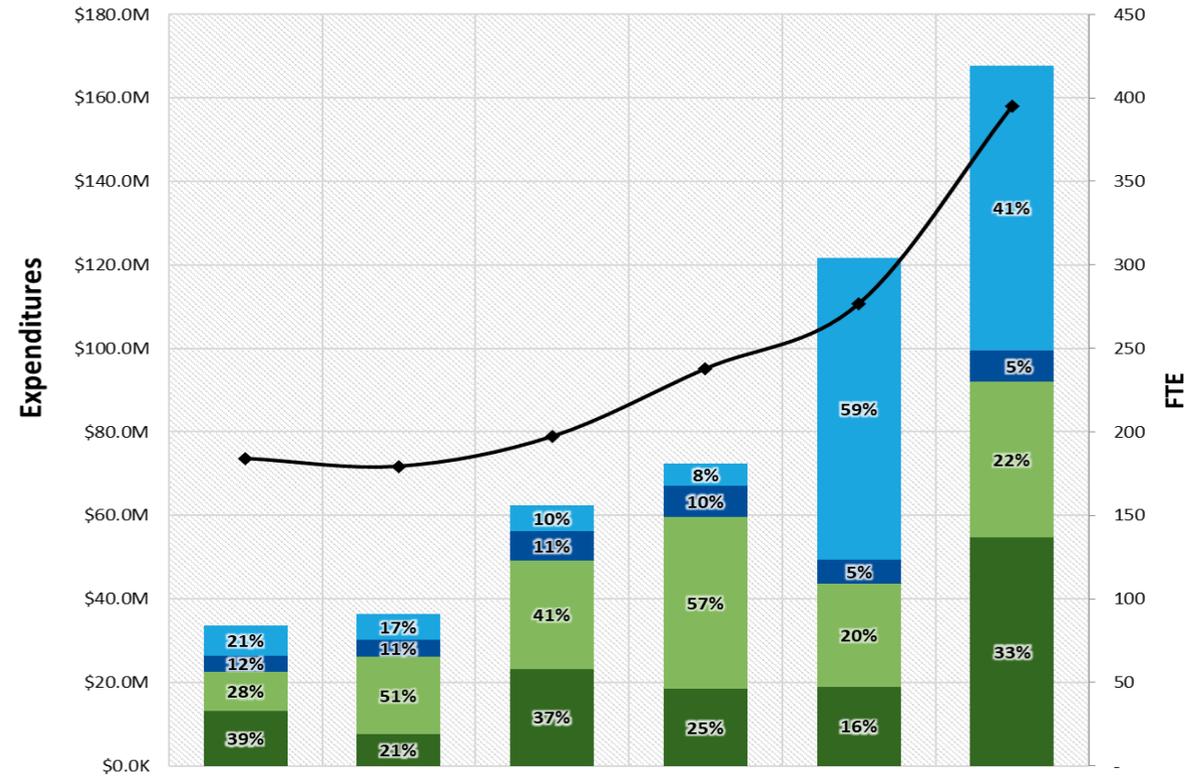
**NOTE: This chart compares FY21-FY25 actual expenditures to FY26 budgeted expenditures.**

The growth in appropriated funds includes \$18M for sheriff's grants beginning in FY25 plus additional appropriations for fighting organized crime, organized retail crime and holding PBMs accountable.

The FY25 increase in revolving funds is due to \$25M in opioid abatement pass-through funds, \$17M in domestic violence pass-through funds and moving federal overreach and extraordinary litigation funds and human trafficking funds into their respective revolving funds.

The FY26 increase reflects budgeted numbers only. The increase in Agency Special Accounts is due to increased restitution secured for victims, including \$46 million for the state health plan.

### Historic Actual Expenditures and Current Year Budget



	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Current Budget
Appropriated	\$9.5M	\$18.5M	\$25.9M	\$41.3M	\$24.7M	\$37.2M
Revolving	\$7.1M	\$6.3M	\$6.3M	\$5.5M	\$72.3M	\$68.1M
Federal	\$3.9M	\$4.0M	\$7.0M	\$7.3M	\$5.8M	\$7.6M
Agency Special Accounts	\$13.1M	\$7.5M	\$23.3M	\$18.5M	\$19.0M	\$54.7M
<b>Total</b>	<b>\$33.5M</b>	<b>\$36.4M</b>	<b>\$62.5M</b>	<b>\$72.5M</b>	<b>\$121.7M</b>	<b>\$167.7M</b>
FTE	184	179	197	238	277	395



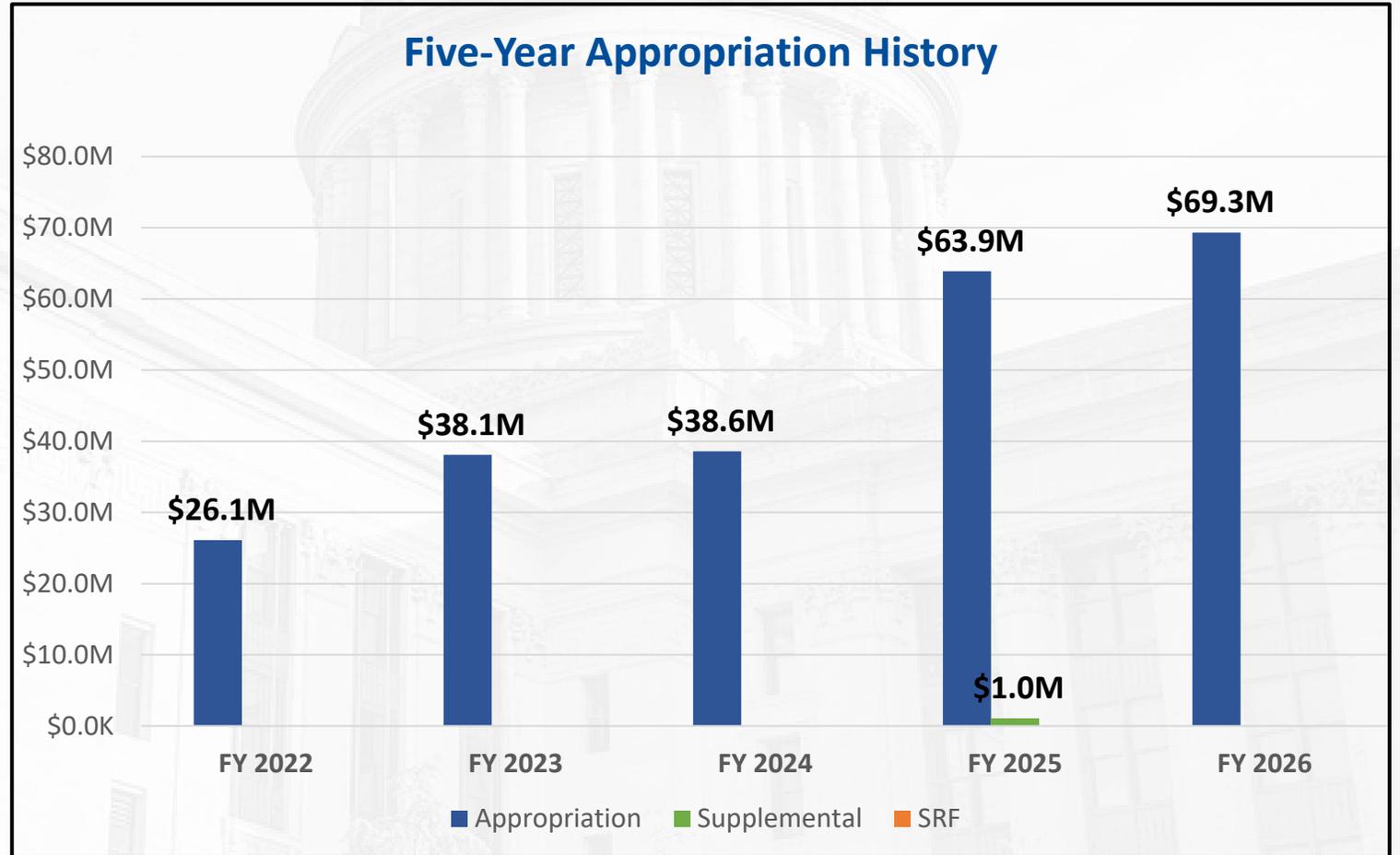


# FY 2026 Budgeted Full Time Equivalents (FTE)

	FY 2026 Budgeted FTE
<b>Total FTE</b>	395
<b>Supervisor FTE</b>	56
<b>Supervisors to Total FTE Ratio (%)</b>	14%
<b>Current Budgeted but Unfilled FTE</b>	51

# Appropriation History

Fiscal Year	Legislated Appropriation (\$) (Includes supplementals and SRF/ARPA.)
FY 2022	\$26.1M
FY 2023	\$38.1M
FY 2024	\$38.6M
FY 2025	\$63.9M
FY 2026	\$69.3M



*\*Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.*



# Financial Resource Analysis

Carryover	FY 2022	FY 2023	FY 2024	FY 2025
Total appropriated carryover amount expended (\$)	\$0.4M	\$3.5M	\$6.0M	\$4.4M

Historical Cash Balances	FY 2022	FY 2023	FY 2024	FY 2025
Year End Revolving Fund Cash Balances ( <i>All Revolving Funds</i> )	\$25.5M	\$28.5M	\$30.9M	\$62.5M

Revolving Class Fund # ( <i>Unrestricted only</i> )	Revolving Class Fund Name ( <i>Unrestricted only</i> )	Current cash balance (\$)	Projected FY 2026 year-end cash balance (\$)
200	Attorney General Revolving Fund	\$1.2M	\$0.7M
	<b>Total Unrestricted Revolving Fund Cash balance:</b>	\$1.2M	\$0.7M



*Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.*

# FY 2024 – 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2024</i>	<i>Amount FY 2025</i>	<i>Total amount received FY 2024 - 25</i>	<i>Total amount expended by 11/1/2025</i>	<i>Included in FY 2026 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
General Operations	\$28.6M	\$34.6M	\$6.0M	\$32.3M	Yes	Remaining \$2.3M will be expended by the end of FY26.
SB1709-Ombudsman	\$0.0M	\$0.3M	\$0.3M	\$0.3M	Yes	
SB1450 Retail Theft	\$0.0M	\$1.1M	\$1.1M	\$0.7M	Yes	Remaining \$0.4M will be expended by the end of FY26.
Extraordinary Litigation	\$10.0M	\$0.0M	\$(10.0M)	\$0.0M	No	
Domestic Violence Grants	\$0.0M	\$10.0M	\$10.0M	\$10.0M	Yes	
Law Enforcement Grants	\$0.0M	\$18.0M	\$18.0M	\$17.9M	Yes	
<b>Totals</b>	\$38.6M	\$63.9M	\$25.3M	\$61.2M		



*\*Do not include SRF / ARPA appropriation increases.*

# FY 2026 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Does this need to be included in your FY 2027 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
General Operations	\$5.4M	Yes	Yes	
<b>Total adjustment</b>	<b>\$5.4M</b>			



*\*Do not include SRF / ARPA appropriation increases.*

# Incremental & Supplemental Request Summary

Request Name		FY 2027 Incremental Appropriation Request Amount (\$) {or FY 2026 for Supplementals}	Type of Request: Recurring, One-time, or Supplemental
1	Extraordinary Litigation and Statewide Public Safety	\$5.0M	Supplemental
2	Pharmacy Benefit Manager Unit	\$1.0M	Supplemental
3	Extraordinary Litigation and Statewide Public Safety	\$5.0M	Recurring
4	Pharmacy Benefit Manager Unit	\$1.0M	Recurring
5			



# (1) Supplemental Budget Request

<b>Extraordinary Litigation and Statewide Public Safety</b>	
Type: Supplemental	\$5,000,000
<p>The AG's Office is working alongside the Trump Administration to ensure states rights are protected and terrorist cartels are banished from the state. The AG's Office continues to aggressively defend HB 4156 to preserve our state's right to protect our border and expand efforts of the Organized Crime Task Force to shut down dangerous criminal operations that have polluted our farm lands with marijuana, brought an increase of human trafficking and slave labor, and other illicit drugs into the state. Additionally, the AG's Office continues to pursue actions against companies that have manipulated, misled and caused harm to our citizens, including insulin manufacturers and Meta, to name a few.</p> <p>The agency was cut by \$10m in FY 25 with only \$5m of that restored in FY 26.</p>	



# (2) Supplemental Budget Request

<b>Pharmacy Benefit Manager Unit</b>	
Type: Supplemental	\$1,000,000
<p>The Legislature charged the AG's Office with ensuring that Pharmacy Benefit Managers (PBMs) are following the law and not injuring our local pharmacies, plan sponsors, or patients. The PBM Unit has processed 1,501 complaints so far in 2025, and 4,682 total since November 2023. Since assuming enforcement authority, the PBM Unit has compelled material behavior changes by the largest PBMs in the country, resulting in increased reimbursements to pharmacies and improved transparency for plan sponsors, including the State of Oklahoma's Employee Health Plan, HealthChoice. The PBM Unit has also worked closely with legislative leaders to ensure that Oklahoma's PBM laws are reasonable, enforceable, and as minimal as possible, crafted only to achieve compliance by PBMs and guarantee fairness and transparency for pharmacies, patients, and plan sponsors.</p> <p>The agency received a supplemental for this unit in FY 25, but that was not annualized in the FY 26 budget.</p>	



# (1) Incremental Budget Request

## Extraordinary Litigation and Statewide Public Safety

Type: Recurring

\$5,000,000

The AG's Office is working alongside the Trump Administration to ensure states rights are protected and terrorist cartels are banished from the state. The AG's Office continues to aggressively defend HB 4156 to preserve our state's right to protect our border and expand efforts of the Organized Crime Task Force to shut down dangerous criminal operations that have polluted our farm lands with marijuana, brought an increase of human trafficking and slave labor, and other illicit drugs into the state. Additionally, the AG's Office continues to pursue actions against companies that have manipulated, misled and caused harm to our citizens, including insulin manufacturers and Meta, to name a few.



# (2) Incremental Budget Request

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