

State Supreme Court hears dispute over DOJ's handling of settlement money under lame-duck law

Posted on Thursday, Mar 12, 2026

Conservative Justice Rebecca Bradley challenged a Department of Justice attorney's argument that the department is sticking to a 2018 lame-duck law by putting settlement money into agency appropriations rather than handing it over to lawmakers to dictate how it's used.

Assistant Attorney General Hannah Jurss during oral arguments yesterday said the Legislature still has to give the DOJ permission to spend the money. But she said nothing in the statute that Republicans approved before Dem AG Josh Kaul took office prevents the agency from putting the money into appropriations that are part of the general fund.

That 2018 law, part of a package Republicans approved after GOP Gov. Scott Walker and AG Brad Schimel lost their reelection bids, directed the Department of Justice to deposit settlement funds into the general fund.

Bradley argued the Wisconsin Constitution empowers the Legislature to decide how state funds are spent. She said DOJ's argument means millions of dollars can just "sit there" in agency accounts, asking how that serves the people of Wisconsin.

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"It's not state money," Bradley said. "It belongs to the people of Wisconsin, and the constitution empowers the Legislature as the people's representatives to say where the people's money shall be spent."

Jurss countered that if the Legislature didn't want DOJ putting the money into general fund-supported accounts that the agency controls, lawmakers should've

plainly written that in the statute.

“That’s the law that the Legislature actually wrote,” Jurss said.

The conservative 2nd District Court of Appeals in December 2024 reversed a circuit court decision that found Kaul could continue putting settlement dollars into accounts controlled by DOJ. Conservative Judge Maria Lazar, who’s now running for state Supreme Court, wrote the opinion in that 2-1 ruling, finding the Legislature intended for that money to be put directly into the general fund, which lawmakers control.

Judge Lisa Neubauer, the only liberal on the 2nd District, dissented, arguing Lazar focused on what the Legislature intended, not a strict reading of the law. She argued it gave Kaul leeway to direct the money to agency-controlled accounts.