



DEPARTMENT OF ATTORNEY GENERAL

Michigan Department of Attorney General



Criminal Justice Committee Presentation

Michigan House of Representatives

March 21, 2023

Departmental Overview

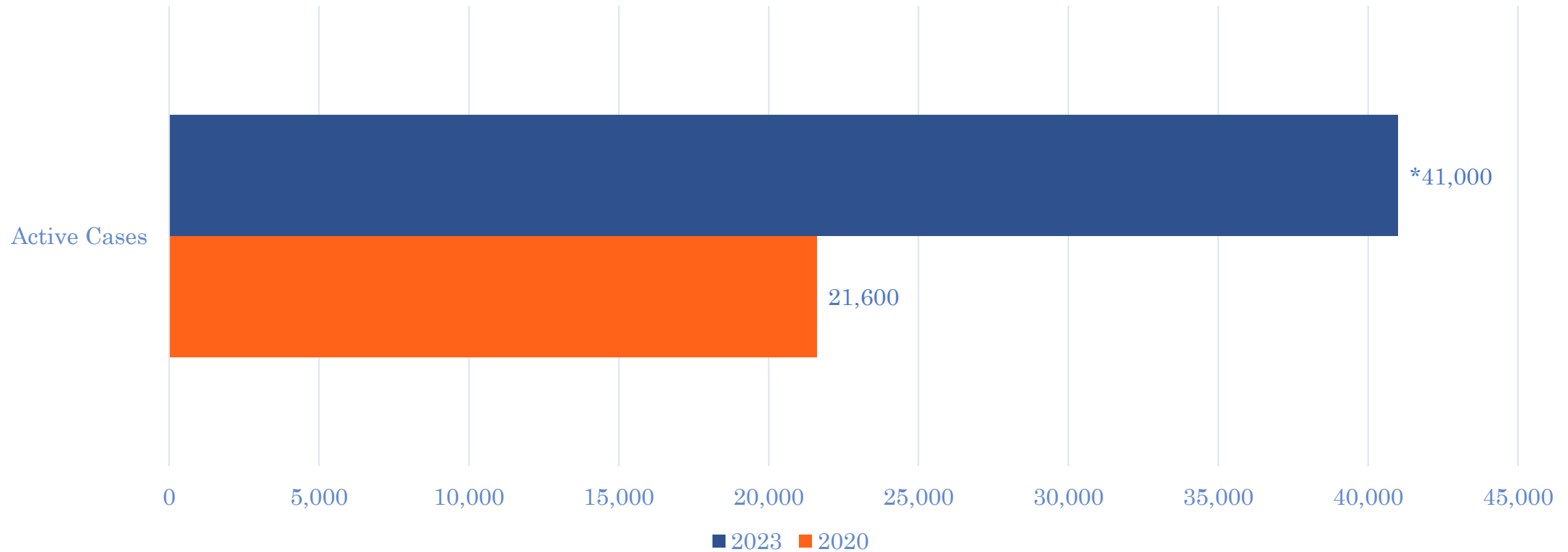


- The Attorney General is a constitutional officer, the chief law enforcement officer of the state, and head of the Department of Attorney General, a department within the executive branch of state government. The Attorney General's duties are derived from common law, prescribed by statute, court decisions, and tradition.
- The Attorney General is the lawyer for the State of Michigan, the Governor, and the People. When public legal matters arise, she renders opinions on matters of law and provides legal counsel for each officer, department, board, and commission of state government. She provides legal representation in court actions and assists in the conduct of official hearings held by state agencies.
- The Attorney General may intervene in any lawsuit, criminal or civil, in the interest of the People of the State of Michigan. She advises and supervises prosecuting attorneys throughout the state. The Attorney General also possesses certain investigative powers, including the power to investigate allegations of election fraud and complaints for the removal of public officials. She may also request grand jury investigations of crime in the state. By virtue of her office, the Attorney General is a member of various state boards and commissions.
- The Department is organized into three bureaus that oversee twenty-three divisions. Each division represents certain state agencies, boards, or commissions or practices in specialized legal areas.

Departmental Overview



Litigation Case Load



** Anticipated annualized active case load exceeding 41,000 cases for the coming year. This does not include active investigations, expungement application processing, client level advice, and training across the state.*

Departmental Overview



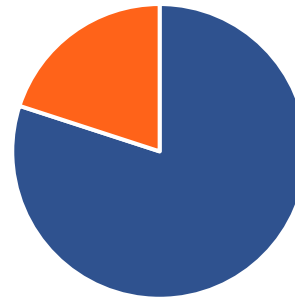
The Attorney General employs a staff of:

- Assistant attorneys general
- Legal assistants
- Investigators
- Victim advocates
- Clerical personnel
- Paralegals

80% of the Department's budget are personnel costs

Private sector attorneys charge between 4 and 5 times the rate of an Assistant Attorney General

AG Budget



■ Personnel Costs ■ Other

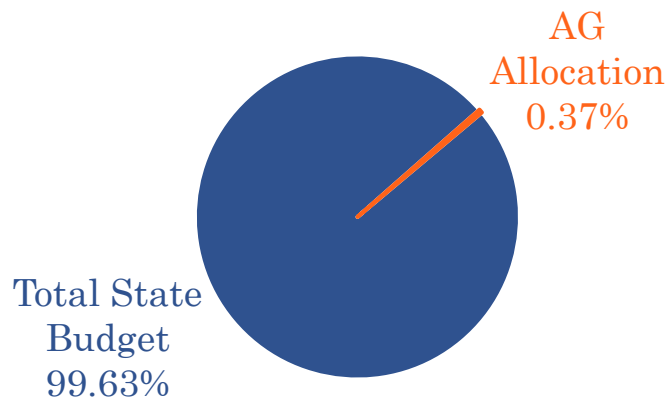
**\$600
Million in
savings**

Budgetary Impact



The Department operates on approximately 1/3 of 1% of the total State General Fund budget

State General Fund Expenditures



The Department's operational appropriations for FY 2022 was \$105,216,100

\$430 Million

The Department won over \$430 million in awards payable to the State and Citizens in FY2022.

\$400 Million

The Department has averaged over \$400 million per year in awards payable to the State and Citizens during the past four fiscal years.

> \$4 per \$1 spent

The Department has brought into the State an average of more than \$4 for each dollar appropriated to it every year during the past four fiscal years.

FY 2024 Initiatives Comparison



2018 Initiatives

1. Human Trafficking
2. OK2SAY

FY 2024 Initiatives

1. Clergy Abuse Investigation
2. Boy Scouts of America Investigation
3. Sexual Assault Prosecution
4. Consumer Protection
5. Human Trafficking
6. Child Support Enforcement
7. Reducing Utility Rate Increases
8. Cold Case Homicides
9. Michigan Identity Theft Support
10. Job Court
11. Elder Abuse Task Force
12. PFAS Accountability
13. Auto Insurance Fraud Unit
14. Conviction Integrity Unit
15. Opioid Litigation
16. Public Integrity Unit
17. Robocall Enforcement
18. Organized Retail Crime
19. Hate Crimes & Domestic Terrorism Unit
20. Expungement Unit

Health Care Fraud Division



- The Health Care Fraud Division initiates Medicaid fraud civil recoveries; investigates and prosecutes Medicaid provider fraud; and investigates and prosecutes financial and physical abuse and neglect of residents in licensed residential care facilities. HCF also represents the state in Qui Tam cases filed by whistleblowers under Michigan's Medicaid False Claim Act.
- The Sentinel Project investigates complaints of resident neglect and abuse in nursing homes. The project's approach involves sending Attorney General investigators and other trained staff to a home where suspected abuse or neglect has occurred to interview witnesses, gather relevant evidence, and speak with residents about possible abuse or neglect.

Financial Crimes Division



- The Financial Crimes Division is responsible for investigating and prosecuting financial crimes. These crimes include, but are not limited to:
 - Failure to Pay Child Support
 - DIFS Case Referrals: Insurance fraud, Embezzlement by Insurance Agents, Unlicensed Sales of Insurance
 - LARA Case Referrals: Securities Fraud, Sales of Unregistered Securities, Unlicensed Real Estate Activity, Unlicensed Accountant Activity
 - Treasury Case Referrals: Tax Fraud, Tax Evasion
 - Racketeering
 - Embezzlement
 - Larceny by Conversion
 - False Pretenses

Elder Abuse Task Force



- The Elder Abuse Task Force has been jointly launched with the Attorney General, Michigan Supreme Court, and more than 55 agencies that provide services that affect vulnerable adults and senior citizens.
 - Sen. Paul Wojno, Senator Roger Victory, and Rep. Graham Filler represent the Republican and Democratic Caucuses in the Senate and House of Representatives.
 - Created to implement systemic changes that were recommended by the 1998 Supreme Court Task Force and the 2007 Governor's Task Force, to assess current shortfalls and problems in the system and address them.
- An Elder Abuse Unit has been created in the Financial Crimes Division to investigate and prosecute financial exploitation cases. Four prosecutors and three investigators have been allocated to this unit.

Elder Abuse Task Force



- Statewide Elder Abuse investigation form has been rolled out in conjunction with law enforcement agencies in order to streamline reporting and increase accountability and transparency.
- Online trainings have been developed and are currently in use statewide for stakeholders and the public to educate themselves on the issues surrounding elder abuse and how they can take an active role in pushing back.
- The Financial Exploitation Prevention Act requires financial institutions to report vulnerable adult financial exploitation to law enforcement or adult protective services.
- This new law has resulted in numerous cases being brought by my department and led to restitution being paid to multiple victims.

Child Support Enforcement



- Child Support Division was created in 2003 to combat the problem of unpaid child support
- The mission of the Child Support Division is to enforce child support orders by prosecuting those individuals who have a history of non-payment and have significant arrearages of at least \$5,000
- Investigators in the Attorney General's Child Support Division identify parents who can pay support to their children but refuse to do so.
- In Fiscal Year 2022 over **\$22 million dollars** were collected for child support.
- Complaints can be filed online by visiting www.michigan.gov/ag or by calling the Financial Crimes Division at 517-335-7560. *Please refer your constituents in need of help to our office.*

Criminal Trials and Appellate Division



The Criminal Trials and Appeals Division is responsible for conducting criminal investigations and prosecutions, prosecuting cases developed and referred by State agencies, representing and advising the licensing authority for police officers, and serving as the liaison and providing assistance to county prosecutors.

Additional Duties:

Public Integrity

- Human Trafficking
- Cold Case Homicides & Sexual Assaults
- Asset Forfeiture
- Election Fraud
- Criminal Enterprises (RICO)
- Securities/Mortgage Fraud
- Medical Marijuana Abuses
- Special Prosecutor Requests from County Prosecutors
- Child Sexual Abuse Material
- Insurance Fraud
- Hate Crimes

Clergy Abuse Investigation



- Investigation launched in August of 2018 in partnership with the Michigan State Police
 - 1.5 million paper documents and 3.5 million digital documents recovered
- A hotline for victims, family members of victims, and members of the general public is staffed by a full-time victim advocate to provide immediate referrals for those in need. To date, the Department has received over 1000 calls, letters and emails.
- The investigation has yielded the following results:
 - 112 police investigations
 - Identified **454** abusive clergy members
 - Identified **811** victims of abuse
 - 242 cases reviewed for criminal prosecution
 - 11 charged defendants with 7 criminal convictions
 - 32 volunteers have worked many hours of unpaid time
- All documents have been reviewed.

Boy Scouts of America Investigation



- The Department is examining a total of 5,000 claims sent from BSA national for review.
- Currently, a completed review of 550 claims resulted in roughly 60 inquiries sent to MSP for further investigation.
- In October of last year, the investigation yielded its first guilty plea on first and second degree criminal sexual assault counts.

Human Trafficking



- Department's Human Trafficking Initiative was established in 2011
- Since 2019, in over 30 presentations to over 3,000 people, the Human Trafficking Initiative provided training to approximately 200 Law Enforcement professionals, 350 legal professionals, 800 medical professionals, 800 various other professionals, as many as 1,000 various other professionals and about 400 members of the general public.
- We've have arrested 34 individuals on human trafficking charges, secured 25 convictions, with cases against other defendants currently pending.
- The Legislature created the standing Michigan Human Trafficking Commission within the Department of Attorney General, whose members are appointed by the Governor to represent various groups and public officials.
 - In 2019, the commission recommended a new package of roughly 30 human trafficking bills aimed at expanding training requirements for certain professionals, strengthening tools to hold traffickers accountable, expanding protections for victims of trafficking, and revising the criminal justice system's approach to commercial sexual activity, otherwise known as prostitution. This proposal was reintroduced in 2021 and the Department continues to work with the legislature to ensure passage.

Specialized Units



- Public Integrity Unit was formed in the Criminal Division in 2011 and prosecutes those that breach the public trust or steal taxpayer dollars. The Unit has been expanded to include in-custody deaths and police-involved shootings referred to us by local prosecutors, local law enforcement agencies or the Michigan State Police.
- Auto Insurance Fraud Unit Fraud investigates criminal and fraudulent activity related to the insurance and financial markets and work with Attorney General law enforcement to prosecute these crimes.
- Payroll Fraud Enforcement Unit was established to go after shady actors committing payroll fraud, strengthen whistleblower protections to shield employees who report wrongdoing, and toughen penalties against payroll fraud to make Michigan a leader in protecting workers.

Hate Crimes and Domestic Terrorism



Hate Crimes & Domestic Terrorism unit investigates and prosecutes hate crimes and acts of domestic terrorism by following up on tips and providing departmental resources to local and federal law enforcement partners, and resources to community partners.

- Notable cases include:
 - *Wolverine Watchman*: Three members of the Wolverine Watchmen were sentenced to years behind bars. Joseph Morrison, Paul Bellar and Pete Musico appeared before Judge Thomas Wilson of the 4th Circuit Court in Jackson County, and each were sentenced up to 20 years in prison.
 - *“The Base”* (Justen Watkins, Tristan Webb, Alfred Gorman): The Base is a white supremacy gang that openly advocates for violence and criminal acts against the U.S. All 3 defendants plead guilty to various felonies.

The unit takes threats of violence seriously and have at least 9 convictions for cases involving threats against elected officials.

Organized Retail Crime Unit



- The ORC Unit will work statewide to investigate & prosecute cases of organized retail fraud.
- This unit will work in conjunction with retailers, federal, state, and local law enforcement, and county prosecutors.
- The Coalition of Law Enforcement & Retail Association estimates that ORC accounts for around \$45 billion in annual losses, with nearly \$1 billion in Michigan alone.
- ORC is also a safety threat to retail workers, with a quarter of retailers saying they have seen an increase in aggression by criminals. It is also responsible for driving up costs for retailers, which in turn are passed along to consumers or can lead to the closing of storefronts.
- The uniqueness of these cases requires a specialized team that can operate statewide and can focus on these cases.

Job Court



Job Court is a pilot program and will serve as a diversion program for certain offenders by connecting them with gainful employment.

- Participants would be monitored for one year and be required to maintain frequent and open lines of communication with the employer. Participants will receive wraparound services from the state of Michigan to ensure accountability and compliance with the requirements of the program. Prosecutors would have the option to dismiss charges against Job Court participants who successfully complete the program, which will be dependent on legislative action to launch.
- This will also allow courts to reduce their criminal backlog.



Conviction Integrity Unit



- The Executive Recommendation includes **\$1.01 million** in new funding for the Unit.
- The Conviction Integrity Unit (the “CIU”) investigates claims of innocence to determine whether there is clear and convincing new evidence that the convicted defendant was not the person who committed the offense.
- The Department website includes information for claimants to submit applications to have their cases reviewed by email or by U.S. mail.
- This unit currently has over 850 open files, with cases that are in various stages. The unit also receives numerous new applications from claimants on a weekly basis.

Expungement



- The Attorney General reviews and responds as appropriate to requests filed by criminal defendants seeking to set aside their criminal convictions and remove them from public records.
- With the expansion of the Expungement Laws, it is believed that hundreds of thousands, in not millions, of people are now eligible for their records to be expunged. In 2021 the amount of expungement petitions filed were over two times the amount of the preceding year. In 2022, the Department processed over 14,000 applications.
- The Department is also working closely with MSP on the next phase of the Clean Slate package: automatic expungement. The Clean Slate Act expands on the types and numbers of offenses that can be expunged and will eventually provide for the “automatic” expungement of certain convictions without the need for anyone to affirmatively petition or apply to the convicting court for such an action.

Address Confidentiality Program



- In December 2020, Governor Whitmer signed the Address Confidentiality Program Act, 301 of 2020. The Address Confidentiality Program (ACP) was created to provide certain protections for victims of domestic violence, sexual assault, stalking, human trafficking, or those who fear that disclosure of their physical address will increase the risk of harm.
- ACP is a statewide confidentiality program administered by the Michigan Department of Attorney General. ACP operates to shield a program participant's actual physical address by providing an official designated/substitute address and free mail forwarding service.
- This program is statutorily required to take effect in October of 2023.

Attorney General Opinions



- Michigan law, MCL 14.32, provides that “[i]t shall be the duty of the attorney general, when required, to give his opinion upon all questions of law submitted to him by the legislature, or by either branch thereof, or by the governor, auditor general, treasurer or any other state officer”
- Michigan’s Supreme Court has recognized that one of the "primary missions" of the Attorney General is to give legal advice to the Legislature, and to departments and agencies of state government. *East Grand Rapids School Dist v Kent County Tax Allocation Bd*, 415 Mich 381 (1982).

Legislative Priorities



- Criminal justice related priorities include:
 - Human Trafficking
 - Expungement/Clean Slate
 - Witness and victim privacy
 - Updating the criminal enterprise statute to include tax fraud and financial exploitation of a vulnerable adult

Questions?

