



# **OAG Presentation to the State Budget Committee**

Fiscal Year 2024-2025 Budget Submission

December 14<sup>th</sup>, 2022

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# Who Are We, and What Do We Do?

| Division                    | Principal Activities   |
|-----------------------------|--|
| Advisory                    | Provides legal counsel to all professional licensing boards, reviews all state contracts and administrative rules, and provides legal opinions to statewide elected officials                |
| Appeals                     | Represents the State in criminal, civil, and child services appeals cases  |
| Litigation                  | Represents and defends the state in lawsuits in which the State's interests are at stake   |
| Complex Litigation          | Represents and defends the state in lawsuits involving issues of unsettled law, large numbers of impacted individuals or damages, or issues of particular importance to the State of Indiana |
| Solicitor General           | Chief litigation policy advisor to the Attorney General leading defense of state sovereignty claims and constitutional principles  |
| Consumer Protection         | Safeguards Hoosiers from predatory business practices by taking legal action for violations of the Deceptive Consumer Sales Act  |
| Medicaid Fraud Control Unit | Investigates providers and enforces state health care laws to keep costs as low as possible, and to ensure tax dollars are being spent properly  |
| Unclaimed Property          | Connects Hoosiers to their unclaimed assets that have been remitted to the state   |



# Agencies and Offices Represented by the OAG

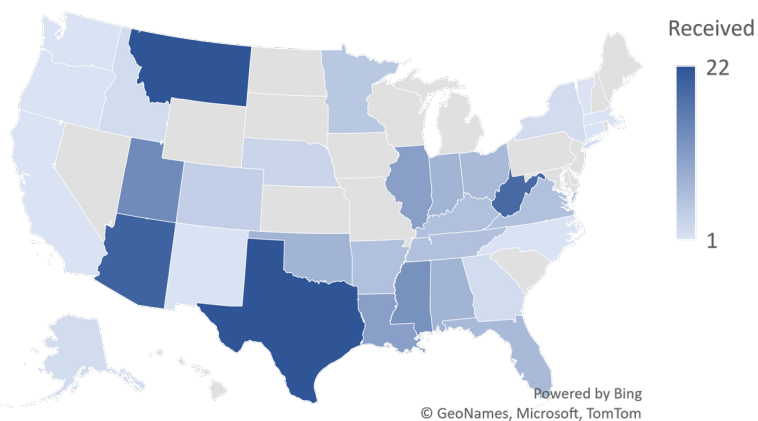
| Agency name                                      | 2021 Cases  |
|--|-------------|
| Correction, Indiana Dept of (IDOC)               | 582         |
| Transportation, Indiana Dept of (INDOT)          | 574         |
| Revenue, Indiana Dept of (IDOR)                  | 394         |
| Family & Social Services Administration (FSSA)   | 251         |
| Workforce Development, Dept of (DWD)             | 109         |
| State of Indiana (SOI)                           | 95          |
| Child Services, Dept of (DCS)                    | 83          |
| Utility Regulatory Commission, Indiana (IURC)    | 77          |
| Motor Vehicles, Bureau of (BMV)                  | 74          |
| <b>All Other Agencies</b>                        | 69          |
| Attorney General's Office (ATG)                  | 66          |
| Police, Indiana State (ISP)                      | 58          |
| Accounts, State Board of (SBOA)                  | 56          |
| Judiciary  | 46          |
| Environmental Management, Indiana Dept of (IDEM) | 45          |
| Natural Resources, Dept of (DNR)                 | 42          |
| Prosecutor                                       | 30          |
| Health, Indiana Dept of (IDOH)                   | 18          |
| Personnel Dept, State (SPD)                      | 15          |
| Governor's Office (GOV)                          | 11          |
| Administration, Indiana Dept of (IDOA)           | 10          |
| Professional Licensing Agency, Indiana (IPLA)    | 9           |
| Labor, Indiana Dept of (IDOL)                    | 8           |
| Parole Board, Indiana                            | 6           |
| Secretary of State (SOS)                         | 6           |
| Public Retirement System, Indiana (INPRS)        | 1           |
| <b>Grand Total</b>                               | <b>2735</b> |

- **Government Litigation caseloads increasing 8% per year**
  - INDOT – Averages 600 cases/year
  - IDOC – Averages 590 cases/year
  - IDOR – Doubling+ each year for 2020-2022
  - FSSA – Averaging 275 cases/year
  - DWD – Increasing since 2020
  - SBOA – Declining since 2018
  - Judiciary – Increasing since 2019

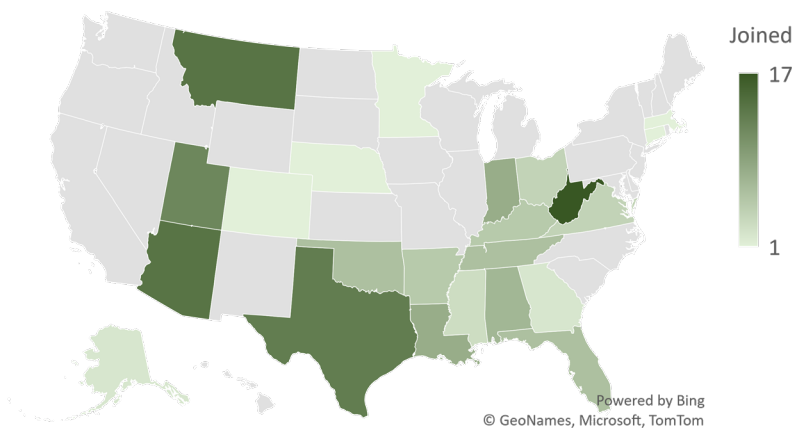


# Defense of State Sovereignty

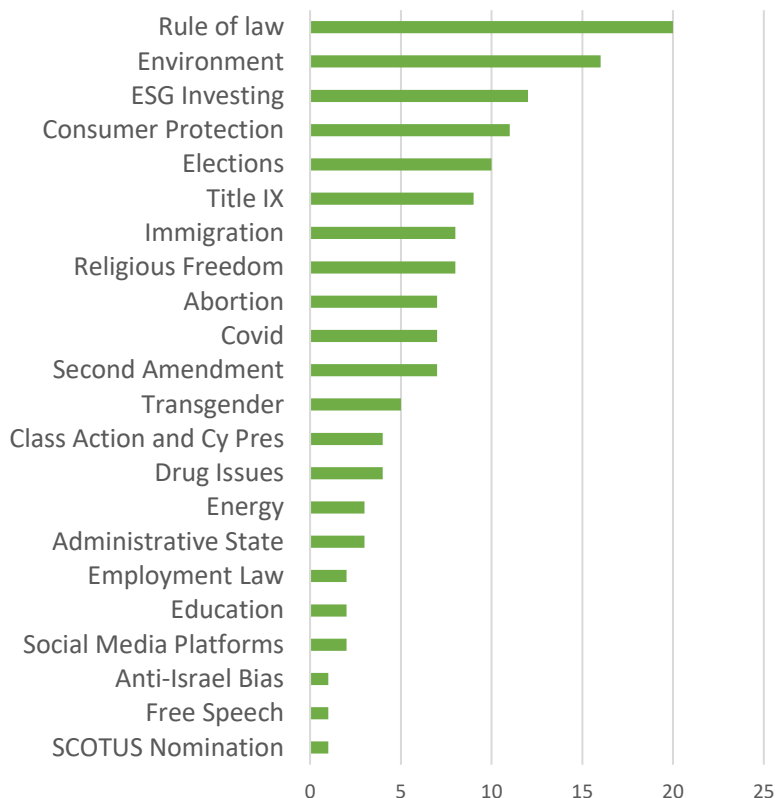
2022 Sign-on Letters & Amicus Briefs Received (234)



2022 Sign-on Letters & Amicus Briefs Joined (143)



Joined Item Topic





# Litigation Status: Opioid Settlement

- Confirmed settlement with Distributors and Janssen of \$507M
  - Payments over 18 years
  - First payment distributed
- Confirmed bankruptcy settlement with Mallinckrodt of \$23.7M
  - Payments over 9 years
- Anticipated settlement with Wal-Mart of \$59M in single payment
- Pending settlements
  - Teva \$79M over 13 years
  - Allergan \$47M over 7 years
  - Others: Walgreens \$119 and CVS \$109M
- Total contribution to State revenue of ~\$472M



# Litigation Status: Big Tech

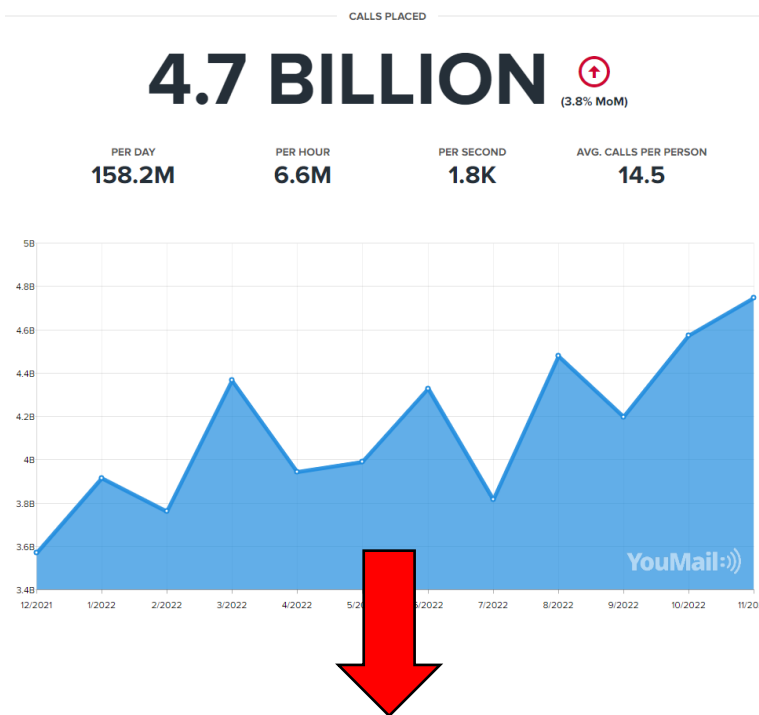
- Active litigation
  - US et al v Google LLC
  - State of Texas et al v Google LLC
  - State of Utah et al v Google LLC et al
  - State of Indiana v Google LLC Location Tracking
  - TikTok CCP influence
- Investigations
  - Google Ascension patient information deal ("Project Nightingale")
  - Social Media Platforms and Problematic Use in Children & Teens
  - Amazon Antitrust
  - Meta/Facebook Cross-Check & Content Moderation



# Litigation Status: Robocalls

- Seven active cases against organization responsible for over 1 billion robocalls
- Active investigations of two of the worst robocall companies
- Leader of 50 state robocall task force with NC and OH
- Lead national monthly working group call members/interest from:
  - All US federal agencies
  - Canadian agencies
  - Agencies in UK

November 2022 Nationwide Robocall Data

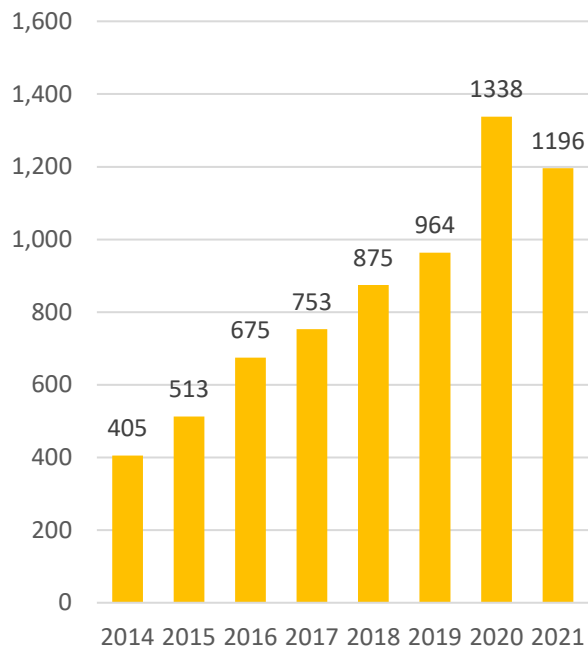


≈200 calls per adult phone each year!



# Data Breaches & Identity Theft

Data Breaches



Total Indiana residents impacted:

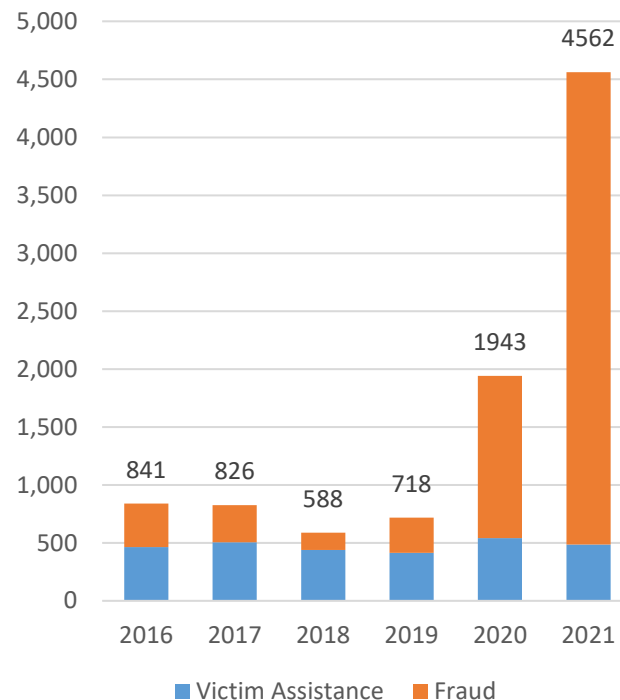
2020 = 341,342

2021 = 2,081,087

Current large and/or multi-state cases:

- Facebook
- T-Mobile
- Marriott
- Blackbaud
- Google

Identity Theft Investigations







# OAG Technology Requirements

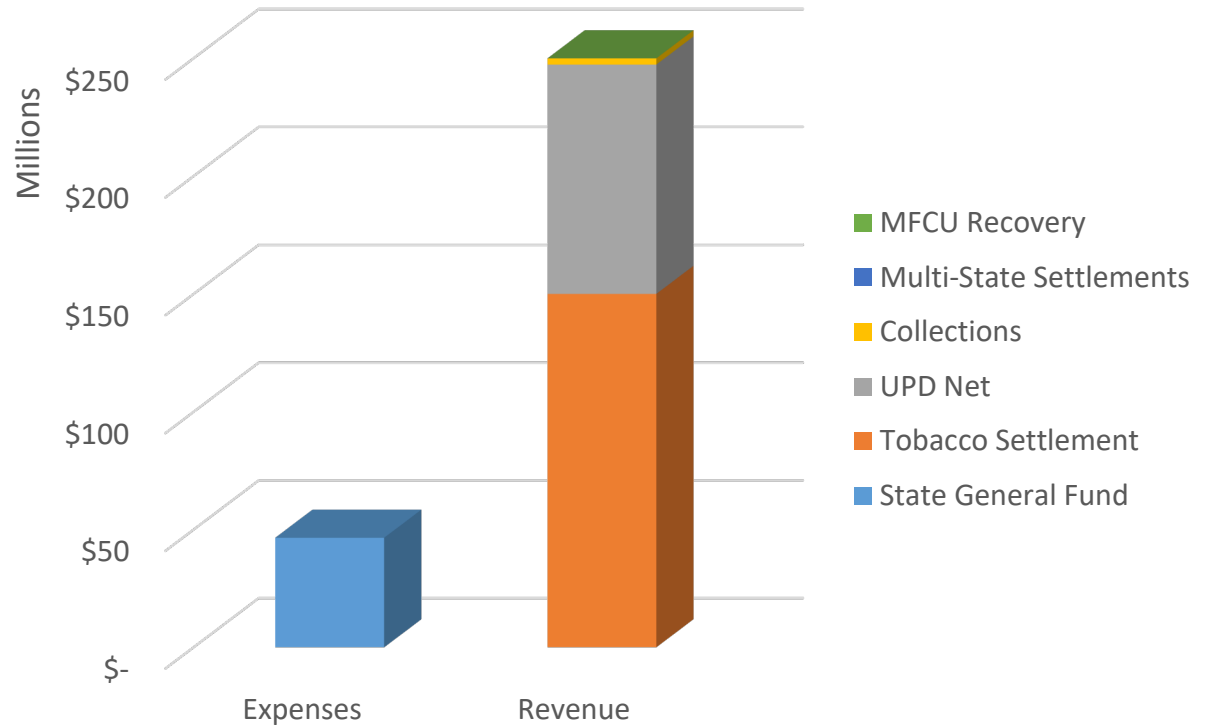
| Software or Task Description   | Est Cost            |
|--|---------------------|
| AdvoLogix case management software <ul style="list-style-type: none"><li>• System upgrades &amp; enhancements</li><li>• Movement of activities from old version to new version</li><li>• Standardization of document generation</li><li>• Improved auditing and encryption</li></ul> | \$ 2,285,105        |
| Latitude upgrade and integration with case management  | 128,150             |
| Payment portal integration with Access Indiana   | 35,000              |
| Enterprise Content Management  | 600,000             |
| <b>Total Estimated Costs</b>   | <b>\$ 3,048,255</b> |



# OAG General Fund Expenditures vs Revenue Generation

Additional  
\$795K  
revenue  
collected and  
returned to:

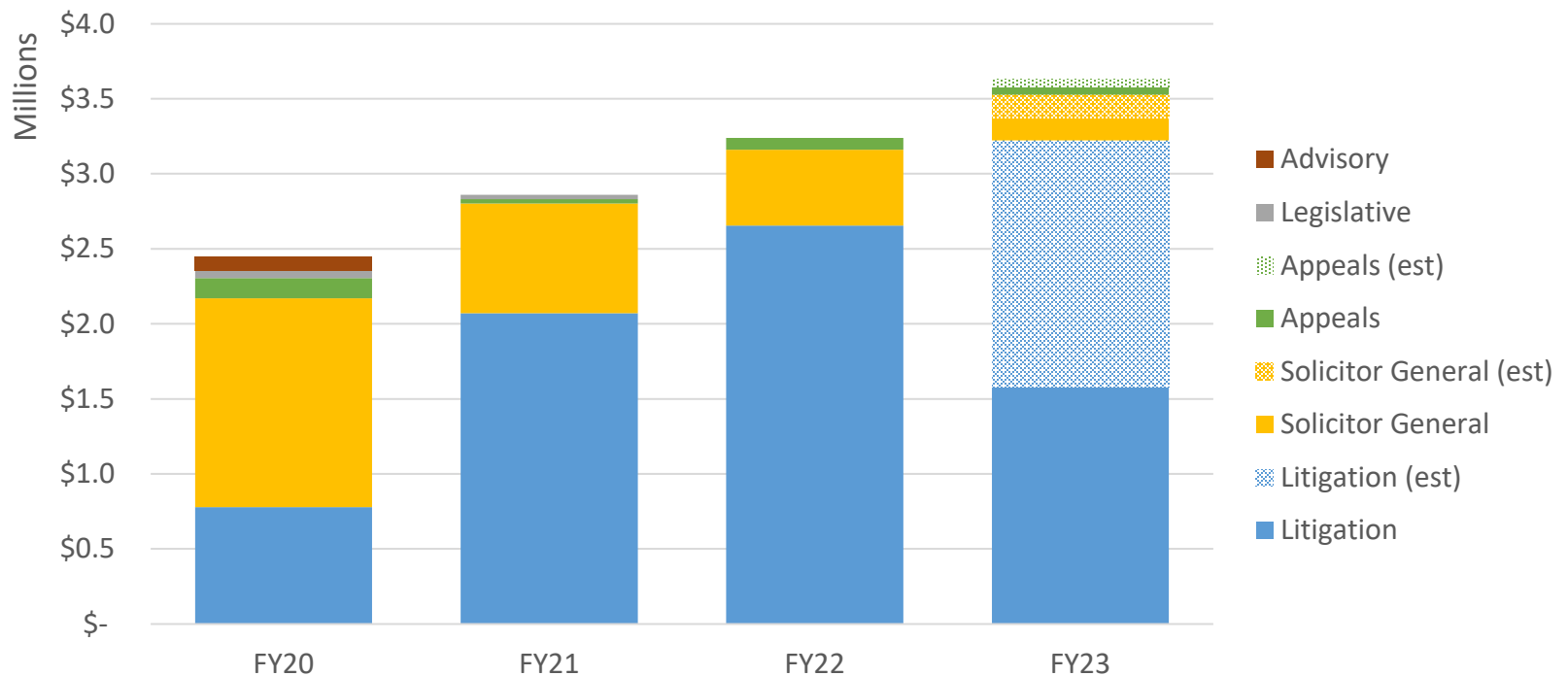
- SBOA
- INDOT
- DOR
- FSSA





# Impacts of Staffing Shortages

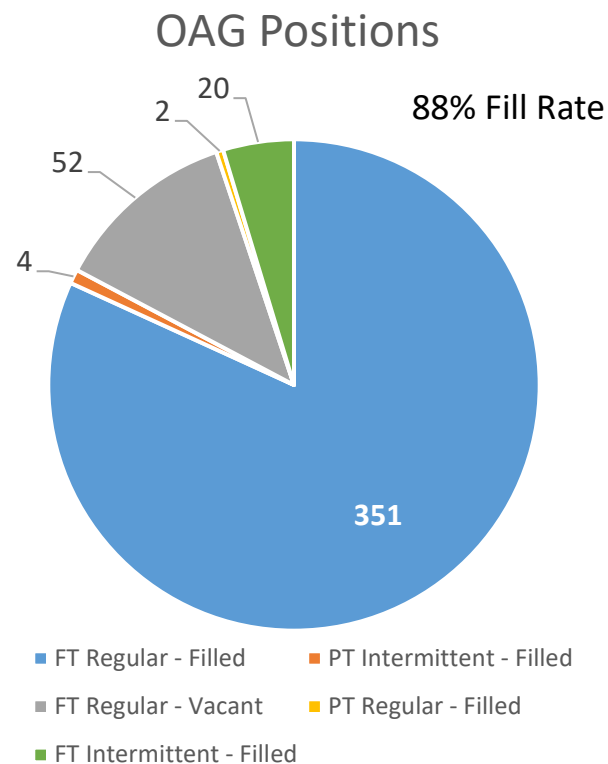
Expenditures for Outside Counsel





# Position & Salary Information

- Improved compensation structure
  - 80% positions covered by old scales
  - 100% positions covered by new scales
- Salary progression
  - 5% COLA effective 10/16/22
  - Scale adjustment effective 12/25/22
    - Impacts 92% of staff
    - Average increase \$10,182 or 16%
      - Matched SPD avg percent increase



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