

OFFICE OF THE ATTORNEY GENERAL
STATE OF INDIANA



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TODD ROKITA
ATTORNEY GENERAL

August 31, 2024

Joseph M. Habig, Acting Director of State Budget Agency
Statehouse Room 212
Indianapolis, IN 46204

Dear Mr. Habig,

On the day I took the oath to become attorney general, I vowed that protecting Hoosiers' liberties would be my administration's first and primary mission. Looking back on my first term in office, you will see that we made good on that commitment.

The Office of the Indiana Attorney General, employing approximately 400 staff members, focuses daily on myriad tasks: providing legal representation to the State of Indiana, protecting consumers from illicit business practices, investigating and prosecuting Medicaid fraud, collecting and returning unclaimed property, and more.

During my term in office, my office has been busier than ever, litigating over 15,500 cases and securing over \$10 for every \$1 appropriated by the Indiana General Assembly. As we head into my second term, we are resolved to remain energetic in doing the work we are so blessed to do.

The Office of the Attorney General is pleased to provide this agency overview letter as part of our Fiscal Year (FY) 2026-2027 biennial budget submission to the State Budget Agency. This letter offers a description of our office's programs, initiatives, and accomplishments over the last two years. Our cabinet organizational chart and fund narratives are also included in this letter.

Sincerely,

Todd Rokita,
Indiana Attorney General

I. Office Programs and Functions

The Office of the Attorney General (OAG) represents and advises the State of Indiana and its agencies and helps protect the rights, liberties, and safety we enjoy as citizens of Indiana. As the state's chief legal officer, I oversee a staff of approximately 400 employees spread across multiple divisions. A brief description of each division is included below:

Solicitor General:

The Solicitor General (SG) is the chief litigation policy advisor to the Attorney General, providing comprehensive oversight of state and federal litigation for Indiana, including constitutional challenges, issues of vital interest to state government, filing amicus curiae (friend of the court) briefs, and consulting with the Appellate Division to determine which civil cases the state should appeal and the appropriate legal position to pursue. ***The Solicitor General and his team currently represent the State in nearly one hundred active cases at all levels of federal and state courts.***

Unclaimed Property Division:

The Unclaimed Property Division (UPD) receives and returns assets to their rightful owners. Unclaimed property is any financial asset with no activity by its owner for an extended period. ***Utilizing social media and a high-energy community engagement strategy, UPD set a record high of \$155.6 million returned to Hoosiers in FY23 and FY24- a 51% increase over FY21 and FY22.***

Consumer Protection Division:

The Consumer Protection Division (CPD) safeguards Hoosiers from deceptive and predatory business practices. This division educates consumers to make wise choices when buying products and entering into contracts, mediates and investigates consumer complaints against businesses and other organizations, and takes legal action on behalf of the state against individuals and companies that violate Indiana's Deceptive Consumers Sales Act. It also reviews and can seek reform of non-profit entities and public charitable trusts. ***The Consumer Protection Division has already collected \$142 million for CY24 (YTD) and is on pace to exceed the \$171 million collected in CY23.***

Litigation Division:

The Litigation Division represents and defends the State of Indiana in lawsuits in which the state's interests are at stake. ***It recouped more than \$307 million in FY23 and FY24, with \$152.9 million awarded to the State of Indiana, and has already litigated 5,400 cases in CY24 (YTD)- exceeding the 5,300 cases litigated in CY23.***

Appeals Division:

The Appeals Division represents the state in criminal, civil, and child services appeals cases, pursues the state's interests when inmates allege their convictions violate the U.S. Constitution, represents the state when death row inmates return to trial courts to challenge convictions, provides various types of assistance to prosecuting attorneys throughout the state, and notifies victims about ongoing criminal appeals cases. ***The Appeals Division litigated 2,566 criminal appeals and 1,419 civil appeals in FY23 and FY24, with an average success rate of 96%.***

Medicaid Fraud Control Unit:

The Medicaid Fraud Control Unit (MFCU) investigates unscrupulous practices and enforces state healthcare laws concerning entities that receive state Medicaid funds. The MFCU investigates the following: Medicaid provider fraud, misuse of Medicaid recipients' funds, and patient abuse and neglect in Medicaid facilities. *In FY23 and FY24, MFCU secured more than \$78.4 million for the state—a 600% increase over the previous two fiscal years—and achieved 92 criminal convictions and 106 criminal indictments.*

Advisory Division:

The Advisory Division provides legal advice to state elected officials and state agencies. While it does not make or recommend policy, the Advisory Division assists officials in their efforts to understand specific state statutes, policies, and procedures. It also reviews state contracts and administrative rules for legal compliance and acts as legal advisor to Indiana's licensing boards and commissions.

Investigations:

This section coordinates with the legal divisions to collect evidence and provide background information on open cases. It investigates illegal activity on behalf of Indiana state agencies and OAG divisions.

Victim Services:

The Office of the Attorney General is committed to providing services and assistance to crime victims through the following programs: the Address Confidentiality Program to protect victims of domestic violence or stalking, the Hope Card Program to provide a convenient civil protection order summary for victims, Human Trafficking Prevention, and the Victim Advocates Network. *Since 2020, the program has grown by nearly 150 percent and currently serves more than 650 individuals across Indiana.*

II. Office Accomplishments

My team and I take great pride in providing high-quality service to Hoosiers as we fulfill the statutory duties of this office. We have a number of accomplishments that we are proud to share as evidence of the hard work we do every day:

FINANCIAL STEWARDSHIP

Staffed by servant leaders, our office is mindful of our duty to maximize Hoosiers' return on taxpayer dollars. The OAG brought in more than \$475 million in 2022 and \$462 million for 2023.

- Unclaimed Property returned \$155,667,514 directly to Hoosiers (FY23 and FY24) an increase of 50% over the two previous FYs.
- Unclaimed Property received \$291,045,976 (FY23 and FY24).
- The State received \$ 110 million from consumer settlements.

- Multi State Opioid Settlement totaling \$247,60,000 for Fiscal Year 2023 and Fiscal Year 2024
- Collections of \$7.2 million in CY 2023 and \$4.3 million CY 2024 (as of 8/26/2024)
- Medicaid Fraud Control Unit (MFCU) recovered \$78,400,000 (FY23 and FY24).
- The Consumer Protection Division recovered \$171 million in CY23 and \$142 million in CY24 (YTD), including Tobacco Settlement Funds, Consumer Litigation Settlements, Homeowner Protection Unit, ID Theft Recoveries, and Solicitation and Real Estate Fees.

POLICY DIVISION

In 2023, the attorney general led or co-led nine letter efforts on various policy topics and joined 89 multi-state letters. As of August 2024, we led or co-led 17 letter efforts on various policy topics and joined 53 multi-state letters. Most letters are directed to the federal government on legal and policy concerns. Some examples include a letter to Attorney General Garland on election law, comment letters to the EPA opposing proposed regulations, and a letter to President Biden opposing the halt of Liquid Natural Gas permits.

Attorney General Todd Rokita published an advisory opinion clarifying that neither state nor federal law requires a coworker to use the preferred pronouns and names of fellow employees.

Attorney General Todd Rokita co-led a 17-State amicus brief asking the Seventh Circuit Court of Appeals to rule in favor of the religious liberty of a former Brownsburg High School teacher forced to resign because he declined to use the preferred names and pronouns of transgender students — an action that violated the teacher’s sincerely held beliefs.

General Rokita targeted the abuses of Big Tech — winning a \$20 million settlement with Google to resolve our lawsuit over deceptive location tracking practices. We also filed two separate lawsuits against TikTok — both related to false claims made by the Chinese company about its video-sharing app.

During the 2024 legislative session, General Rokita supported the passage of House Enrolled Act 1183, which prevents individuals and entities from certain adversarial countries, including China, from acquiring or leasing Indiana agricultural land and any real property situated within a 10-mile radius of a military installation. The Office of the Indiana Attorney General serves as the enforcement authority of this law and has implemented procedures to investigate and enforce this law.

General Rokita led a 22-State letter calling on Congress to pass the Safeguard American Voter Eligibility (“SAVE”) Act. This bill would strengthen our electoral process by upholding the rule of law and prohibit individuals who are ineligible to vote from doing so.

Following months of campus protests sometimes featuring troubling anti-Jewish propaganda, General Rokita warned college officials they are duty-bound to enforce Title VI of the Civil Rights Act of 1964 by combating all forms of antisemitism on their campuses — or risk losing their federal funding.

General Rokita supported legislation during the 2024 legislative session that allows for the enforcement of IC 5-2-18.2, which prohibits political subdivisions from establishing sanctuary city ordinances or policies that limit the city's ability to investigate a person's immigration status or assist the United States in enforcing federal immigration laws. The Attorney General sent letters to political subdivisions with policies that conflicted with this law, which resulted in most of them revising their policies to comply.

SOLICITOR GENERAL

The solicitor general and his team currently represent the State in nearly one hundred active cases at all levels of federal and state courts. Many cases involved constitutional challenges to critically important state statutes passed by the Indiana General Assembly.

The solicitor general's team defended several state statutes passed by the Indiana General Assembly that protect Hoosier children, including Indiana's pro-life laws and prohibitions on boys playing on girls' sports teams (HEA 1041), medical practitioners performing harmful gender-transition procedures on minors (SEA 480), and schools teaching human sexuality instruction before grade four (SEA 17). Their work included litigation to secure fair elections by fending off a Twenty-Sixth Amendment challenge seeking to force Indiana to provide universal mail-in voting (*Tully v. Okeson*) and a Voting Rights Act challenge to the use of merit-selection for Marion County Superior Court judges (*Roberts v. Indiana*). Importantly, the solicitor general successfully overturned an injunction against Indiana's sex offender registration statute at the U.S. Court of Appeals for the Seventh Circuit (*Hope v. Commissioner of the Indiana Department of Correction*).

Another aspect of the Solicitor General's work includes challenging unconstitutional and improper federal actions, including many of the Biden Administration's regulations that damage state interests. On behalf of the state, the solicitor general has challenged several EPA regulations that would destabilize the power grid and drive-up energy prices, SEC and Department of Labor rules that would put ESG goals above returning profits to retirees and shareholders, and a variety of federal agency actions designed to force Americans to give up gasoline-powered cars and move to electric vehicles.

The Solicitor General also writes and advises on the filing of amicus curiae (friend of the court) briefs, which can help courts understand how a case will impact state interests and advance additional arguments. Over the last two years, the Solicitor General and his team presented oral arguments in the U.S. Supreme Court as an amicus, wrote two dozen amicus briefs, and recommended more than 300 other amicus briefs.

UNCLAIMED PROPERTY DIVISION

The Unclaimed Property Division (UPD) receives and returns assets to their rightful owners. Unclaimed property is any financial asset with no activity by its owner for an extended period, such as dormant bank accounts, lost or forgotten uncashed checks, stocks, insurance proceeds, and utility refunds, among other items. Utilizing social media and a high-energy community engagement strategy, UPD connected more people to their property than ever before, setting a record high in FY24 of \$79 million returned to Hoosiers.

CONSUMER PROTECTION DIVISION

The Indiana Consumer Protection Division (CPD) is responsible for protecting Hoosiers against business practices that are unlawful, unfair, abusive, or deceptive through education or litigation, if necessary, and do so without unduly burdening legitimate business endeavors. CPD's various sections include Intake, Mediation, Consumer Litigation and Tobacco Enforcement, Licensing Enforcement, Homeowner Protection Unit, and the Data Privacy and Identity Theft Unit. Each section within CPD provides unique services of value to Hoosiers recovering \$171 million for Hoosiers in CY23 alone.

The Administrative Intake Team saw significant traffic, receiving 13,026 complaints. Last year, CPD's five mediators resolved 5,414 complaints, resulting in \$6.8 million in value returned to consumers. When mediation was not possible, the Consumer Litigation and Tobacco Enforcement section investigated and litigated nearly 200 cases and recovered \$146.7 million in CY23 alone.

The Homeowner Protection Unit (HPU) protects the rights of Hoosiers involved in the housing market, including tenants, homeowners, and aspiring homeowners. During FY23, HPU initiated nearly 600 new cases—a 54% increase from the previous fiscal year—recovering \$1.4 million in judgments, cost recovery, and restitution.

The Data Privacy and Identity Theft Unit continues to protect Hoosiers' personal data in the ever-changing identity theft landscape opening over 7,600 new cases and recouping \$24 million in CY23.

The Licensing Enforcement Section opened 1800 cases, concluded 3,000 investigations, and prosecuted 428 individuals for licensing violations in CY23.

LITIGATION DIVISION

The Litigation Division represents and defends the State of Indiana in lawsuits in which the state's interests are at stake. The Litigation Division comprises the following sections: Administrative & Regulatory Enforcement Litigation, Asset Recovery & Bankruptcy Litigation, Government Litigation, and Real Estate Litigation. Each section had significant accomplishments and returns for Hoosiers during FYs 23 and 24. *As a whole, these sections litigated nearly 11,000 cases, opened 5,500 new cases, and closed roughly 7,000 cases—recouping over \$275 million.*

The Administrative & Regulatory Enforcement Section recouped \$17.1 million dollars through court orders or negotiations during FY23 and FY24.

The Asset Recovery & Bankruptcy division recovered more than \$16.6 million in court ordered fees and negotiations over that same period.

The Government Litigation section recovered close to \$2 million from court orders and saved the state about \$750,000 in potential cost due to its successful defense.

The Real Estate Section recovered nearly \$2 million in funds and received approval of 1,500 real estate acquisitions, including those necessary to open the I-69 connection with I-465.

Additionally, the Complex Litigation Section brought in \$153 million to the state and \$123.4 million to political subdivision in conjunction with the opioid settlements.

APPEALS DIVISION

The Appeals Division represents the state in criminal, civil, and child services appeals cases. The Appeals Division also pursues the state's interests when inmates file actions in federal District Court alleging their convictions violate the U.S. Constitution and represents the state when death row inmates return to trial courts to challenge convictions. Civil cases in the Appeals Division involve administrative agency orders and decisions, constitutional issues, civil rights, consumer protection, government benefits, and employment matters, as well as business regulations and cases involving torts and claims against the state. The Criminal Appeals Section handles criminal cases appealed to all levels of the judiciary.

During FY23 and FY24, the Criminal Appeals Section litigated over 2,500 cases with a success rate of over 94%. The Civil Appeals Section litigated over 1,400 cases with a near perfect success rate of over 98%. The Appeals divisions also functions as the administrator of victims' services, by offering support through the Address Confidentiality Program, the Hope Card Program for civil protection orders, and the Victim Notification program to assist victims in the appellate process. The Address Confidentiality Program has grown by more than 150% since 2020 and services more than 650 individuals across Indiana.

MEDICAID FRAUD CONTROL UNIT

The Medicaid Fraud Control Unit (MFCU) investigates unscrupulous practices and enforces state healthcare laws concerning entities that receive state Medicaid funds. MFCU investigates the following: Medicaid provider fraud, misuse of Medicaid recipients' funds, and patient abuse and neglect in Medicaid facilities. In FY23 and FY24, MFCU recovered over \$78.4 million dollars achieving over 92 criminal convictions and 106 indictments. Notable successes include settlements with Parkview Health for \$2.8 million for incorrect billing, Centene for over \$66 million for Pharmacy Benefit Management practices, and Mallinckrodt, a drug manufacturer, for \$6.8 million, among others.

ADVISORY DIVISION

The Advisory Division provides guidance to public officials in their efforts to understand state statutes, policies, procedures, and the law. They do this by helping research and craft official advisory opinions, memoranda of legal guidance, and informal legal counsel; advising state government in the review and creation of administrative rules and regulations; reviewing and approving the form and legality of all state contracts; and acting as a legal advisor to Indiana's licensing boards and commissions.

During CY22 and CY23, the Advisory Division reviewed 56 Memoranda of Understanding (MOU) entered into by state agencies and 13,636 contracts between the State and vendors and approved 118 administrative rules promulgated by state agencies. The Advisory Division produced multiple formal opinions and Memoranda of Legal Guidance (MLG) and provided guidance to 54 separate state boards and commissions, all while providing significant transparency by processing over 500 requests through the Public Records Act. of the Attorney General's Office.

III. Office Challenges

The hiring environment for attorneys in the State continues to be very competitive. The shortage of lawyers, compounded by the recruitment of OAG talent by outside law firms with superior compensation packages, is a real concern for OAG.

The cost of outside counsel contracts to make up for Deputy Attorney General vacancies and increased litigation is putting a strain on office resources traditionally used to pay for administrative and operating expenses.

Continual enhancements to the office's overall technology environment. This includes upgrades and training for case and document management systems, electronic search capabilities, and system routing processes.

The need to protect consumer privacy and secure individual data continues to be an immediate challenge facing the State, as technology advances continue to outpace consumers' ability to secure all forms of data and personal information.

IV. Objectives for the Next Biennium

The Office of the Attorney General serves, protects, and defends Hoosiers by championing liberty, justice, and the Rule of Law. We intend to build upon the positive foundation we have laid during our first term in office and continue to work hard in the second to achieve positive results for the State of Indiana. Our goals include the following:

Develop, promote, and defend policies and legislation that secure justice and protect Hoosiers by combatting antisemitism, addressing the use of generative AI and securitization of personal data by state agencies, confronting neglect and abuse in long-term care facilities, decreasing the State's liability, and increasing personal freedom, among other objectives.

Enhance the office's technology and business processes to secure justice and protect Hoosiers from waste, fraud, and abuse, including legislative action to remove unnecessary, outdated statutory requirements that hinder the office's efficiency and productivity.

Establish the Office of the Attorney General as the premier legal employer of choice by working with state officials and others to develop policies to attract and retain talent in Indiana during a competitive hiring environment.

Build and strengthen relationships with external stakeholders, including enhanced cooperation with state agencies on whom the attorney general relies to form a robust legal defense against federal overreach and other challenges to State law.

V. FY 2024-2025 Budget Request

A lean and efficient government best serves the taxpayers who fund it. Accordingly, OAG is not requesting any change packages or additional funding over our current appropriation for the 2026/2027 biennial budget.