



The Office of
Minnesota Attorney General Keith Ellison
helping people afford their lives and live with dignity, safety, and respect • www.ag.state.mn.us

October 15, 2025

Via Email Only

Senator John Marty, Chair
Finance Committee
Minnesota Senate
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Representative Cedric Frazier, Co-Chair
Ways and Means Committee
Minnesota House of Representatives
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Representative Paul Torkelson, Co-Chair
Ways and Means Committee
Minnesota House of Representatives
2nd Floor Centennial Office Building
St. Paul, MN 55155
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Re: Annual Expenditure Report Pursuant to Minn. Stat. § 8.15, subd. 4

Dear Chair Marty and Co-Chairs Frazier, and Torkelson:

I submit to you the annual expenditure report of the Office of the Attorney General for FY 2025, as required under Minnesota Statutes § 8.15, subd. 4.

Role of the Office of the Attorney General

The Attorney General is a statewide elected position created by Article V of the Minnesota Constitution. The role of the Office of the Attorney General is to:

- 1) Defend the duly enacted laws of the State of Minnesota;
- 2) Represent nearly all the State's agencies, boards, and commissions — more than 100 in total — in legal matters;
- 3) Assist Minnesota's county attorneys in criminal cases and appeals, and lead criminal prosecution of Medicaid Fraud; and
- 4) Protect Minnesotans from fraud and abuse, as authorized by many State statutes, most notably Minn. Stat. § 8.31: "The attorney general shall investigate violations of the law of

this state respecting unfair, discriminatory, and other unlawful practices in business, commerce, or trade.”

This report contains many representative examples of the work the Office has done in FY 2025 and continues to do on major current and future legal issues to fulfill each of the roles above. Some are already well known to the Legislature and the public, but many are not. All of them meet the constitutional, statutory, and regulatory duties of the Office, as well as its obligation to protect Minnesotans.

Organization of the Office of the Attorney General

The Office of the Attorney General helps the people of Minnesota afford their lives and live with dignity, safety, and respect. The Office consists of four large legal sections, each led by one of our Deputy Attorneys General or the Solicitor General. Within each Section are smaller Divisions organized around subject matter and client agencies, boards, or commissions.

The Deputy Attorneys General and Solicitor General report to the Chief Deputy Attorney General and Attorney General. The Attorney General is the Chief Legal Officer of the State of Minnesota and reports to the people of Minnesota.

Pursuant to Minnesota Statutes Section 8.15 the Attorney General may enter into agreements with executive branch agencies to provide legal services for the benefit of the citizens of Minnesota. Our Office has entered into new partner agency agreements with the following agencies and public entities under the statute: Department of Children, Youth, and Families; Climate Innovation Finance Authority; Office of Cannabis Management; Board of Secure Choice Retirement Plan; Clemency Review Commission; Department of Direct Care and Treatment. Through this communication we are also notifying the appropriate committees.

About this Report

It would be nearly impossible to list in this report every area of work and every accomplishment of the Office of the Attorney General in FY 2025. For this reason, in this report we provide representative examples of its work rather than a long list of case names. If you do not see directly reflected in this report any cases or bodies of work that interest you, please let me know and I will be happy to brief you.

Senator John Marty, Chair, Finance Committee
Representative Cedric Frazier, Co-Chair, Ways and Means Committee
Representative Paul Torkelson, Co-Chair, Ways and Means Committee
October 15, 2025
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It continues to be my honor to serve the people of Minnesota as your Attorney General. During my tenure, I have valued open communication and transparency with all members of the Legislature. My door continues to be open to you and the members of your committees and the houses in which you serve.

Sincerely,



KEITH ELLISON
Attorney General

cc: Senator Tou Xiong, Chair, State and Local Government Committee
Senator Andrew Lang, Ranking Minority Member, State and Local Government Committee
Representative Ginny Klevorn, Co-Chair, State Government Finance and Policy Committee
Representative Jim Nash, Co-Chair, State Government Finance and Policy Committee
Senator Nick Frentz, Chair, Legislative Commission Pensions and Retirement
Representative Leon Lille, Vice-Chair, Legislative Commission Pensions and Retirement
Senator John Hoffman, Chair, Human Services Committee
Senator Jordan Rassmussen, Ranking Minority Member, Human Services Committee
Representative Mohamud Noor, Co-Chair, Human Services Finance and Policy Committee
Representative Joe Schomacker, Co-Chair, Human Services Finance and Policy Committee
Senator Ron Latz, Chair, Judiciary and Public Safety Committee
Senator Warren Limmer, Ranking Minority Member, Judiciary and Public Safety Committee
Representative Kelly Moeller, Co-Chair, Public Safety Finance and Policy Committee
Representative Paul Novotny, Co-Chair, Public Safety Finance and Policy Committee
Senator Matt D. Klein, Chair, Commerce and Consumer Protection Committee
Senator Gary H. Dahms, Ranking Minority Member, Commerce and Consumer Protection Committee
Representative Tim O' Driscoll, Co-Chair, Commerce Finance and Policy Committee
Representative Kaohly Vang Her, Co-Chair, Commerce Finance and Policy Committee
Representative Carlie Kotyza-Witthuhn, Co-Chair, Children and Families Finance and Policy Committee
Representative Nolan West, Co-Chair, Children and Families Finance Policy Committee
Senator Bobby Joe Champion, Chair, Jobs and Economic Development Committee
Senator Rich Draheim, Ranking Minority Member, Jobs and Economic Development Committee
Representative Dave Baker, Co-Chair, Workforce, Labor, and Economic Development Finance and Policy Committee
Representative Dave Pinto, Co-Chair, Workforce, Labor, and Economic Development Finance and Policy Committee

**STATE OF MINNESOTA
OFFICE OF THE ATTORNEY GENERAL**

ANNUAL REPORT REQUIRED BY

**Minnesota Statutes section 8.15
subdivision 4 (2024)**

Fiscal Year 2025

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CONSUMER PROTECTION SECTION

The Consumer Protection Section works to protect Minnesotans and advance consumer protections in a variety of contexts through the work of the Section's divisions, summarized below.

In addition, the Section also supports the work of the Minnesota Prescription Drug Affordability Board (“PDAB”) by providing legal representation to the board. Minnesota’s PDAB was established by the legislature in 2023, with initial appointments to the board in 2024, following a call for its creation in the February 2020 “Report of the Minnesota Attorney General’s Advisory Task Force on Lowering Pharmaceutical Drug Prices.” In the last year, the PDAB hired an Executive Director, and its work in reviewing drug prices charged to Minnesota consumers continues.

CHARITIES DIVISION

The Charities Division serves a number of functions. First, it maintains a public registry of charities, charitable trusts, and professional fundraisers that operate in the State. Second, it oversees charities, charitable trusts, and nonprofits in Minnesota. Third, it enforces state charitable solicitation, charitable trust, and nonprofit laws. The Division’s enforcement authority is civil, not criminal.

With respect to the Division’s registration function, Minnesota law requires charitable trusts, charitable organizations, and professional fundraisers to register and file annual reports with the Attorney General’s Office (“AGO”). In the last fiscal year, the Division deposited \$1,093,258 in registration-related fees into the State’s general fund. The Division currently has more than 13,500 soliciting charitable organizations, more than 2,400 charitable trusts, and more than 300 professional fundraisers registered, which include both Minnesota and out-of-state entities. These entities collectively hold more than \$985 billion in assets and had more than \$400 billion in total revenue in the past year. Registration information on the Attorney General’s website permits the donating public to review a charitable organization’s financial information. The Charities Division continues to develop a new online registration and reporting system that will enable even greater transparency and more informed giving.

With respect to its oversight role, the Charities Division reviews for compliance multiple filings and notices concerning charities, charitable trusts, and nonprofits. For charitable trusts, the Division receives notice of certain trust and estate actions so it can act to protect charitable beneficiaries that might otherwise be unable to represent themselves. The Division received notice of dozens of such matters in FY 2025. For nonprofits, the Division receives statutory notice when a corporation seeks to dissolve, merge, or otherwise change its status, so it can ensure that assets are used for nonprofit purposes. The Division received and reviewed 242 such notices last fiscal year. The Charities Division also assists with the review of notices sent to the Office pursuant to the Health Care Entity Transactions Law, Minn. Stat. ch. 145D. In the last fiscal year, the AGO has received and completed review of four notices of health care transactions. For charities and

professional fundraisers, the Division reviews numerous tax returns, financial statements, and other registration documents for financial misuse, solicitation fraud, and other violations.

For its enforcement role, the Charities Division conducts informal and formal civil investigations into complaints and other allegations of fraud, misuse of funds, breaches of fiduciary duties, and other wrongdoing by regulated entities. Depending on the circumstances, investigations are resolved through a spectrum of remedies, from formal enforcement actions to voluntary education and compliance efforts. Through the enforcement of laws governing nonprofit and charitable organizations, the Charities Division helps combat fraudulent solicitations, deter fraud in the nonprofit sector, educate the public about charitable giving, and hold nonprofit organizations accountable for how they raise, manage, and spend charitable assets. At the same time, the Division works proactively with donors, charities, state agencies, and nonprofit boards to provide education, outreach, technical assistance, and other support to strengthen the charitable-giving sector and help prevent future violations.

Below is a *representative sample of some but not all* legal work performed, including investigations and lawsuits brought or resolved, by the Charities Division in FY 2025.

- ***In re Dissolution of Rainbow Health.*** In September 2024, the Minnesota Attorney General successfully petitioned for the court-supervised dissolution of Rainbow Health, an organization that offers mental health and substance abuse support for people who are LGBTQ+ and people living with HIV. The AGO initiated a voluntary investigation into the circumstances surrounding Rainbow Health's sudden downfall after it shut down abruptly without notice and without allegedly paying workers. In the Petition, the AGO asked the court to direct the disposition of assets in an efficient way under the statutory framework in a manner that prioritized the worker payments. The supervision is ongoing.
- ***In re Shamsia Hopes.*** In September 2024, Minnesota nonprofit corporation Shamsia Hopes agreed to dissolve following governance failures that resulted in the misuse of the entity's assets by its founder and president Mekfira Hussein. An investigation by the Charities Division of the Minnesota Attorney General's Office found the corporation flouted governance requirements, enabling rampant misuse. Despite the requirement of Minnesota law that nonprofit corporations be managed by a board of directors, Ms. Hussein ran Shamsia Hopes by herself or almost completely by herself. This allowed Ms. Hussein to misuse the nonprofit's assets on items like a \$93,250 Porsche and paying off her and her husband's \$173,438 mortgage. The investigation also found that Ms. Hussein had steered at least \$5.4 million to a company that was created by her husband. The Charities Division investigated after the Husseins were indicted by a federal grand jury on charges related to improper acquisition and use of the child-nutrition funds. The Assurance did not preclude any claims against individuals, and it did not shield Shamsia's officers or directors from any potential individual liability.
- ***In re Urban Advantage Services.*** In October 2024, the Minnesota Attorney General's Office reached a settlement via Assurance of Discontinuance with Minneapolis nonprofit Urban Advantage Services ("UAS"), requiring the organization to dissolve and transfer its assets to organizations with a similar charitable purpose. In the settlement, the AGO

alleged that UAS failed to employ a treasurer, maintain a registered address, maintain adequate books and financial records, and abandoned its corporate purpose. Further, UAS's board of directors failed to meet as often as required, file tax forms with the IRS, enforce the corporation's bylaws, and familiarize themselves with their responsibilities as directors. Additionally, UAS failed to register with the Minnesota Attorney General's Office as a charitable trust. The Assurance did not preclude any claims against individuals, and it did not shield UAS's officers or directors from any potential individual liability.

- ***State of Minnesota v. Hang.*** In December 2024, the Minnesota Attorney General's Office sued a former charter-school superintendent whose reckless, illegal investment in 2019 with a hedge fund led to the school losing \$4.3 million. Christianna M. Hang, who started Hmong College Prep Academy ("HCPA"), committed the school in 2019 to become a limited partner in a hedge fund against the advice of the school's legal and accounting advisors, and despite the school's investment policy and Minnesota law prohibiting charter schools from such risky investments. In an August 2025 settlement, Hang agreed to pay \$220,000 in restitution for her reckless conduct. In a separate action, the AGO reached a settlement with the school that imposed reforms on its governance and investment practices.
- ***State of Minnesota v. David Singleton et al.*** In March 2025, the Minnesota Attorney General's Office sued David Singleton and five Minnesota nonprofits he led for engaging in a deceptive pattern of behavior by founding or taking over nonprofits with governmental sounding names to sow confusion for his own profit. Singleton wrongfully created the appearance that he and his nonprofit organizations were affiliated with government agencies. The lawsuit also alleged Singleton engaged in the unauthorized practice of law by claiming to provide legal services despite not being a licensed legal professional. The AGO settled with the nonprofits, who agreed to dissolve, and Singleton, who agreed to pay back the money that he took as payment for legal services he could not legally provide.
- ***In re West African Community Services.*** In January 2025, The Minnesota Attorney General's Office reached a settlement via Assurance of Discontinuance with Minneapolis nonprofit West African Family and Community Services ("WAFCS"), and its Executive Director, Edmund Ocansey, requiring the nonprofit to strengthen its governance and requiring Ocansey to reconstitute the organization \$41,953.56 for the assets that he misused. In the settlement, the AGO alleged that that WAFCS failed to operate under the supervision of its board and allowed Ocansey unsupervised access to funds, some of which he used for his personal benefit. Some examples of the misuse of funds included personal purchases like fast food, retail purchases, car expenses, and monetary withdrawals. The AGO also alleged that the organization failed to maintain adequate books and records, implement controls over the nonprofit's finances, and make required regulatory filings with the state and federal government, among other violations.
- ***In re Mayo Clinic.*** See description in *Consumer Protection's report*.
- ***In re Lindell Charities Investigations.*** In May 2025, the Minnesota Attorney General won a court order compelling three Minnesota charities run by MyPillow, Inc. CEO Michael

Lindell, The Lindell Foundation, Inc., the Lindell Recovery Network, and Lindell Foundation Outreach (“Lindell Charities”), to produce financial information and other documentation in response to the State’s civil investigative demand (“CID”). The State alleged that the Lindell Charities spent hundreds of thousands of dollars on conflicted transactions with MyPillow and other for-profit entities run by board members without following required procedures; reported suspicious expenses and inaccurate information on their tax returns; ran afoul of registration requirements; and failed to provide complete responses to the Attorney General’s CID including by withholding all financial account information. After a hearing, Minnesota District Court Judge Leonardo Castro ordered that the Lindell Charities comply in full with the State’s CID. The investigation remains ongoing.

In addition to its enforcement work, the Division works proactively with donors, charities, state agencies, nonprofit boards, other states, and the public to provide education, outreach, technical assistance, and other support to strengthen the charitable-giving sector and help prevent future violations. To illustrate, Charities and Consumer Protection co-authored an extensive report about the state of hospital charity care in Minnesota in May 2024 in connection with its Mayo settlement and offered policy recommendations to improve access and availability. In September 2024, the Charities Division partnered with the Better Business Bureau to hold a training for leaders of nonprofit animal rescues to help them understand their fiduciary duties under nonprofit laws. The Charities Division also recently spearheaded on behalf of the Minnesota and New York Attorneys General a multistate guidance that makes clear that recent federal action against diversity, equity, and inclusion does not change longstanding state law protecting donor intent of how donated scholarship money should be used.

The Division also continues to pursue initiatives to prioritize the affirmative review of filings and other sources to proactively identify more potential violations. Finally, in the past fiscal year, the Charities Division filled one assistant attorney general and one investigator vacancy that arose during that time period, allowing the Division to continue and expand its important work.

CONSUMER ACTION DIVISION

The Consumer Action Division serves two primary functions. First, it answers calls, correspondence, and on-line complaints from people, businesses, and other organizations who contact the consumer assistance division. Division staff are often able to answer questions and provide information over the phone, talk through consumer-related problems, and assist people in locating other government agencies that may be able to help address their concerns. For fiscal year 2025, the Division took more than 59,600 calls, and spent more than 5,700 hours, nearly 240 full days, on calls. The topics we most frequently received calls on were landlord/tenant issues (more than 3,700), medical billing or quality of care (more than 2,200), automobile purchases and leases (more than 2,200), utilities and telecom (nearly 1,300), consumer debt and garnishment (nearly 1,200), and contractors (nearly 900). The Division also answered calls on high-profile state, national, and international issues. When the new presidential administration took office in January 2025, the Division started to receive many calls with concerns about actions taken by the federal government, with the main concerns revolving around DOGE (more than 1,200 calls in

just one week) and cuts to different programs. In total, we received more than 2,800 calls with complaints against the federal government. Additionally, the Division took multiple calls about different scams (nearly 2,800).

Second, the Consumer Action Division helps Minnesota residents informally mediate and resolve thousands of complaints with businesses and other organizations each year. The Division handled nearly 18,000 files and arrived at settlements of nearly \$8 million for Minnesota consumers. The Division also assisted the Wage Theft Division with cases involving Spanish speakers, assisted with investigations into solar providers, reviewed thousands of documents related to housing lawsuits, and participated in multiple consumer protection lawsuits by taking affidavits and doing other legal assistance work. Through its efforts to assist Minnesotans in these matters, the Division regularly eliminated the need for costly and time-consuming litigation for all parties.

Below is a *representative sample of some but not all* work performed by the Consumer Action Division in FY 2025.

- An individual contacted this Office regarding medical bills related to a surgery. The individual had been working with their insurance company and the provider for more than two years to get the procedure covered, but the insurance company refused to pay. The reasons for the denial were that the facility was “out of network,” even though the surgeon and other providers were in network. The total amount owed was nearly \$80,000. The Division wrote to the providers and the insurance company, and after months of negotiations were able to get her insurance company to fully cover the procedure.
- A small mental health provider contacted this Office regarding hundreds of unpaid insurance claims with a single insurance company. The total amount of unpaid claims was in the hundreds of thousands of dollars. The Division sent several letters on some of the individual claims and got them paid, and eventually, after extensive mediation, the insurance company paid out on each of the outstanding claims. While the Division typically mediates consumer issues, this could have put the small provider out of business, and its work helped get the provider paid so that they could continue to provide services to the public.
- An individual contacted this Office because their utility service had been disconnected. Their bill was significant, but there was a child in the home with a medical device that required electricity. Without electricity and use of the device, the child faced a potential medical emergency. We directed the consumer to get a letter from a doctor about the necessity of the device and contacted the utility provider with the information provided to us by the consumer. The utility provider reconnected service immediately and established a payment plan that the consumer was able to afford.
- An individual contacted this Office about the purchase of a brand new, \$82,000 vehicle that they purchased that was subject to safety recalls for significantly dangerous defects. The consumer made multiple attempts to get the manufacturer to address the concerns, but the manufacturer would not respond. The Division contacted the manufacturer by email,

and within less than two weeks, the manufacturer issued a check to the consumer for the amount of purchase minus depreciation.

- An individual contacted this Office regarding a coding mistake with their medical provider that resulted in a bill for more than \$37,000. The Division contacted the provider and insurance company, and the provider agreed that it miscoded the procedure. After recoding, the amount was mostly covered by insurance, and the provider agreed to waive the rest of the patient's responsibility.
- An individual contacted this Office because they got into a single-car accident that was not covered by their insurance because they only paid for liability coverage. Their vehicle was towed to a lot with their personal belongings inside. They are a recipient of need-based assistance, and under the law, entitled to their personal items in the vehicle without having to pay storage or towing costs. The personal items in the vehicle included medications and their identification and debit cards, but the lot would not allow the individual to retrieve the items, instructing them to file a lawsuit. The Division called the lot and notified them of the law, which led to the immediate release of the individual's personal property.
- An individual contacted this Office about a long-term care insurance policy, and its refusal to pay for care for their now deceased parent. They were sent collection notices from the long-term care provider totaling nearly \$40,000. The Division contacted the insurance company, who reviewed the claims, and after months of fruitless contact by the consumer, sent checks to the consumer for the full amount being collected by the provider.

CONSUMER PROTECTION DIVISION

The Consumer Protection Division enforces Minnesota's laws prohibiting consumer fraud, deceptive trade practices, false advertising, and other unlawful practices in business, commerce, or trade.

The Division conducts investigations and acts where appropriate to stop and deter fraud and other unlawful business practices to protect consumers. The Division also participates in numerous coordinated investigations of potential fraudulent or unlawful conduct by multiple state and federal enforcers of consumer protection, including other state attorneys general, the Federal Trade Commission ("FTC"), and the Consumer Financial Protection Bureau ("CFPB").

2025 LEGISLATIVE SESSION UPDATE

During the 2025 Legislative session, the Legislature established a new Consumer Protection Restitution Account (to be codified as Minnesota Statutes section 8.37). This new fund will be administered by the Division and will allow eligible consumers to be made whole in circumstances where they have not received identified amounts of restitution from enforcement action judgments because the judgment-debtor had insufficient funds. The Division is beginning to make deposits into the fund in accordance with the Act. It is anticipated that distributions to

eligible consumers as well as delivery of the first annual report to the Legislature will occur in 2026.

The Division also led a committee that rewrote Minnesota's dozens of statutorily -prescribed garnishment forms during the 2025 Legislative session. This committee, made up of legislators, consumer and creditor advocates, plain language experts, and experts across the fields of debt collection, banking, and pro bono legal work revised the garnishment forms to (1) comport with the new requirements of the Minnesota Debt Fairness Act passed by the Legislature in 2024, and (2) be more readable and understandable to the general audience of consumers and employers who receive them. The committee was successful in this effort, and the revised forms were approved by both houses on unanimous, bipartisan votes and are being used in the field now.

The Division also has worked diligently to prepare for its enforcement duties under the Minnesota Consumer Data Privacy Act, which was passed in 2024 and went into effect on July 31, 2025. The new law grants Minnesota residents new rights over their personal data, including, for example, the right to delete data, edit inaccuracies, and opt-out of businesses selling, profiling, and using targeted advertising with their personal data. The law also requires some businesses to implement comprehensive privacy programs that protect the privacy of Minnesota residents. The Office has exclusive enforcement authority over the new law. To prepare for its implementation, the Office launched a website with materials for consumers and businesses, made presentations to legal and business communities, and attended several public outreach events. The Office also hired additional staff to expand the team that will work on privacy enforcement matters.

Below is a *representative sample of some but not all* investigations and suits brought or resolved by the Consumer Protection Division in FY 2025.

PROTECTING HEALTH AND PUBLIC SAFETY THROUGH ENFORCEMENT OF CIVIL CONSUMER PROTECTION LAWS

The Office continues to utilize its civil enforcement authority of consumer protection laws in areas that intersect with criminal matters, as well as to further protect the public health and safety of Minnesotans:

- ***State v. Glock, Inc., et al.*** In December 2024, the Office filed suit against firearms maker Glock for manufacturing, marketing, and selling semi-automatic handguns that Glock knows can easily be converted into illegal machine guns with a device known as a “Glock switch.” The suit alleges that Glock has known about the potential use of switches with Glock handguns since at least 1988 but has refused to change the design of its handguns to address this problem. The complaint claims that Glock even actively encourages the use of Glock switches by glorifying and promoting the “fun” and desirability of firing fully automatic handguns. The lawsuit details several shooting incidents in Minnesota in which Glock switches were used to injure and kill Minnesotans. The Office is asking for injunctive relief against Glock, including a change to their handgun design to prevent the use of Glock switches, as well as monetary relief, including civil penalties and

disgorgement of the revenue Glock has made through its illegal conduct. The court denied Glock's motion to dismiss the case, which now proceeds to discovery. Litigation is ongoing.

- ***State v. Fleet Farm LLC, et al.*** In October 2022, the Office filed suit against Fleet Farm for negligently selling firearms to straw purchasers—individuals who buy firearms for other people who are ineligible to buy or possess guns. The suit alleges that Fleet Farm sold at least 37 guns to two straw purchasers, including one of the guns used in the Truck Park bar shooting in St. Paul in 2021. In the lawsuit, the Office asks for injunctive relief, including strengthened oversight of Fleet Farm's operations and increased training to prevent sales of guns to straw purchasers, as well as monetary relief, including disgorgement of Fleet Farm's profits from sales to straw purchasers. The court denied Fleet Farm's motion to dismiss the case. The Office has since added a claim against Fleet Farm for violating the Minnesota Gun Control Act and won two motions to compel Fleet Farm to produce additional documents. Discovery is complete and motions for summary judgment and exclusion of expert testimony are pending before the court. Trial has not yet been scheduled but will likely take place in early 2026.
- **Investigation of Kia and Hyundai's Sale of Vehicles that Lack Industry-Standard, Anti-Theft Technology.** The Office continues to lead a multistate investigation into Kia and Hyundai's sale of vehicles to consumers that lacked industry-standard, antitheft "engine immobilizer" technology. Kia and Hyundai's failure to equip their vehicles with this anti-theft technology has made their vehicles sitting ducks for car thieves, with reported thefts of Kia and Hyundai vehicles increasing by 836% in Minneapolis and 611% in St. Paul in 2022, as compared to 2021. Thefts of Kia and Hyundai vehicles continued to surge in 2023, with six of the ten most stolen vehicles being manufactured by Kia or Hyundai according to the National Insurance Crime Bureau. In 2024, vehicles made by Kia and Hyundai were among the top five models of most stolen cars across the country. The Office is investigating whether Kia and Hyundai's conduct violates Minnesota's consumer protection and public nuisance laws, and the investigation is ongoing.
- ***States v. Meta Platforms.*** In October 2023, the Office filed suit against Meta Platforms (which owns Facebook and Instagram) for intentionally creating addictive design features that manipulate children and teens into spending as much time as possible on their platforms, despite the defendants' knowledge that this often causes children serious physical and mental harm. The lawsuit further alleges that Meta falsely assured the public that its features were safe and suitable for young users. The lawsuit asserts violations of Minnesota's consumer protection laws and the federal Children's Online Privacy Protection Act and was undertaken alongside a bipartisan group of state attorneys general. Recently, the coalition of state attorneys general successfully appealed a discovery order relating to the organization of state government. A trial date has not yet been set but is expected to take place in late 2026. Litigation is ongoing.

- ***State v. TikTok, Inc.*** In August 2025, the Office filed suit against TikTok for intentionally designing its app to encourage overuse and addiction by young Minnesotans to drive its massive advertising revenue. The Complaint alleges that TikTok has long known that overuse and addiction to its product increases young people’s risk for many mental health problems, including depression, anxiety, eating disorders, suicidality, and harms caused by interference with sleep, family, school, and social life. The Complaint alleges that TikTok has explicitly and intentionally misrepresented the safety of its app to the public to encourage more use. The Complaint further alleges that TikTok’s “TikTok LIVE” and “gifting” features have together created a platform for the creation of rampant unlawful sexual content, and that TikTok is issuing and using virtual currencies without the required state license. Litigation is ongoing.
- **Deceptive Vaping Products.** In August 2024, the Office sent a letter to more than 5,000 tobacco distributors and retailers that operate in Minnesota, asking them to stop distributing, marketing, and selling unauthorized and illegal flavored tobacco products in Minnesota. The letter warned that the sale or distribution of unauthorized and illegal tobacco products may violate several Minnesota laws, including a new deceptive vapor law that prohibits the advertising, sale, or distribution of e-cigarettes that are described or depicted as imitating candy, desserts, or beverages that are commonly marketed to minors, that imitate school supplies, or that are based on or describe characters that appeal to minors. Subsequently, in January 2025, the Division filed a lawsuit against an online company called High Light Vapes, along with a related company and individual, for deceptively marketing highly addictive vapes in the shape of highlighters. The lawsuit alleged consumer fraud and violations of Minnesota law regulating tobacco delivery sales. The company agreed in April to an order banning it and its principals from doing business in Minnesota. The Division also announced in January that it was investigating Loon (also known as Maduro Distributors), a Minnesota-based manufacturer of several brands and flavors of e-cigarettes.
- **Enforcement of Historic Tobacco Settlement.** In July 2024, the Office filed a motion against the tobacco companies involved in the Office’s historic 1998 tobacco industry settlement, alleging that the companies have underpaid Minnesota by more than \$58 million by wrongly claiming that the 2018 changes to the federal corporate tax rate entitled the companies to reduce their annual settlement payments. The court agreed and held that the tobacco companies must make full payments in the future and repay the state for its past underpayments, with interest. The court will issue final judgment once it resolves an allocation dispute between the companies.
- ***State v. Sanofi, et al.*** In May 2025, the Office resolved a lawsuit against Novo Nordisk regarding the manufacturer’s pricing of insulin. The settlement guarantees Minnesotans (insured or uninsured) five years of access to Novo Nordisk-manufactured insulin at no more than \$35 per product. The settlement also requires text alerts to consumers at pharmacy counters and certain charitable donations directly from Novo Nordisk to needy

consumers. This settlement resolves the Office’s litigation against all three major insulin manufacturers in the country (Eli Lilly, Sanofi, and Novo Nordisk) and ensures that nearly all insulin products will be available to Minnesotans at no more than \$35 a month for five years.

FRAUDULENT MARKETING PRACTICES OF OPIOID MANUFACTURERS AND DISTRIBUTORS

The national opioid epidemic continues to ravage the nation, including in Minnesota where 1,011 Minnesotans died from opioid-related overdoses in 2023 and more than 7,000 Minnesotans have died since 2010. The actions the Office has taken against companies that caused this harm include:

- ***State of Minnesota v. Purdue Pharma L.P., et al.*** In July 2018, the Office filed suit against OxyContin manufacturer Purdue Pharma, alleging that Purdue misrepresented the risks of opioid addiction and the benefits of long-term opioid use. In August 2019, the Office filed an amended complaint adding members of the Sackler family, the owners of Purdue Pharma, as co-defendants. Purdue filed for bankruptcy in September 2019, which eventually led to a negotiated bankruptcy plan with Purdue and the Sackler family. The bankruptcy plan was appealed, however, and in June 2024, the U.S. Supreme Court invalidated the bankruptcy plan. After mediation and negotiation throughout 2024 and 2025, the States reached a settlement with the Sacklers and a new bankruptcy plan was introduced in spring 2025. The settlement follows the structure of previous opioid settlements in that the more states and local governments that join, the higher the settlement payments. The Office joined the settlement, which will require court approval. The local government sign-on period is underway, as is the bankruptcy confirmation process. The Office expects to receive approximately \$59 million from the settlement and bankruptcy, which will be distributed pursuant to the Office’s previously reached Memorandum of Agreement with local governments.
- **Secondary Opioid Manufacturers Settlements.** In July 2025, the Office joined a nationwide multistate settlement with the following eight opioid manufacturers: Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, and Zydus. The settlements follow the structure of previous opioid settlements, requiring local governments to release claims to obtain the maximum available settlement funds. The local government sign-on period is underway. The Office expects to receive approximately \$9 million from the settlement, which will require court approval.

In total, Minnesota is projected to receive approximately \$633 million from the Office’s settlements with opioid companies.

PROTECTING THE RIGHTS OF BORROWERS AND DEBTORS FROM DECEPTIVE AND UNLAWFUL MORTGAGE, CREDIT, AND DEBT COLLECTION PRACTICES

The Office continues investigating violations of the consumer-protection laws in the residential rental marketplace and with respect to higher education and student loans.

- ***State v. GoodLeap LLC, et al.*** The Division continues to litigate a groundbreaking lawsuit filed in 2023 against four finance companies that dominate the market in financing purchases of residential solar panels. The lawsuit alleged that the lenders deceived Minnesota consumers into taking out loans based on false promises of low interest and disguised hidden fees on more than 5,000 solar-panel purchases in Minnesota. Most of the hidden fees increased the costs that borrowers incurred by between 15% and 30%, for a total of \$35 million. The fees, which the lenders pocketed, often canceled out the benefit of federal tax credits designed to reduce the cost of and incentivize solar-panel purchases for Minnesota consumers. In the lawsuit, the Office alleges the lenders violated Minnesota state laws against deceptive trade practices, deceptive lending, and illegally high rates of interest. Jurisdictional issues surrounding the suit were resolved in January 2025 and the case is proceeding through discovery.
- ***State v. Wall & Associates et al.*** The Office filed a lawsuit against a tax debt settlement company named Wall & Associates, as well as its owner and founder, E. Kenneth Wall, and the Chief Executive Officer and President, P. Mark Yates. The lawsuit alleged that defendants misled and deceived Minnesota consumers by advertising that the company’s average client obtained a 90% reduction in their tax debt, that the company employed attorneys, was a local company, and assisted with unfiled tax returns—none of which is true. The Office brought the matter to trial in January 2024 and prevailed in full. The district court awarded injunctive relief, \$2,734,024.67 in restitution, and \$1,409,767.00 in civil penalties. The district court also permitted the Office to petition for its fees and costs, and the court’s order is expected in October 2025.
- **Investigation of Mayo Clinic’s Charity Care Practices and Hospital Agreement Compliance.** By law, nonprofit hospitals are required to provide financial assistance, known as “charity care,” to patients who meet certain eligibility criteria. After reporting revealed that Mayo took aggressive action—including filing suit and garnishing wages—to collect medical debt from patients who may have qualified for free or reduced care, the Office investigated Mayo Clinic’s charity care practices. In March 2025, the Charities and Consumer Protection Divisions of the Office spearheaded a settlement with Mayo Clinic in which Mayo agreed to reform its charity care and debt collection practices, including streamlining its application process, provide charity care to certain presumptively eligible patients, and cease filing lawsuits to collect medical debt except in extraordinary circumstances. The Office also published a report detailing its investigative findings and advocating for legislative changes to make charity care more accessible to Minnesotans. As a result of the investigation and Mayo’s cooperation, the percentage of Mayo’s operating expenses provided to charity care in 2024 rose to the highest level in more than five years.
- ***State v. MV Realty MN, LLC et al.*** In September 2024, the Division filed suit against MV Realty, its parent company in Florida, and one of its owners for deceptively selling contracts for future real estate services to consumers. In December 2024, the Division won a temporary injunction halting MV Realty’s exercise of their deceptively-obtained contracts, and in April 2025 the Division obtained a consent judgment which: nullifies the contracts obtained by the company; requires the company to affirmatively terminate

documents recorded on consumers' homes upon request, which the Division facilitated with consumers and county recorders; provides restitution for individuals penalized for selling a deceased loved one's home; and imposes a penalty and injunctive relief against the owner-realtor for violating state law. The consent judgment also restricted future activity of the business and its owners in Minnesota.

- **Edina Realty Settlement.** In November 2024, the Division settled its investigation into the secret payments Edina Realty, Inc. received from Home Security of America, Inc. ("HSA") in exchange for promoting HSA's home warranties to Edina's customers. The Division alleged that Edina's contracting to receive secret payments to promote HSA's services violated the fiduciary duties Edina owes its clients. Under the settlement, Edina paid \$3.5 million to provide refunds to certain Edina clients who purchased an HSA home warranty. The settlement also requires Edina to end its contractual relationships with any third parties that pay Edina to promote their products to Edina's clients, and to not enter into any new such relationships. The Division also alleged that Edina deceptively lent its name and trademark to HSA in marketing home warranties to Edina's clients, which may have led some consumers to believe that HSA's home warranty service contracts were in fact Edina products. Under the settlement, Edina is also prohibited from licensing its name or trademark to any third parties that market their services to Edina's clients.
- ***State v. LDF Holdings.*** In November 2024, the Division filed a consent decree with a group of online lending companies under the umbrella of LDF Holdings LLC. The Division's investigation concerned the online lenders' practice of charging exorbitant interest on small loans in violation of Minnesota usury laws and misleading consumers concerning the loans' validity and repayment obligations. The consent decree stops the lenders from further engaging in predatory online lending in Minnesota and cancelled Minnesotans' debt obligations totaling nearly \$800,000. The action was limited to securing injunctive relief because of the tribal status of the lenders' owner.
- ***CFPB v. Strategic Financial Solutions, LLC, et al.*** In January 2024, the Office—alongside the Consumer Financial Protection Bureau and six other states—took action against a series of interrelated companies and their owners operating a debt settlement scheme that scammed consumers nationwide out of more than \$1.1 billion in illegal fees. The lawsuit—filed in federal court in the Western District of New York—alleges that the companies represented to consumers—including thousands of Minnesotans—that a law firm would negotiate settlements of their debts. In reality, the law firms were a façade used to evade consumer protection laws. Instead of getting their debts settled consumers were left worse off, often paying tens of thousands of dollars in fees for no relief, and even facing lawsuits from their creditors. The Office obtained a preliminary injunction order from the Court, prohibiting Defendants from collecting any additional fees until the lawsuit is over. The preliminary injunction was affirmed on appeal and the litigation continues.
- **Timeshare Exit Scams.** In January 2025, the Division announced settlements with three different companies—Encore Law Inc., Last Resort Consulting, and Tradebloc—which purported to offer "timeshare exit" services that charge thousands of dollars based on promises to relieve Minnesotans from timeshare debts. In doing so, the companies violated

Minnesota’s “debt settlement services” law by, among other things, charging large upfront fees and failing to obtain proper licensing. The Attorney General also investigated potential misrepresentations about the company’s services and statements about expected results. The settlements resulted in \$269,378 in refunds back to consumers.

PROTECTING CONSUMERS FROM FRAUDULENT AND DECEPTIVE MARKETING AND SALES PRACTICES

The Division has and continues to investigate and take action against companies engaged in deceptive marketing practices and unlawful or deceptive practices.

- ***State v. Midwest Car Search, LLC and Scott Spiczka.*** In April 2024, the Division filed suit against used car dealer Midwest Car Search and its owner, Scott Spiczka, alleging that they: (1) falsely advertise and misrepresent that Midwest Car Search’s used cars are certified; (2) misrepresent the cost, availability, and optional nature of expensive vehicle service contracts; (3) misrepresent and fail to honor the warranty coverage consumers are entitled to under Minnesota law; (4) fail to follow “Buyer’s Guide” disclosure requirements; and (5) conduct business under an unregistered assumed name that targets Spanish-speaking consumers. The Division obtained a comprehensive temporary injunction against Defendants in July 2024 enjoining each of these practices. Defendants appealed the temporary injunction, which the Court of Appeals upheld in its entirety, in April 2025. The temporary injunction remains in effect throughout the litigation. Through the lawsuit, the Office seeks an order for permanent injunctive relief, refunds and restitution for consumers, civil penalties, and the Office’s costs of investigation and attorney’s fees. Litigation is ongoing.
- ***State v. Community Blacktop et al.*** In February 2025, the Division filed suit against a scam paving company and its owner, Brandon Michael Ferguson for bilking thousands of dollars from Minnesota homeowners. In the same month, the Office obtained a consent judgment awarding \$100,000 in restitution, requiring the business entity to wind up and dissolve, and restricting Mr. Ferguson’s future activities in the state.
- **Residential Solar Panel Installer Settlements.** In May 2024 and September 2025, the Office resolved investigations into Sun Badger Solar and Everlight Solar, respectively, for deceptively selling residential solar arrays to consumers. Sun Badger entered receivership and dissolved; the Office’s resolution with its officers, Kris Sipe and Trevor Sumner, restricted their future activities in Minnesota. Everlight Solar agreed to make a restitution payment to the State and also agreed to injunctive relief requiring additional oversight and training.

FALSE CLAIMS MADE AGAINST THE STATE

The Division has and continues to investigate and take action against persons that knowingly present or cause to be presented false or fraudulent claims for payment or approval to the State, pursuant to Minnesota’s False Claims Act, Minnesota Statutes chapter 15C.

Below is a *representative sample of some but not all* False Claims Act investigations and suits brought or resolved by the Division in FY 2025:

- ***U.S. ex rel. Dixon v. Anderson Brothers Construction Co. of Brainerd, LLC.*** The Division partnered with the United States Attorney’s Office for the District of Minnesota, Department of Justice, United States Department of Transportation, Office of Inspector General, and the Minnesota Department of Transportation to investigate allegations made by a *qui tam* Relator that Anderson Brothers Construction had falsified and/or altered numerous asphalt tests to conceal failing materials and to qualify to receive incentives (or avoid deductions and other negative consequences) on numerous federal, state, and local asphalt construction projects. This investigation resulted in a consent judgment whereby Anderson Brothers agreed to pay the State \$634,484.90, and also agreed to certain injunctive relief, including entering into a Compliance Monitoring Agreement with the Minnesota Department of Transportation.
- ***State of Minnesota ex rel. Pugh v. Sun Communities.*** The Division investigated allegations made by a *qui tam* Relator that Sun Communities had submitted and/or caused to be submitted false claims to the Minnesota Housing Finance Agency in connection with its RentHelpMN program. In June 2025, the Office entered into a consent judgment with Sun Communities, in which Sun Communities agreed to pay the State \$135,000, of which \$33,824.09 was restitution to Minnesota Housing Finance Agency.
- ***State of Minnesota ex rel. Dahl and Adams v. Monarch Investment and Mgmt. Group, LLC, et al.*** The Division investigated allegations made by *qui tam* relators that Monarch Investment and Management Group and affiliated landlords had submitted and/or caused to be submitted false claims to the Minnesota Housing Finance Agency in connection with the RentHelpMN program. In August 2025, the Division filed a Complaint in Intervention, which alleged that Monarch and its affiliates violated the False Claims Act by submitting \$259,000 worth of false and fraudulent claims to the Minnesota Housing Finance Agency in connection with the RentHelpMN program between 2021 and 2022. The Complaint also alleges that the companies charged tenants numerous illegal, deceptive, and excessive fees in violation of Minnesota’s consumer protection laws. The Complaint seeks injunctive relief, restitution for tenants, treble damages for the companies’ false claims, as well as civil penalties costs, and fees. Litigation is ongoing.

WAGE THEFT DIVISION

The Wage Theft Division’s goal is to protect and advance the economic rights of all Minnesotans by investigating and litigating cases involving unlawful patterns and practices affecting economic rights that cause workers in Minnesota not to receive the wages they have earned. The Division enforces the law for all Minnesotans, with a focus on protecting low-wage Minnesota workers in numerous industries from unlawful labor and wage practices.

The Division reviews complaints from the public, monitors labor and employment issues, and engages in dialogue with other governmental entities, community groups, labor, and the

business community to increase awareness of economic-rights issues and to identify unlawful practices. The Division is deepening partnerships with local, state, and federal agencies to strategically enforce the law to achieve maximum compliance. In doing so, the Division provides benefits for workers whose rights have been violated and employers who follow the law. The Division is engaged in numerous non-public investigations related to violations of Minnesota's wage and hour laws. These nonpublic investigations include issues related to worker misclassification, nonpayment of overtime, and failure to pay the applicable state and local minimum wage.

In 2025, the Division, in partnership with Minnesota agencies tasked with misclassification enforcement (Department of Labor and Industry, Department of Revenue, Department of Commerce, Department of Employment and Economic Development), presented to the legislature's labor committees on employment misclassification. Misclassification continues to be a significant problem in Minnesota. Between September 2024 and September 2025, this Division spent nearly 42% of its time working on misclassification cases through intake, investigation, and litigation. Misclassification hurts workers, disadvantages law abiding employers, and reduces revenue for the State.

Below is a *representative sample of some but not all* legal work performed by the Wage Theft Division in FY2025.

- ***State v. Shipt, Inc.*** In October 2022, the Division filed suit against Shipt, Inc., alleging that Shipt misclassified its workers as independent contractors and failed to pay them the appropriate wages and benefits that are owed employees under Minnesota and local laws. The lawsuit alleges that by misclassifying its workers—known as “Shoppers”—Shipt has deprived thousands of Shoppers in Minnesota of state and local minimum-wage protections, local sick- and safe-time protections, overtime protections, and state law protections that guarantee employees know with certainty what they will be paid for the work they perform. In September 2025, the Attorney General reached an agreement with Shipt to settle the lawsuit. As part of the settlement, Shipt will pay \$800,000 to the State of Minnesota and must improve working conditions for Shoppers in numerous key ways including more transparency into shopper deactivation, the provision of Occupational Accident Insurance at no cost to shoppers, an electronic process for disputing customer reviews, and Shipt may not keep any Shopper tips.
- ***State v. Evergreen Acres Dairy LLC (Nonpayment of Wages, Nonpayment of Overtime, Unauthorized Deductions, Landlord-Tenant Related Issues)***. In September 2024, the Office agreed to a settlement with Evergreen Acres Dairy. The Attorney General alleged in a January 2024 civil lawsuit that Evergreen was systematically depriving its vulnerable, low-wage dairy employees of wages they earned by shaving both regular and overtime hours from employees' paychecks, not paying wages owed at the beginning and end of employees' employment, and deducting rent for substandard onsite housing. Under the terms of the settlement, Evergreen paid \$250,000 to be distributed to workers and will continue to improve its housing. Additionally, Evergreen is subject to three years of monitoring by the Attorney General to ensure that they comply with the law and the terms of the agreement.

- ***In the Matter of Madison Equities et al.*** After receiving reports of failure to pay overtime from numerous security guard hourly workers, the Division launched an investigation into Madison Equities, a property management company that has significant property holdings in St. Paul through a number of subsidiaries. Madison Equities refused to produce responsive information, and the Division moved to compel compliance in district court. After lengthy litigation, the Division prevailed before the Minnesota Supreme Court and secured an opinion reaffirming the Attorney General's broad investigative authority. Subsequently, Madison Equities produced relevant information about its overtime payment practices. After completing its investigation, in June 2023, the Division filed a lawsuit against Madison Equities alleging that the company used its subsidiaries to avoid paying workers the overtime wages they are owed. In November 2023, the Court granted Madison Equities' motion to dismiss the complaint on the basis that the overtime claims were barred by the statute of limitations and the retaliation statute did not apply to former employees. The Division appealed to the Court of Appeals who reversed the district court's determination that whistleblower protections do not extend to former employees. However, the Court of Appeals affirmed the district court's determination that pendency and equitable tolling did not apply, specifically stating that there was a lack of precedential caselaw in the area. The Division further appealed to the Minnesota Supreme Court and oral argument was held on May 6. The Division is awaiting the Court's decision.

OUTREACH

The Division's work also includes educational outreach to Minnesotans around the state and collaboration with stakeholders on important public policy issues. For example, the Division has played a significant role in the Attorney General's Advisory Task Force on Worker Misclassification, and the Misclassification Enforcement and Education Partnership, both of which bring together multiple state agencies to tackle the pervasive problem of employee misclassification. The Division has also contributed to the Labor Advisory Council to raise awareness of and improve the use of the criminal wage theft statute by criminal law enforcement agencies.

In addition to partnering with government partners, the Division continues to perform outreach with various communities throughout Minnesota to educate them on their employment rights. These outreach meetings have often been in conjunction with grassroots nonprofit organizations with whom the Division has developed relationships. The Division has also educated employer stakeholders on wage issues, to ensure that workers have access to as much information as possible to be in compliance with the law.

ANTITRUST DIVISION

Since the Office received funding to add two additional antitrust assistant attorneys general as a result of the 2023 Legislative session, allowing for the creation of a separate Antitrust Division with six attorneys, the Division has been able to undertake more investigations and enforcement actions. Such investigations and enforcement actions continue to focus on industries important to Minnesota, including agriculture, healthcare, food, and technology, among others, and include

enforcement of the 2023 law requiring pre-merger notification of certain healthcare transactions, the non-compete ban in employment contracts, and the Digital Fair Repair Act.

Below is a *representative sample of some but not all* legal work performed by the Antitrust Division in FY2025.

- **Agri Stats Lawsuit.** On November 6, 2023, Minnesota joined the U.S. Department of Justice and six other state Attorneys General in a lawsuit filed in the District of Minnesota against Agri Stats. This company collects information from meat processors (broiler chicken, pork, and turkey) and creates and distributes comprehensive reports detailing competing processors' pricing, margins, inventories, and operations. The lawsuit alleges Agri Stats violated Section 1 of the Sherman Act through these anticompetitive information exchanges of competitively sensitive information among competing meat processors. Specifically, Agri Stats enables and encourages processors to use the information exchanges to weaken competition, curb production, and increase prices for purchasers. This harms customers, including grocery stores, and American families as they face higher prices that are not based on legitimate competition. Motions by Agri Stats to transfer venue and dismiss the complaint were denied on May 28, 2024. Fact discovery has now ended, and expert discovery is underway. The Court has ordered a trial-ready date of December 3, 2025.
- **Health Care Entity Transaction Law.** On May 26, 2023, Governor Walz signed into law that specifies reporting requirements for certain health care entity transactions. These requirements took effect immediately. The Antitrust Division is responsible for oversight of for-profit health care transactions and has joint responsibility with the Charities Division for oversight of non-profit health care transactions, all in consultation with the Minnesota Department of Health. Proposed health care transactions that meet the threshold requirements must submit certain information to the Office at least 60 days before the transaction closes. If the Attorney General finds that the proposed transaction does not comply with the charities, antitrust, or public interest standards outlined in the law, the Attorney General may bring a lawsuit to seek to stop the transaction. Since the new law went into effect, the Office has received 13 notices of transactions. As one example, the Office reached a five-year oversight agreement with Wisconsin-based Aspirus Health and St. Luke's Hospital of Duluth, following review of the proposed acquisition of St. Luke's by Aspirus. The agreement requires Aspirus to provide to the Attorney General annual reports on the commitments the systems have made in their merger. The first of these reports was received in February 2025 and helps the Office monitor whether Aspirus is following through on its commitments to St. Luke's and help the Office determine whether the transaction continues to be compliant with charities and antitrust laws and is in the public interest. The Office continues to do outreach and education on this law both nationally and locally. The Office continues to do outreach and education on this law both nationally and locally.
- **Pesticides Lawsuit.** On September 29, 2022, Minnesota joined the Federal Trade Commission and nine other states in bringing an antitrust lawsuit against Syngenta and Corteva in the United States District Court for the Middle District of North Carolina. The

lawsuit alleges that Syngenta and Corteva used “loyalty programs” for their branded pesticide products to suppress competition from generic pesticide manufacturers. Minnesota seeks injunctive and monetary equitable relief, including disgorgement of defendants’ ill-gotten profits on behalf of Minnesota farmers. On January 12, 2024, the Court denied Defendants’ motions to dismiss. Fact discovery has now ended. The parties are conducting expert discovery and will be submitting summary judgment briefing November 2025 through February 2026.

- **Generic Drug Price Manufacturers Lawsuit.** Minnesota and a coalition of states and territories brought three complaints in federal court against numerous generic-drug manufacturers and executives. The first complaint is against 18 pharmaceutical companies and two individuals. Two former executives from Heritage Pharmaceuticals entered into settlement agreements and are cooperating with the attorneys general in that case. The second complaint is against 20 pharmaceutical companies and 15 individuals. The third complaint was brought in June 2020 and is against 26 pharmaceutical companies and 10 individuals. All three complaints allege that the defendants violated state and federal antitrust laws by conspiring to fix prices and allocate markets for more than 180 generic drugs. The lawsuits seek injunctive relief, civil penalties, damages, and disgorgement. As part of this relief, the Office is seeking damages on behalf of four state agencies that paid higher prices because of the conspiracy. Following the conclusion of most of the states’ bellwether fact discovery in 2023, the case was remanded back to the District of Connecticut in early 2024 pursuant to the State Antitrust Enforcement Venue Act. The parties are currently submitting summary judgment briefing and preparing for a bellwether trial. On August 12, 2025, the Court granted final approval of a settlement between the Connecticut led State Attorney General group, including Minnesota, and Apotex Corp. for \$39.1 Million, with a portion of the settlement allocated to consumers for their overpayments of certain drugs. On April 1, 2025, the Court granted final approval of a settlement between the same State Attorney General group and Heritage Defendants (Heritage Pharmaceuticals Inc., Emcure Pharmaceuticals Ltd., and Satish Mehta) for \$10 million, with a portion set aside for future allocation. Mediation continues with the remaining Defendants.
- **Apple Lawsuit.** On March 21, 2024, Minnesota joined the U.S. Department of Justice and 11 other states in a lawsuit filed in federal court in New Jersey against Apple, alleging that Apple has engaged in attempted monopolization and monopoly maintenance in the U.S. “premium smartphone” market (all iPhones are “premium smartphones”) by restricting or blocking the functionality of third-party apps on Apple’s operating system, iOS, deliberately making messaging between iPhone and Androids worse, and suppressing development of potentially popular third-party apps. In July 2025, the Court denied Apple’s motion to dismiss the complaint. Discovery commenced. Minnesota is co-lead with New Jersey for the States.
- **Google Lawsuits.** Minnesota is participating with a large coalition of states from across the country in three separate lawsuits against Google. The first lawsuit relates to Google controlling in-app purchases through its Play Store, the only practical way to acquire new apps on Android-powered mobile devices, with parties reaching a proposed settlement in

December 2023. Google agreed to pay \$700 million with \$630 million going to consumers who made purchases on the Google Play store between August 2016 and September 2023. The proposed settlement is still pending before the Court because of related lawsuits against Google having an impact on the Court's evaluation of the proposed settlement. The second lawsuit alleges anticompetitive conduct to maintain Google's monopolies in web search and related advertising. After a multi-week bench trial to determine liability in the District of Columbia, on August 5, 2024, the Court ordered that Google was a monopolist violating antitrust laws in the search engine market. A three-week remedies phase trial was held in the spring of 2025 to determine what remedies the Court may order to stop and prevent future antitrust violations. The Court issued an order on September 2, 2025, outlining specific remedies that will likely face appeals before implementation. The third lawsuit, filed in the Eastern District of Virginia in January 2024, challenges Google's conduct for a set of ad tech tools and exchanges that connect advertisers to websites where they want to display their ads. Trial was held in September 2024. In April 2025, the Court ruled that Google had violated antitrust laws as to certain of the ad tech markets identified and the remedies trial is scheduled to begin September 22, 2025.

- **Amazon Lawsuit.** In September 2023, Minnesota, along with the Federal Trade Commission ("FTC") and a coalition of 16 other states, filed a complaint challenging various Amazon practices that maintain its customer-facing online superstore monopoly and its monopoly in the online marketplace services that it provides to third-party sellers. The lawsuit alleges that Amazon's actions allow it to stifle innovation and competition, degrade quality for shoppers, overcharge sellers, and prevent rivals from fairly competing against Amazon. On September 30, 2024, the Court generally denied Amazon's motion to dismiss the lawsuit, allowing the majority of the claims the FTC and States brought under the Sherman Act, the FTC Act and applicable state laws. Discovery has commenced. A bench trial is scheduled to begin on February 9, 2027.
- **Live Nation/Ticketmaster Lawsuit.** On May 23, 2024, the U.S. Department of Justice and a bipartisan coalition of more than 30 states sued alleging Live Nation, owner of Ticketmaster, has illegally monopolized the live-entertainment industry in violation of federal and state antitrust laws. The lawsuit alleges that Live Nation locked up venues through restrictive long-term, exclusive agreements and threatened venues loss of access to Live Nation-controlled tours and artists if they sign with a rival ticketer and leveraged its extensive network of venues to force artists to select Live Nation as a promoter. It also alleges that consumers pay more for live entertainment because of Live Nation's misconduct. The lawsuit seeks a ban on anticompetitive practices, divestment of Ticketmaster, and monetary remedies. Discovery has commenced. On March 14, 2025, the Court denied Defendants' motion to dismiss the case. Trial is anticipated for March 2026.
- **RealPage Lawsuit.** On August 23, 2024, Minnesota joined the U.S. Department of Justice ("DOJ") and seven states in suing RealPage alleging the company's pricing algorithm violates antitrust laws. In January 2025 DOJ and states filed an amended complaint adding claims against certain landlords. The lawsuit alleges that RealPage facilitates anticompetitive information exchanges of nonpublic, competitively sensitive information

about rental rates and other lease terms to train and run RealPage's algorithmic pricing software which competing landlords then use in apartment pricing. The lawsuit also alleges RealPage monopolizes the market for commercial revenue-management software that landlords use to price apartments. The Defendants' motion to dismiss is pending. Discovery is ongoing.

- **John Deere Right to Repair Lawsuit.** In January 2025, Minnesota joined the Federal Trade Commission and four other States in suing Deere for restrictive repair practices that increase repair costs and restrict farmers' ability to repair equipment or choose repair options independent of authorized Deere dealers. The Court denied Deere's motion for judgment on the pleadings in June 2025. Discovery is ongoing.
- **GTCR/Surmodics Merger Challenge.** Minnesota joined the Federal Trade Commission and Illinois in an action challenging a merger of the two largest manufacturers of medical device coatings. The complaint alleges that a merger of Biocoat, owned by private equity company GTCR, and Surmodics, a Minnesota based company, would result in control of 60% of the hydrophilic coatings market leading to increased concentration, decreased competition, and less innovation in a critical market. In turn, the acquisition would harm medical-device manufacturers, patients, and Minnesota's economy. Government plaintiffs sought a preliminary injunction at an eight-day bench hearing in the Northern District of Illinois that concluded on September 2, 2025. Proposed findings of fact and conclusions of law were submitted to the Court on September 12, 2025. A decision is expected before the end of the year.
- **Agricultural and Food Industry Practices and Pricing.** The Division continues to focus its resources on issues of particular importance to farmers, the agricultural and food sectors, and rural Minnesotans. Although details of many of the Division's investigations remain confidential and non-public, the matters involve important aspects of the livestock and other protein production, food supply chain, and other agricultural and food products of importance in Minnesota. The Division has also led multistate and bipartisan advocacy to the USDA supporting rules that would improve competition in Minnesota's agricultural and food industries. For example, Minnesota was part of a small group of state attorneys general leading participation in a USDA Agriculture Antitrust Competition Partnership providing \$12 million in funds administered by The State Center to support state attorneys general initiatives such as investigations, research, and studies. Minnesota sponsored two funding requests coordinating with the University of Minnesota Rural Extension to conduct surveys of independent meat processors across the state and host the Rural Grocers Summit in Fargo, ND in 2026. The USDA, after the change of presidential administration, withdrew its participation effective September 1, 2025. Expenses incurred up to that date are anticipated to be reimbursed, but any expected expenses after that date that were part of the funding requests will not. The Office is working with affected programs to minimize the impact. The Office is still working with the organizers of the Rural Grocers Summit to have State AG participation to discuss competition issues facing rural grocery markets.
- **Labor Practices and Protections.** The Division continues to focus its resources on issues of particular importance to workers. Although details of many of the Division's

investigations remain confidential and non-public, the matters involve important aspects of ensuring competition for wages, benefits, and opportunities. The Division also monitors compliance with Minnesota’s ban on certain non-competes effective since July 1, 2023.

OUTREACH

The Division has been engaged in outreach to state and federal agencies and other constituents about antitrust issues and concerns. For example, the Division assisted in organizing and hosting the Office All-Day CLE “Price, Access, and Power: Exploring Grocery Costs, Food Access, and Competition” on June 12, 2025.

Attorneys in the Division have also conducted the following outreach:

- Presented on a panel on compliance proposed state antitrust bills at a CLE hosted by the MSBA Antitrust Section;
- Presented on panels discussing state health care entity transaction compliance at an American Health Law Association conference;
- Appeared on panels at the American Bar Association Antitrust Section Spring Meeting on State antitrust enforcement generally and criminal antitrust enforcement;
- Participated in various agriculture forums providing education and addressing constituent questions; and
- Wrote articles for various antitrust publications on current antitrust issues.

CIVIL RIGHTS DIVISION

During fiscal year 2025, the Civil Rights Division continued to investigate fraud against tenants as well as enforce the consumer protection and human rights laws for home purchasers and other consumers in the marketplace that were targeted for—or disproportionately harmed by—discrimination and fraud on the basis of race, religion, age, and other protected statuses.

Below is a *representative sample of some, but not all, (non-confidential)* work performed by the Division in FY 2025.

- ***In re Matter of Daniel Patrick Brown and DPB Legal, PLLC.*** The Civil Rights Division began investigating immigration attorney Daniel Brown, of DPB Legal, PLLC, for defrauding approximately 100 Somali and Ethiopian asylum seekers. The investigation revealed that Brown charged retainer fees and agreed to represent the immigrants without having the legal knowledge or capacity to represent them. Brown severely affected his clients’ asylum petitions by misrepresenting the asylum process and filing incorrect immigration applications; his actions resulted in his clients not receiving their work authorization permits. When his clients learned that their attorney was not representing them appropriately, they terminated his representation and requested their retainer fees back, which Brown refused to return despite not having earned the fee and having misrepresented the asylum process to them. The Civil Rights Division secured an

Assurance of Discontinuance with Brown requiring him to return over \$100,000 to former and current clients and forbidding him from engaging in similar fraud in the future.

- ***State of Minnesota v. Abdiwali Abdullahi and Nolosha Development, LLC.*** The Civil Rights Division received a tip from a former employee that Abdiwali Abdullahi and his company, Nolosha Development, LLC, were defrauding over 100 Minnesotans by lying about developing a new community in Lakeville. The Division's investigation revealed that Abdullahi had charged over 160 Somali families approximately \$25,000 by misrepresenting that he would build them a large single-family home in a community with amenities desired by the Somali community and would do so by offering no-interest payment plans with affordable monthly payments. In contradiction to his representations, Nolosha did not own the parcel of land that it represented it owned, could not build single-family homes on the parcel due to density requirements, and had no ability to offer such financing incentives. Although customers were told that they could move into their new homes in the fall of 2023, as of 2024 there was no progress on developing the land and customers' requests for refunds were denied or ignored by Nolosha. The Division brought two legal actions against Abdullahi and Nolosha; the first was to compel their compliance with the Division's investigation and the second was to enforce the State's consumer-protection laws and obtain remedies for the customers who had been defrauded. In July 2025, the court ruled in the Office's favor and entered judgement against Abdullahi and Nolosha, ordering them to refund their customers' deposits and cease misrepresenting their property development plans.
- ***In re Matter of Sela Investments, Ltd, et al.*** The Civil Rights Division investigated and secured an Assurance of Discontinuance from Sela Investments, a large multifamily housing provider in the metro area, regarding its security deposit practices. In 2024, community activists reported to the Office that Sela withheld security deposits and charged false or inflated damage fees to many Afghan refugee families who had been resettled in Minnesota by the U.S. Government. The Division's investigation showed that Sela rented homes to hundreds of Afghan families whose security deposits and rent were paid by aid agencies and non-profits beginning in fall 2021 when they were released from military bases. However, when the families were settled in Minnesota and moved out of Sela's units, it repeatedly retained the families' security deposits without complying with Minnesota's security deposit law and withheld illegal amounts from their deposits. The Assurance of Discontinuance provides for refunds for affected families.

RESIDENTIAL UTILITIES DIVISION

The Residential Utilities Division ("RUD") represents the interests of residential and small-business utility consumers in the complex and changing electric, natural gas, and telecommunications industries, particularly with regard to utility rates, reliability of service, and service-quality issues. The Division's work supports Minnesota's economy and quality of life by making sure that utilities' rates are reasonable, their expenses are prudent, and that customers receive high-quality service. This is essential to ensure that the state's citizens and small businesses are not burdened by excessive costs or poor reliability for these necessary services.

Below is a *representative sample of some but not all* legal work performed by the Division in FY 2025.

- **Utility Rate Cases.** Utility rate cases are the primary means for the Public Utilities Commission (“PUC”) to establish the amount that utility customers pay. The PUC decides how much utilities should recover for providing electric or natural gas service, the amount that different ratepayer groups pay (i.e. residential customers, industrial customers, commercial customers etc.), and how much of these costs will be “fixed” or vary with the amount of energy consumed. This past year, RUD participated in several rate cases by challenging the overall rates the utilities sought to impose on customers, as well as the portion of those increases that would be borne by residential and small business ratepayers and the fixed charges these customers must pay to simply access utility service. These cases impacted customers throughout the state.

RUD entered into settlements with CenterPoint Energy and Dakota Electric Association to significantly lower these utilities’ proposed rate increases. For CenterPoint’s multi-year rate request, the settlement reduced the proposed increase for residential customers from 11% to 5% to be instituted over two years. The settlement with Dakota Electric Association reduced the proposed increase for residential customers from 13% to 8% and included requirements that the Association not seek recovery in the future for expenses for contributions to unregistered, non-exempt charities or expenses for alcoholic beverages.

- **Encouraging Responsible Resource Planning and Fair Resource Acquisitions.** To provide safe and reliable service, electric utilities must show that they have a need to build or acquire electric generation resources. Utilities may do this through an integrated resource plan, if the utility follows an approved bidding process to acquire the resource, or by filing a certificate of need with the PUC. To meet these needs while maintaining just and reasonable rates, the cost for building or acquiring these resources must be reasonable and include safeguards against cost increases. RUD participates in resource planning and acquisition proceedings to ensure that utilities are building or acquiring only the resources that they need and that utility customers are getting the best deal when a utility shows it needs additional generation resources. In Otter Tail Power’s integrated resource plan, the PUC adopted RUD’s recommended parameters for a resource acquisition process that ensured a sufficient number of bids were evaluated and protections put in place to prevent the utility from favoring its own projects. In Xcel’s integrated resource plan, RUD proposed additional requirements before increased costs are approved in negotiated power purchase agreements, and the PUC agreed to these additional processes. The PUC also adopted RUD’s recommendation that Xcel be required to file a certificate of need for a proposed utility-built gas plant. A certificate of need will require Xcel to make additional showings that it needs the gas plant to serve its customers and the cost of constructing the gas plant is reasonable versus alternatives.
- **Utility Consumer Protections.** In addition to working to make utility rates affordable, RUD advocates for consumer protections in the provision of electric and gas utility service by ensuring customer choice and transparency. Xcel Energy and Otter Tail Power have

recently proposed time-of-use rates, rates that vary depending on what time of day electricity is consumed, to be implemented for residential customers. While time-of-use rates can lower bills for many residential customers, others are not able to shift their usage and their bills can increase. This past year, the PUC agreed with RUD's recommendation that customers must affirmatively elect to participate in the proposed time-of-use rates, rather than customers being required to opt-out of a default time-of-use rate. Also, this year in response to a consumer complaint, the PUC agreed with RUD recommendation that CenterPoint Energy separate its bills for gas service from its unregulated HomeService Plus plans and provide new disclosures to its customers regarding the unregulated side of its service offerings. Separate bills and the new disclosures provide more clarity to struggling utility customers to determine which charges they are required to pay for to prevent disconnection of gas service.

LITIGATION SUPPORT SERVICES & RECORDS DIVISION

The Litigation Support Services & Records Division is a specialized team that supports the entire Attorney General's Office and is dedicated to streamlining and optimizing the legal process through expert handling of eDiscovery, legal research, and records management. This Division plays a pivotal role in supporting legal teams by providing crucial services and using technology to enhance the efficiency and effectiveness of litigation.

Litigation Support. eDiscovery is a core function of the Division, including the identification, collection, and presentation of electronic data relevant to legal cases. The Division employs advanced tools and techniques to manage vast amounts of digital information. The Division manages terabytes of data, consisting of tens of millions of documents, and processes several hundred document productions each year. The Division also assists with graphic design needs and trial presentation.

Law Library. The AGO law library is a specialized library designed to support AGO staff. Library staff provide legal research assistance and provide access to a wide range of resources including books, journals, databases, and other reference materials.

Data Requests & Records. The Division also oversees records management, focusing on organization, storage, and retrieval of records. This includes implementing records retention policies and employing technology for efficient data management. This team also manages the AGO's data practices work. This includes housing the AGO's Data Practices Compliance Official, responding to data requests under the Minnesota Government Data Practices Act, providing consultation on data practices issues for attorneys representing other government entities, and training staff on their responsibilities as to the management and security of data.

Timekeeping & Client Billing. The Division also coordinates time keeping records for legal cases and prepares monthly billing reports for client agencies.

CONSUMER LITIGATION FUND

The Consumer Litigation Fund ("CLF") was established as a special revenue fund in the state treasury effective July 1, 2023. Minn. Stat. § 8.315 (2024). Subdivision 3 of the law requires a report annually by October 15 on activities funded through money disbursed from the CLF account during the prior fiscal year. *Id.* The tables below provide information on expenditures approved for disbursement from the CLF in FY 2025.

Table 1: CLF Balance Summary

	FY 2025
Fund starting balance	\$911,169.03
Fund ending balance	\$680,040.62

Table 2: Expenditure Summary

Category	Amount
Printing services	\$257.11
Expert contract payments	\$163,802.50
Mediation costs	\$2,960.00
Court reporting and transcription contract payments	\$61,761.43
Translation services	\$300.00
Local counsel	\$920.00
Court filing costs	\$1,127.37
Total	\$231,128.41

SOLICITOR GENERAL SECTION

EMPLOYMENT, TORTS, AND PUBLIC UTILITIES COMMISSION DIVISION

The Employment, Torts, and Public Utilities Commission Division (“ETP”) defends the duly enacted laws of the State of Minnesota; represents the State in employment and tort claims brought against the State; and provides legal representation to the Public Utilities Commission (“PUC”).

In each of these three areas, a *representative sample of some but not all* the major current and future legal issues that the Division has addressed in FY 2025 include:

EMPLOYMENT AND TORT CLAIMS

Employment litigation often includes claims against the State under the Minnesota Whistleblower statute, Family and Medical Leave Act, Fair Labor Standards, and claims of discrimination and harassment under federal and state anti-discrimination statutes. The Division also provides legal representation to the State in lawsuits involving labor issues.

Tort claims against the State, its agencies, and employees typically arise in the form of personal-injury and property-damage lawsuits. Claims include negligence, medical malpractice, defamation, infliction of emotional distress, assault and battery, excessive use of force, and violations of federal civil rights.

- ***Walters, Joseph v. Minn. Dep’t of Corrections.*** By late fall of 2020, as the COVID-19 virus surged through the Minnesota Department of Corrections (“DOC”) staff and its incarcerated population, the DOC mandated that corrections officers wear N-95 respirators in facilities with outbreaks. Mr. Walters, a corrections officer, disliked wearing personal protective equipment (“PPE”), like goggles, facemasks, and N-95 respirators. This PPE was, at the time, the best-available protection against a highly contagious virus. When the DOC required PPE, Mr. Walters began to complain. He also treated incarcerated persons disrespectfully and denied them items needed to complete therapeutic paperwork. DOC disciplined him. Mr. Walters alleged his reprimand was in retaliation for an OSHA report. The district court granted the DOC’s motion for summary judgment and the Court of Appeals affirmed.

PUBLIC UTILITIES COMMISSION

The Division provides counsel to and defends the PUC when its decisions are challenged in the courts.

- ***Setting Criteria and Standards for Minnesota’s Carbon Free Law (In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon-Free Standard under Minn. Stat. Section 216B.1691).*** The

Legislature authorized the PUC to detail the criteria and standards to be used to measure the efforts of Minnesota’s electric utilities to meet the carbon-free goals set in the 2023 Session. Attorneys in the Division are advising the PUC and representing the agency in court on a sequence of dockets in which the Commission is addressing questions such as which technologies qualify as carbon-free or partially carbon-free, how to measure net market energy purchases from the regional grid operator, and the duration of renewable energy credits. A group of environmental organizations appealed one of these decisions, a November 2024 Commission order authorizing a lifecycle analysis of combusted fuel generation resources that are considered full or partially carbon-free. The Court of Appeals stayed the appeal pending further action by the Commission.

DEFENDING THE DULY ENACTED LAWS OF THE STATE

- ***Minnesota Assn. of Builders and Contractors, et al. v. Keith Ellison, et al.*** Plaintiffs sued to enjoin Section 181.531, which prevents employers from taking adverse actions against employees who object to receiving communications containing their employer’s religious and political opinions when those communications are not related to the employee’s job duties. The district court denied the State defendants’ motion to dismiss but the Eighth Circuit reversed. The Eighth Circuit ruled that the lawsuit could not go forward against the State Defendants because two defendants did not have a sufficient connection to the enforcement of the statute and the Attorney General has no present intention to commence enforcement.
- ***Women’s Life Care Center v. Ellison, et al.*** A group of plaintiffs sued challenging Minnesota’s statutory regime related to reproductive rights and alleged that the State’s approach to abortion violates the federal constitution. Advocating a theory that has no basis in legal precedent, the plaintiffs alleged that abortion is akin to terminating parental rights and that, since Minnesota does not require a judicial process to terminate parental rights prior to a patient receiving abortion care, Minnesota’s laws protecting abortion access should be struck down. The Court granted the State defendants’ motion to dismiss, concluding the plaintiffs lacked standing.
- ***Single-Subject Challenges.*** Two different plaintiffs have asserted challenges to aspects of the 2024 Omnibus bill, alleging that the omnibus violates the “single subject” and “title clause” of the Minnesota Constitution. In the first case, brought by UnitedHealth Group, a state district court judge found no constitutional violation. In the second case, brought by Minnesota Gun Owners Caucus, a state district court judge found the Minnesota Constitution was violated. Appeals are in progress.

ENVIRONMENTAL & NATURAL RESOURCES DIVISION

The Environmental & Natural Resources Division (“ENR”) houses fifteen attorneys, consisting of nine litigators and six transactional attorneys.

LITIGATION WORK

ENR litigators represent state environmental agencies but also bring actions in the name of the State on matters of environmental concern. The affirmative agency litigation work typically arises out of the enforcement and permitting programs of the State’s primary environmental regulators – including the Pollution Control Agency (“MPCA”), Department of Natural Resources (“DNR”), Department of Agriculture (“MDA”), Office of Cannabis Management (“OCM”), Environmental Quality Board (“EQB”), Board of Water and Soil Resources (“BWSR”), and the Board of Animal Health (“BAH”). ENR attorneys also defend these agencies in state and federal district court, appellate, and administrative matters when parties bring actions challenging their programs or actions.

The Division also provides litigation representation for several agencies that are not environmental regulators, but whose work is housed in ENR because of the heavy transactional focus of the agencies’ legal needs. This includes the Department of Administration (“Admin.”), Minnesota Management and Budget (“MMB”), and the Minnesota Housing Finance Agency (“MHFA”).

Below is a *representative sample of some but not all* legal work performed by ENR for the agencies and boards during FY 2025.

- ***State of Minnesota v. API et al.*** The Office brought suit against various petroleum industry participants that misrepresented the risks of climate change caused by their products. After the defendants attempted to remove the action to federal court, the Office obtained an order to remand the suit to state court. Defendants appealed to the 8th Circuit and the 8th Circuit upheld the district court’s order on appeal. The action is proceeding in state district court.
- **Chronic Wasting Disease Issues.** The Office successfully represented the DNR and BAH in work to prevent the spread of chronic wasting disease in deer. This included advising the DNR and BAH in enforcement matters and pursuing cost-recovery actions against individuals who violate the State’s laws to contain the spread of CWD. The Office also successfully defended a constitutional challenge brought to statutes passed in 2023 imposing restrictions on cervid farms to prevent the spread of CWD.
- **PFAS.** The Office continues to represent state agencies in a wide variety of enforcement and remediation actions brought as a result of PFAS contamination of soils and groundwater, and in defending new State laws designed to prevent further PFAS contamination. These efforts have focused on preventing additional releases and ensuring the parties responsible for existing contamination pay for the costs of clean-up, rather than State taxpayers. The Office is defending MPCA’s imposition of new permit conditions designed to protect the public from further PFAS contamination. The Office also obtained

dismissal of a complaint brought challenging the State's ban on the sale of PFAS treated products brought by the cookware industry.

- ***Northern Iron v. MPCA***. After modeling showed a St. Paul foundry was not complying with air emissions standards, MPCA placed restrictions on the foundry to protect residents. The foundry has challenged those restrictions in court, and the Office is defending that challenge. The Office is also representing MPCA in administrative proceedings concerning the potential revocation of Northern Iron's air permit.
- **Challenges to Various Federal Environmental Rollbacks**. The federal government is taking actions to weaken environmental protections and defund clean energy projects. The Office has brought litigation to challenge the federal efforts to reduce or eliminate Clean Water Act permit requirements, to force obsolete power plants to continue to operate at the expense of rate-payers, to remove funding for power grid improvements, to weaken federal air emissions standards, and to hamper the adoption of hybrid and electric vehicle adoption.

TRANSACTIONAL WORK

Since FY 2022, the Division has housed a growing team of lawyers that assist state agencies by representing them in transactional matters. This work was consolidated into ENR in order to bring transactional attorneys who were formerly spread across many divisions into a common division. The transactional attorneys handle a variety of work such as contract negotiation, intellectual property reviews, bond issuance, grant administration, federal program compliance, real-estate acquisition, title, and land-use matters, ownership of submerged lands, tax forfeitures, easements (including easements for wetland and habitat protection and wetland banking), probate proceedings, trusts, life estates, adverse possession, bankruptcy, boundary agreements, indemnification, deed restrictions, land registration, quiet title, road vacation, condemnation, declarations, protective covenants, local government fees charged against state-owned lands, and use of state bond-financed property. The Division's transactional attorneys have also taken the lead in advising several recently-created boards and agencies. The establishment of new boards and agencies creates significant legal needs, particularly as these new agencies and boards often lack a general counsel. The Office has also been active in providing advice to OCM in its negotiation of cannabis compacts with Minnesota's tribal nations.

TAX LITIGATION DIVISION

The Tax Litigation Division provides legal representation to the Minnesota Department of Revenue ("DOR") in the Minnesota Tax Court and at the Minnesota Supreme Court, as well as the State and federal district courts and federal bankruptcy courts. The Division handles all tax types, including multimillion-dollar corporate franchise-tax claims, a high volume of complex sales-and use-tax cases, and complex utility valuation cases. The Division also provides legal representation and assistance to DOR and other state agencies filing claims in bankruptcy court. Lawyers in the Division also review and respond to dozens of foreclosure proceedings, quiet title actions, and other cases involving State interests.

Below is a *representative sample of some but not all* legal work performed by the Tax Litigation Division in FY 2025.

- ***E. I. du Pont de Nemours and Company & Subsidiaries v. Commissioner of Revenue.*** This case involved a corporate franchise tax assessment of the DuPont chemical company in the amount of approximately \$10 million. At issue is the treatment of forward exchange contracts (“FECs”) involved in currency trading, as well as the treatment of gains from the sale of a business and certain asserted royalty income when determining the amount of DuPont’s income apportionable to Minnesota. The case went to trial on December 6 and 7, 2023. The Tax Court found in the Commissioner’s favor and imposed taxes due as follows: (1) for the 2013 tax year, additional corporate franchise tax due in the amount of \$3,438,084.00; (2) for the 2014 tax year, additional corporate franchise tax due in the amount of \$3,293,816.00; and (3) for the 2015 tax year, additional corporate franchise tax due in the amount of \$2,241,811.00. DuPont appealed and the Minnesota Supreme Court affirmed on August 27, 2025.
- ***Minnesota Energy Resources Corporation v. Commissioner of Revenue.*** This is a state -assessed property tax case challenging the valuation of property operated by a utility for taxes payable in 2025. The valuation at issue is \$428,812,300, which is roughly equivalent to \$15 million in taxes. Minnesota Energy Resources Corporation asked for a 45% reduction to the assessed value on administrative appeal, arguing for changes to the capitalization rate, weightings of the income and cost approaches, external obsolescence, and deductions for intangible property. The parties are in the process of finalizing settlement to set taxes payable for the tax years at issue.
- ***Humana MarketPoint, Inc. v. Commissioner of Revenue.*** This is a corporate franchise tax case related to a refund claim for the 2016 tax year. In an amended return, the taxpayer revised its method for sourcing receipts from the performance of pharmacy benefit management services. It had initially sourced the receipts to the location of the health plan members (inside Minnesota) but amended its return to source receipts to the location of the ordering office of the health plan (outside of Minnesota). On November 21, 2024, the Tax Court issued an order granting the Commissioner’s motion for summary judgment. Humana appealed to the Minnesota Supreme Court. Oral arguments were heard on June 2, 2025, but no decision has been issued yet.
- ***Dakota Drug v. Commissioner of Revenue.*** The Commissioner audited Dakota Drug’s wholesale drug distributor tax returns and assessed additional tax based on an adjustment that increased Dakota Drug’s gross revenues. The adjustment is based on the Commissioner’s conclusion that Dakota Drug’s gross revenues should not be reduced by rebates or account credits Dakota Drug provides to pharmacies through its rebate program. The Tax Court ruled in Dakota Drug’s favor and the Commissioner appealed to the Minnesota Supreme Court. The Court heard argument on June 3, 2024, and affirmed the Commissioner’s decision.

EDUCATION DIVISION

The Education Division provides legal representation to the State's complex and varied educational system, handling most student- and some faculty- and staff-related matters for the Minnesota State Colleges and Universities (Minnesota State) system of 37 separate colleges and universities. In addition to providing legal representation to the numerous Minnesota State campuses, the Division also provides legal representation to the Minnesota Department of Education, the Office of Higher Education, the Perpich Center for Arts Education, the State Academies and the three public pension boards.

Below is a *representative sample of some but not all* legal work performed by the Education Division in FY 2025.

- ***Alejandro Cruz-Guzman, et al. v. State of Minnesota, et al. and Higher Ground Academy, et al.*** This is a class-action lawsuit brought in November 2015 against the State, the Minnesota Senate, the Minnesota House of Representatives, and the Minnesota Department of Education, alleging that the education that the school children in the Minneapolis and Saint Paul Public Schools receive is inadequate and therefore unconstitutional. In particular, Plaintiffs allege public education is discriminatory on the basis of race and socioeconomic status (poverty and free lunch). Certain charter schools have intervened as defendants. The case has already gone to the Minnesota Supreme Court twice, once on the question of whether it is justiciable (it is) and the second time on whether a racially imbalanced school system caused by de facto segregation is enough, by itself, to demonstrate an Education Clause violation (it is not). The case has now returned to the district court where Plaintiffs must prove that racial segregation causes an inadequate education. Discovery is ongoing and the matter is set for trial in October 2026.
- ***Loe, et al, v. Walz, et al.*** Two evangelical colleges (Crown College and University of Northwestern-St. Paul) and two families commenced a federal lawsuit against Commissioner Jett and the Minnesota Department of Education ("MDE") in May 2023. The suit challenges a 2023 law that prohibits eligible institutions in Postsecondary Enrollment Options from requiring high school students to sign a faith statement and prohibits institutions from discriminating against students on the basis of religion, sexual orientation, gender identity, or other protected categories. MDE brought counterclaims against the schools alleging Constitutional and statutory violations related to the schools' policies. At summary judgment, the district court ruled in plaintiffs' favor, finding that the 2023 amendment is unconstitutional.
- ***Partners in Quality Care (PIQC)'s Appeals of MDE's Decision Disqualifying PIQC and Responsible Individuals from Future Participation in the Child and Adult Care Food Program.*** PIQC was a sponsor of many organizations that participated in the Child and Adult Care Food Program (CACFP). Many of these organizations submitted incorrect, false, or fraudulent requests for reimbursement claiming to serve meals to children when those meals had not been served. As a result of PIQC's failure to comply with its sponsoring organization responsibilities, MDE issued a decision terminating PIQC's agreement to participate in CACFP and disqualifying PIQC and named responsible

individuals from future CACFP participation. PIQC appealed to the Court of Appeals and the Court affirmed the decision.

- ***HeartCert v. Moe.*** HeartCert and other private training companies charge tuition for providing certified nursing assistants (“CNAs”) training and exams. Since December 2021, the Next Generation Nursing Assistant Initiative (“Next Gen Initiative”) has used state funding to provide free CNA training and certification exams. HeartCert and a handful of other private training providers participated in Round One of the Next Gen Initiative and received funding for providing free training. The Legislature then amended the law to no longer allow private entities to participate in the program. HeartCert sued, alleging the new law violated the Sherman Antitrust Act, the Equal Protection Clause of the U.S. Constitution, and the General Law Required language of the Minnesota Constitution.. The district court dismissed the case, and the Court of Appeals affirmed that result.

RULE OF LAW DIVISION

The Rule of Law Division was created in the spring of 2025 to address the influx of illegal actions taken by the federal government that adversely affect Minnesotans. The attorneys counsel state employees on the legality of federal requests or actions, sue the federal government to stop illegal federal actions when Minnesota is injured (often with other states), and defend Minnesota from federal attempts to invalidate Minnesota law.

As of September 10, Minnesota is a party to 36 new lawsuits against the federal government in 2025 and has signed roughly four dozen amicus briefs supporting other parties’ challenges to federal action. Below is a ***representative sample of some but not all*** cases the Division handled in FY 2025:

- **Protecting hundreds of millions in federal grants to Minnesota.** Many lawsuits have challenged the federal government’s attempt to terminate grants to Minnesota. For example, in April, Minnesota co-led a coalition of 23 states and the District of Columbia in filing a lawsuit against the U.S. Department of Health and Human Services for abruptly and illegally terminating \$11 billion in critical public health grants to the states, including more than \$250 million to Minnesota. The termination had put 300 employees of the Minnesota Department of Health at risk of layoff. It threatened to significantly damage important programs of the Minnesota Department for Health, like emergency preparedness and response activities for infectious diseases such as avian influenza (H5N1), anthrax, and tuberculosis, as well as for viral hemorrhagic fevers such as Ebola, Marburg, and Lassa. The terminations also harmed efforts to bolster the capacity of the public health workforce in the areas of disease surveillance, detection, and outbreak response, as well as efforts to expand and strengthen the capacity of public health laboratories to test and conduct surveillance for COVID-19 and other emerging diseases. On May 16, 2025, a federal judge ordered the reinstatement of the grants.

- **Protecting Minnesotans' Civil Rights.** Minnesota was one of 21 states that sued President Trump over his executive order that purported to end birthright citizenship. The suit was successful, protecting the citizenship of babies born in Minnesota throughout the year. In addition, Minnesota has repeatedly sued to protect the rights of transgender people. For example, in February we joined three states to successfully protect federal funding to healthcare providers that provide gender-affirming care. A few months later, the U.S. Department of Justice threatened to terminate public safety grants to Minnesota schools unless Minnesota disavowed the protections for transgender Minnesotans in our state Human Rights Act. In response, Minnesota sued the federal government, asserting that the Minnesota Legislature's choice to protect transgender people, especially students, is not preempted by any federal law.
- **Protecting Private Data.** The administration has sought massive amounts of data from the state government – including voter rolls and data on people receiving federal benefits. Minnesota has successfully challenged those requests. For example, on July 28, Minnesota joined 21 other states in challenging the USDA's attempt to collect personal and sensitive data on recipients of Supplemental Nutrition Assistance Program benefits (once known as "food stamps"), including social security numbers and home addresses.
- **Defend Minnesota law.** The federal Department of Justice sued Minnesota, alleging that the Dream Act is preempted by federal law. The Minnesota Legislature passed the Dream Act in 2013, extending opportunities for undocumented students to attend state public universities and colleges by providing benefits consistent with those already received by their peers.

GOVERNMENT SUPPORT SECTION

COMMERCE, ELECTIONS, AND TRADES DIVISION

The Commerce, Elections, and Trades Division primarily provides legal representation to the Department of Commerce, the Secretary of State, the Department of Labor and Industry (“DLI”), and many other boards, agencies, councils, and commissions. The Division appears in state and federal district and appellate courts and in administrative proceedings.

Below is a *representative sample of some, but not all*, legal work performed by the Division in FY 2025.

- **Litigation.**
 - Division staff continued defending a lawsuit challenging the constitutionality of the Alec Smith Insulin Affordability Act. Since taking effect in 2020, the law has allowed more than 1,500 Minnesotans to receive life-saving insulin.
 - Division staff successfully defended the Secretary of State in multiple cases challenging election-related statutes. For example, staff successfully petitioned the Minnesota Court of Appeals for discretionary review and obtained a favorable decision upholding the witness requirement for absentee ballots. Staff also successfully defended state laws that prohibit election misinformation, restrict access to voter-registration data, and permit the state to work with a multistate organization to maintain updated voter-registration data. Staff further successfully opposed a motion to preliminarily enjoin the state law prohibiting election-related deepfakes. Most of these cases now continue on appeal. During the 2024 election season, Division staff also handled numerous ballot-related cases brought by counties, candidates, and voters in the Minnesota Supreme Court regarding candidate eligibility, judicial incumbency notations, and other claimed ballot errors for state offices.
 - Division staff defended several laws enforced by the Department of Commerce. For example, staff are defending challenges to laws that regulate pharmacy benefit managers and require licensure for scrap-metal sellers. Staff also successfully defended a challenge to the remaining validity of the bullion coin dealer law, which regulates those who buy and sell precious metals and prohibits various fraudulent practices in the industry. While the court previously held that part of the law was unconstitutional, staff successfully advocated that the rest of the law is valid.
- **Commerce and Labor Enforcement.** The Division represents the Department of Commerce and DLI in numerous enforcement actions against individuals and businesses that act in regulated industries and violate state laws, such as those related to debt collection, insurance, real estate, and residential building contractors.

- **Energy and Telecom.** The Division represents the Department of Commerce in proceedings before the Public Utilities Commission and in related court cases. Through this representation, Division staff help secure safe, reliable, and affordable electric, gas, and telephone service. For example:
 - The Division was instrumental in obtaining a favorable Commission decision finding that Xcel Energy failed to prudently operate and maintain its Sherco coal-fired power plant, which resulted in the plant's catastrophic failure and an extended outage. The Commission ordered Xcel to refund \$48 million that it had charged ratepayers while Sherco was out of service.
 - In two electric- and natural-gas-rate matters, the Division helped secure settlements that reduced Minnesota Power's and CenterPoint Energy's proposed rate increases by approximately \$94 million and \$33 million, respectively.
 - In a resource-acquisition matter, the Division assisted the Department in securing approval of 4,200 megawatts of wind, solar, and energy storage resources to serve Minnesota consumers. These new energy sources will help meet forecasted demand growth over the next 15 years consistent with the state's carbon-free goals.
 - In a pending matter, Division staff represent the Department in seeking a \$32 million refund for replacement power that Xcel purchased after drilling through its control cables at Prairie Island nuclear plant, an act that knocked Prairie Island out of service for three months.
 - The Division represented the Department in a first-of-its-kind permitting matter that involved a carbon dioxide pipeline. The Commission found that the Department's environmental impact statement complied with all statutory requirements.
- **Licensing Boards.** The Division represents numerous non-health-related licensing boards, routinely giving advice to boards and separately assisting complaint and ethics committees in reviewing complaints against licensees and pursuing administrative action against licensed and unlicensed people who violate applicable laws. For example, the Division represented the Peace Officer Standards and Training Board's complaint committee in actions that resulted in the board revoking one officer's license for sexually harassing a subordinate and another's for interfering with a 911 call during a domestic dispute with his estranged wife. In a pending case, the Division is representing the Board of Cosmetologist Examiners' complaint committee in an action against a cosmetology school and its owner for, among other things, enrolling students and taking tuition payments after the school was evicted from its location and could no longer provide services.

HUMAN SERVICES DIVISION

The Human Services Division provides litigation services and legal counsel to the Minnesota Departments of Human Services (“DHS”), Children, Youth, and Families (“DCYF”), and Direct Care and Treatment (“DCT”). Division attorneys provide legal services to these agencies in the four broad areas of Health Care, Children and Family Services, Mental Health, and Licensing.

Below is a *representative sample of some but not all legal* work performed by the Division in FY 2025.

HEALTH CARE

Division attorneys in the health care area handle matters concerning Minnesota Health Care Programs (“MHCP”), continuing and long-term care, health care compliance, and benefit recovery. MHCP includes Medical Assistance and MinnesotaCare, which together cover over one million Minnesotans. The Division also continues to represent DHS in connection with lawsuits against several county-based purchasers over its Medical Assistance procurement and a statutory amendment prohibiting DHS from contracting with for-profit companies for provision of Medical Assistance, and in significant rate appeal matters. The Division also prevailed in a Minnesota Supreme Court case protecting DHS’s statutory ability to fully recover Medical Assistance payments from recipient estates.

CHILDREN AND FAMILY SERVICES

Division attorneys in the children and family services area handle legal issues relating to public-assistance programs, child support, and child-protection matters. Public-assistance programs include the Minnesota Family Investment Program, the General Assistance program, the Minnesota Supplemental Aid program, and the Federal Supplemental Nutrition Assistance Program (“SNAP,” formerly called Food Stamps). Division attorneys represented the agency in appeals from agency actions related to public-assistance programs, and in a case challenging its administration of Minnesota Family Investment Program benefits. Division attorneys also provided legal advice as DCYF transitioned into an independent agency.

MENTAL HEALTH

Division attorneys in the mental-health area provide legal representation to DCT’s adult and children’s mental-health programs, chemical-dependency programs, state-operated treatment facilities and forensic services, which include regional treatment centers, state-operated community facilities, children’s and adolescent behavioral-health centers, the Forensic Mental Health Program (“FMHP”), and the Minnesota Sex Offender Program (“MSOP”). Division attorneys represent DCT’s interests in a broad spectrum of litigation. Division attorneys continue to represent DCT in *McDeid v. Johnston* and other lawsuits relating to admissions to Community Preparation Services, MSOP’s less restrictive facility. Division attorneys also continue to defend DCT in connection with admissions to DCT facilities in Rule 20 matters, including *Dalen v. Harpstead* and six state court cases relating to the priority admissions law. Division attorneys are

also defending the Anoka Metro Regional Treatment Center against claims of disability discrimination in *Kern v. Gandhi*.

INSPECTOR GENERAL

Division attorneys provide legal representation to the DHS and DCYF Offices of the Inspector General in various case types, including maltreatment cases (abuse, neglect, and financial exploitation) and Medicaid overpayment recovery. The Division also successfully defended DHS's ability to suspend Medicaid payments to providers credibly accused of fraud in *NUWAY v. Gandhi*.

STATE AGENCIES DIVISION

The State Agencies Division provides legal representation to the Departments of Corrections, Employment and Economic Development, Health, Human Rights, Labor and Industry, Veterans Affairs, the Client Security Board, the Bureau of Mediation Services, and the Public Employment Relations Board.

Below is a *representative sample of some but not all* legal work performed by the State Agencies Division in FY 2025.

ADMINISTRATIVE ENFORCEMENT PROCEEDINGS

The Division represents state agencies that bring enforcement proceedings to protect the health and safety of Minnesotans. For instance, the Division represents the Department of Labor and Industry ("DLI") in proceedings to enforce occupational safety and health ("OSHA") standards in workplaces. In FY2025, some cases involved the death or serious injury of workers, such as where an employee died from injuries sustained in a grain bin, or where employees were subjected to workplace violence in a school or health care facility. The Division successfully defended an appeal of an OSHA citation at the Minnesota Court of Appeals, where an employer failed to ensure that employees working in high places used protective equipment to keep them safe. The Division also represents DLI in an appeal challenging DLI's determination that an employer fired an employee after she raised concerns about her safety at work. The Division continued to represent DLI in labor standards matters, including matters involving wage theft. For instance, the Division successfully challenged an employer forcing employees to give up their tips. The Division also represented DLI in an enforcement proceeding seeking back wages from employers on a large construction project.

Minnesota's Assisted Living Licensure Law set regulatory standards to protect the health, safety, and well-being of residents in thousands of Minnesota facilities. In FY2025, the Division represented the Minnesota Department of Health ("MDH") in an increasing number of enforcement proceedings to bring facilities into compliance with the law, often involving expedited evidentiary hearings. For example, the Division successfully represented MDH at an evidentiary hearing after MDH determined that a facility in Hennepin County was operating outside the scope of its license and improperly restraining residents with dementia, and in another

matter where MDH took immediate action to revoke a license of a facility after a resident died. The Division also represents MDH when individuals or health care facilities have violated the Vulnerable Adults Act by neglecting, abusing, or financially exploiting vulnerable adults. For example, the Division represented MDH at a hearing where the owner of an assisted living facility admitted a vulnerable adult despite being aware of a long-standing mice infestation, with knowledge that the mice caused the vulnerable adult extreme anxiety. The Division's work for MDH in FY2025 also included enforcement of statutes governing food, pools, lodging, x-ray, radon, and radiation.

LITIGATION TO PROTECT THE PUBLIC

The Division often defends state statutes in litigation. For instance, in FY2025, the Division represented the Minnesota Department of Human Rights ("MDHR") in defending a statute that requires certain businesses seeking to contract with the state to obtain a workforce certificate. The Division also intervened in a lawsuit on behalf of MDHR to allege an employee was fired after reporting sexual harassment in the workplace. The Division also sued another employer for sexual harassment and obtained a settlement that benefitted the employee.

The Division also defends agency rules from constitutional challenges. For instance, DLI enforces workforce rules that govern holiday pay for nursing-home workers. Nursing-home associations sued DLI alleging the rules are preempted under federal labor law and seeking a federal court order prohibiting DLI's enforcement. The Division successfully defended DLI in obtaining dismissal of the lawsuit. The matter is on appeal to the Eighth Circuit Court of Appeals.

The Division continued to handle lawsuits to obtain MDH's appointment as a court -appointed receiver of nursing homes—allowing MDH to assume control over poorly -functioning facilities and ensure residents' safety. These cases allow MDH to stabilize operations where financial mismanagement and operational deficiencies created emergencies threatening ongoing staffing and operation of facilities.

APPELLATE ADVOCACY

In FY2025, the Division advocated in appellate courts to explain state agencies' interpretations of the statutes they enforce. For instance, the Division filed an amicus brief on behalf of MDHR at the Minnesota Supreme Court regarding discrimination in public accommodations and businesses and filed a brief for MDHR and the Minnesota Housing Finance Agency regarding housing discrimination. The Division also successfully defended a decision made by the Minnesota Department of Employment and Economic Development to disqualify an attorney from representing an employer in a benefit proceeding where the attorney had previously represented the employee. The Division represented the Minnesota Department of Corrections ("DOC") in an appellate case involving interpretation of the law governing the transition from the DOC Commissioner to a newly-created Supervised Release Board. The Division also successfully defended the decision of the Minnesota Department of Veterans Affairs to seek more appropriate housing for a vulnerable veteran.

DEFENSE OF STATE EMPLOYEES AND PROGRAMS

The Division continued to provide legal representation to defend State officials in a variety of state and federal lawsuits. Many cases were resolved through successful, early motions to dismiss the cases. In FY2025, much of this work involved cases of incarcerated persons brought against the DOC and its officials in lawsuits involving constitutional issues. Examples include challenges to policies and conditions of confinement in correctional facilities; challenges to restrictions on religious practice under the First Amendment and the federal Religious Land Use and Institutionalized Persons Act (“RLUIPA”); claims alleging excessive force and wrongful incarceration, and policies to restrict the smuggling of contraband.

HEALTH AND TEACHER LICENSING DIVISION

The Health and Teacher Licensing Division represents Minnesota’s health-related licensing boards, the Office of Emergency Medical Services, the Health Professionals Services Program, and the Professional Educator Licensing and Standards Board in litigation and administrative actions related to their licensure and regulatory oversight of healthcare providers and educators. The Division also investigates complaints received by the boards alleging licensee misconduct and provides legal advice to the boards.

Below is a *representative sample of some but not all* legal work performed by the Health and Teacher Licensing Division in FY 2025.

UNPROFESSIONAL CONDUCT

The Health and Teacher Licensing Division investigated and took action on complaints received by the boards against healthcare providers and educators who engaged in unprofessional conduct. The misconduct at issue in these cases involved healthcare providers or educators who violated professional boundaries, engaged in financial exploitation, used unreasonable discipline, and engaged in substandard practice. These cases resulted in board orders for discipline under rules and statutes that govern licensees, which are enforced by the Division and its clients to protect the public. In one case, for example, the Division represented the Board of Nursing in a contested case at the Court of Administrative Hearings involving a nurse who engaged in substandard practice while under the influence of alcohol. The Board issued an order suspending the nurse’s license. In another case, the Division represented the Board of Executives for Long Term Services and Supports in a matter involving an assisted living director who diverted controlled substance medications from residents at an assisted living facility, falsified health records to conceal her diversion, and financially exploited residents. The Board issued an order revoking the director’s license. And in another case, the Division represented the Professional Educator Licensing and Standards Board in a contested case at the Court of Administrative Hearings involving a teacher who used corporal punishment on grade school students. The Board issued an order suspending the teacher’s license.

SEXUAL MISCONDUCT

The Health and Teacher Licensing Division investigated and took action on complaints received by the boards against healthcare providers and educators who engaged in sexual misconduct. The misconduct at issue in these cases involved healthcare providers or educators who abused their position of authority to engage in inappropriate sexual relationships with patients or students. In one case, for example, the Division represented the Board of Marriage and Family Therapy in an investigation and contested case at the Court of Administrative Hearings involving a therapist who engaged in a sexual relationship with a client. The Board issued an order suspending the therapist's license. In another case, the Division represented the Board of Chiropractic Examiners in an investigation and contested case at the Court of Administrative Hearings involving a chiropractor who engaged in sexual misconduct toward patients. The Board issued an order suspending the chiropractor's license. And in another case, the Division represented the Board of Social Work in an investigation of a social worker who engaged in a sexual relationship with a client. The Board issued an order suspending the social worker's license.

UNAUTHORIZED PRACTICE AND GENERAL LITIGATION

The Health and Teacher Licensing Division investigated and took action on complaints received by the health-related licensing boards involving the unauthorized practice of healthcare and violation of other laws governing public health and safety. The misconduct at issue in these cases involved individuals who failed to comply with laws governing their practice, practiced outside of the scope of their licensure, engaged in the unlicensed practice of healthcare, or violated laws protecting public health and safety. In one case, for example, the Division represented the Board of Chiropractic Examiners in an investigation and litigation involving an individual who engaged in the unlicensed practice of chiropractic and claimed that she was not subject to the jurisdiction of the Board or state licensing laws based on her affiliation with a private membership association. The Division obtained a court order on behalf of the Board acknowledging the important role the Board serves in protecting public health and safety and enjoining the individual from further unlicensed practice. In another case, the Division represented the Board of Dentistry in an investigation and litigation involving an individual who engaged in the unlicensed practice of dentistry out of her home in exchange for cash payments from a vulnerable patient population. The Division obtained a court order on behalf of the Board enjoining the individual from further unlicensed practice. The Division also defended the health-related licensing boards in lawsuits, including challenges to the statutory complaint-resolution process through which the boards receive and resolve complaints about licensees. In one case, for example, the Division defended the Board of Medical Practice and obtained a second order for dismissal of an amended and previously dismissed federal lawsuit brought against the Board by licensee and candidate for statewide political office Dr. Scott Jensen, who alleged that his Constitutional rights were violated when he was the subject of complaints that were filed with, investigated, and ultimately dismissed by the Board about his conduct during the COVID-19 pandemic. The court once again dismissed the amended lawsuit for lack of standing, recognizing the Board's statutory duty to receive and resolve complaints as part of its regulation of the medical profession to safeguard the public health and welfare.

HEALTH AND SAFETY SECTION

MEDICAID FRAUD DIVISION

The Medicaid Fraud Division is a federally certified Medicaid Fraud Control Unit (“MFCU”) that investigates and prosecutes health care providers who commit fraud in the delivery of services in the Medical Assistance (“Medicaid”) program. Upon referral from a Minnesota county attorney, the Division also has authority to investigate and prosecute abuse, neglect, and financial -exploitation cases that occur in certain Medicaid-funded facilities, or against certain Medicaid recipients.

The Minnesota Department of Human Services (“DHS”) administers the Medicaid program in Minnesota. DHS’s Medicaid Provider Fraud and Audits Division (“MPAI”) is responsible for investigating fraud in the Medicaid program. After completing its administrative investigation, MPAI may refer cases to the Division for criminal investigation and prosecution. The Division also receives referrals from other sources, including but not limited to managed-care organizations, other state agencies, and other federal, state, and local law enforcement entities.

Most of the Division’s work involves investigating and prosecuting health-care providers who participate in the State’s Medicaid program and submit false claims for reimbursement. Typical fraud schemes include billing for services not provided, billing for authorized units rather than actual units of care provided, providing group care but billing as if one-on-one care is provided, and billing for services provided by individuals who are not qualified due to a prior conviction, a lack of credentials, or failure to pass background checks. Some fraud cases have a criminal neglect component because the recipient’s condition is compromised due to lack of care.

Below is a *representative sample of some but not all* cases prosecuted by the Medicaid Fraud Division in FY 2025.

- ***State of Minnesota v. Chavis Willis.*** In FY2025, the MFCU charged an owner of a personal care assistant (PCA) and home- and community-based services (HCBS) agency with racketeering and four counts of theft by swindle (over \$35,000) for defrauding the Medicaid program out of over \$7 million. Willis had a prior conviction for second degree murder that prohibited him from operating any Medicaid-funded agency. Willis’ elderly mother, who resided in California, nominally “owned” his agency on paper, while Willis ran it. The agency billed for services not provided and for services ineligible for reimbursement. It also knowingly employed a biller with prior identity theft convictions who, through her role at Willis’ agency, again stole the identities of individuals and used them to enrich herself.

Willis is set for an omnibus hearing in November 2025 in Hennepin County district court.

- ***State of Minnesota v. Alfred Payne, et al.*** In FY2025, the Division charged an owner of a home care agency with over \$2.4 million in provider billing fraud. The owner submitted

over 12,000 separate fraudulent claims for personal care assistant, home care nursing, and home- and community-based (waivered) services that were not provided at all and/or that were ineligible for reimbursement. The MFCU has charged other employees for their roles in the schemes as well.

Payne pled guilty to multiple counts of felony theft (over \$35,000) and will be sentenced in October in Hennepin County.

- ***State of Minnesota v. Jorden Borders***. The Division accepted a referral, pursuant to Minn. Stat. § 8.01, from the Crow Wing County Attorney's Office to prosecute Borders for a litany of child abuse and Medicaid fraud offenses. Borders was accused of torturing and abusing her three minor children while simultaneously defrauding the Medicaid program through her work as a personal care assistant for one of the children.

In FY2025, the MFCU and criminal division prevailed at a three-week trial, with a Crow Wing County judge finding Borders guilty of attempted murder, child torture, stalking, and theft by false representation. She was sentenced to serve 468 months in prison.

- ***State of Minnesota and United States of America ex rel Walsh, et al v. NUWAY Alliance, et al***. In FY2025, the MFCU and USAO jointly resolved civil false claims act cases against NUWAY Alliance, a provider of intensive outpatient substance abuse treatment services to Medicaid recipients throughout the Twin Cities. NUWAY agreed to pay over \$18.5 million to resolve allegations that it (1) paid kickbacks to recipients, via housing subsidies, to induce them to receive services from NUWAY and (2) double billed for time providing services to recipients. Pursuant to Federal law, the State of Minnesota received 58.5% of the proceeds from the settlement after the relator share and other fees were deducted and accrued interest was added.

Throughout the year, the MFCU also resolved other significant cases. This included obtaining a guilty verdict in ***State v. Laci Silgjord***, a criminal case involving a former Cloquet police officer who attempted to inherit a vulnerable adult's remaining estate despite no legal authority existing for her to do so; obtaining a guilty verdict in ***State v. Latonia Jackson***, a criminal prosecution of a biller at a non-emergency medical transportation company who, in conspiracy with the owner, billed for hundreds of thousands of dollars of services not rendered and ineligible for reimbursement; and obtaining pleas in ***State v. Abdikarim Mohamed***, et al, cases covering over 18 separate individuals who were charged as part of an enterprise billed for over \$2 million in services that were not rendered.

Throughout the year, the MFCU also regularly collaborated with Federal and State law enforcement entities, including the FBI, Department of Health and Human Services' Office of Inspector General, and the Bureau of Criminal Apprehension State Fraud Unit, in sprawling investigations into numerous providers. The public investigations include search warrant activity at Early Intensive Development and Behavioral Intervention (EIDBI) agencies in the winter, and Housing Stabilization Services (HSS) investigative activity in the spring and summer. These investigations remain ongoing.

MFCU FUNDING INCREASE REQUEST

Finally, during the 2025 legislative session, the AGO and MFCU advocated for additional funding to add nine additional positions to the MFCU. This funding increase was based on a recommendation from the United States Department of Health and Human Services' Office of Inspector General to increase MFCU staffing size based on recent increases to the Minnesota state Medicaid budget. The nine positions would have received 75% of their funding from the federal government, with the State paying 25% of the costs. The Legislature did not approve this 25% State match; as a result, the federal government would not provide the 75% of its share of funding for any additional positions.

As a result of this lack of funding, the MFCU remains at a staff size of 32. With this current staff size, it has been difficult to meet the demands arising from a dramatic increase in referrals.

In 2019, the MFCU's staffing size increased to 32 positions; during that federal fiscal year, the MFCU received a total of 142 formal fraud referrals from DHS's MPAI, MCOs, local law enforcement agencies, and other referral sources. Yet in federal fiscal year 2024, the MFCU received 214 formal fraud referrals – an increase of over 50% in volume – yet still only had 32 assigned staff to investigate and prosecute these fraud cases.

During this same time period, the MFCU's cases have only become more complex as it dedicates its resources to intensive, long-term investigations into the most sprawling providers and the newest programs experiencing provider fraud issues. The MFCU intends to, again, propose a budget increase request for additional staffing to help handle the continued large influx in fraud referrals received.

PUBLIC SAFETY DIVISION

The Public Safety Division ("Division") provides legal services to the Minnesota Department of Public Safety ("DPS") and its various divisions, including the Driver and Vehicle Services Division, the Minnesota Bureau of Criminal Apprehension, the Minnesota State Patrol, the Alcohol and Gambling Enforcement Division, and the Fire Marshal.

The Division represents DPS at implied consent hearings where drivers contest the revocation of their driver's license for an arrest for driving while impaired by alcohol or controlled substances. Division attorneys handled nearly 3,500 district court proceedings and associated appeals challenging the revocation, cancellation, withdrawal, and disqualification of driving privileges under various provisions of Minnesota law. Attorneys also represented the Driver and Vehicle Services Division in title matters, the Minnesota State Patrol in forfeiture proceedings in the district courts, and the Minnesota State Patrol and Bureau of Criminal Apprehension in data practices related litigation.

The Division also provides legal representation to state boards and commissions, including the Gambling Control Board and the Minnesota Racing Commission. These entities issue thousands of licenses and conduct numerous investigations each year. The Division provides legal

representation to the Minnesota Racing Commission in appeals from commission licensing decisions and disciplinary action taken against horse owners, trainers, and jockeys, and has also provided legal representation to the commission at the Minnesota Court of Appeals. The Division also provides advice to the Gambling Control Board related to its regulation of charitable gaming as well as legal representation in appeals from the board's licensing decisions and disciplinary actions. The Division also continues to provide advice and representation to the Office of the Foster Youth Ombudsperson as it establishes itself.

Below is a *representative sample of some but not all* legal work performed by the Public Safety Division in FY 2025.

- ***ITMO a Public Safety Officer Death Benefit for Eric Groebner (Deceased)***. Minnesota Statutes sections 299A.41-.46 provide an additional \$100,000+ benefit to the survivor(s) of a public safety officer “killed in the line of duty.” This is funded through the Public Safety Officer’s Benefit Account created in section 299A.42. In this case, the widow of a deceased peace officer is appealing the Commissioner’s determination that the officer was not “killed in the line of duty” as that phrase is defined in section 299A.41, subd. 3, and resulting denial of death benefits. While the untimely death of any peace officer is tragic, the statute does not award this additional benefit in every such instance and, instead, defines only a smaller range of circumstances in which the benefit is awarded. At issue in this case is whether the officer’s death, which occurred within 24 hours of a regular shift during which nothing physically strenuous or otherwise unusual appears to have happened, qualifies under the statute. **Nine other cases** arising under the same statutes raise whether deaths occurring outside of that time frame or due to a communicable disease (COVID) qualify. The Administrative Law Judge granted summary disposition to the Commissioner. The Court of Appeals agreed that the statute places limitations on which deaths qualify, but remanded for further proceedings. The Minnesota Supreme Court granted further review. We will ask the court to provide more definitive direction regarding the scope of the statute in order to ensure that the Commissioner is able to swiftly and predictably award the benefit to those for whom it is intended.
- ***Knapp v. Comm’r***. In this case, a driver was arrested based on probable cause to believe that he was driving while impaired by alcohol. The driver agreed to perform an evidentiary breath test, which showed his breath alcohol concentration to be over the legal limit. Prior to conducting a breath test, an officer is supposed to observe the driver for 15 minutes as one of three safeguards designed to ensure that the breath sample is not contaminated. The other two safeguards are internal to the instrument and not reliant on human effort or other external variables like ambient noise. The district court rescinded the revocation of Mr. Knapp’s driver’s license based solely on a finding that the observation period was improperly conducted. This ruling was contrary to long-established caselaw that recognized that the driver is most likely to have information regarding possible contamination and that there are two other safeguards and therefore requires the driver to present evidence that something occurred during the observation period that actually affected the subsequent test results. The Court of Appeals reversed the district court and reaffirmed its prior caselaw. The Minnesota Supreme Court granted further review. The

resolution of this case will impact the degree to which breath tests continue to be a useful tool in protecting Minnesotans from impaired drivers.

TRANSPORTATION DIVISION

The Transportation Division provides legal representation to its primary client, the Minnesota Department of Transportation (“MnDOT”). A large part of the Division’s work involves eminent domain litigation. In addition, Division attorneys provide legal advice to MnDOT, other State agencies, and the National Guard, when they are involved in construction projects and also provide legal representation to those entities when contractors, subcontractors, or third parties sue the State on construction-related matters. The Division also protects taxpayers by filing claims on behalf of MnDOT and other State agencies against entities that make false claims, perform defective work, fail to pay employees legally mandated wages, or otherwise fail to comply with contractual requirements.

The Division advises client agencies on the legal ramifications of proposed activities and development projects, assists State agencies in real estate transactions, and evaluates and attempts to help agencies resolve claims before litigation arises. The Division advocates in the appellate courts and at the Office of Administrative Hearings on behalf of its client agencies. The Division also assists in the representation of other State agencies in conflict cases and cases where its subject matter expertise is sought.

Below is a *representative sample of some but not all* legal work performed by the Transportation Division in FY 2025.

- **Eminent Domain/Land Acquisition Matters on behalf of the Department of Transportation.** The Division is representing MnDOT in the acquisition of hundreds of parcels that are necessary for the construction of infrastructure improvements to Minnesota’s Trunk Highway System. Division attorneys protect the public interest in these eminent domain proceedings by ensuring that MnDOT acquires the necessary right-of-way to improve and build new roads and bridges throughout the entire state, including for example, continuing improvements to the I-494 corridor from the Minneapolis–Saint Paul Airport to Trunk Highway 169, the Highway 10 four-lane expansion project in northwestern Minnesota, improvements to Highway 2 in northern Minnesota, and many other State Trunk Highway construction projects being worked on during the 2025 construction season. Trunk Highway right-of-way acquired by this work is also used to facilitate and support construction of vital municipal utility improvement projects, such as upgrading outdated sewer and water infrastructure, in communities throughout the state. The Division’s successful agency representation in these cases is critical to the timely completion of these construction projects, makes Minnesota’s highway system safer and more efficient, and implicates the powers and protections of the Minnesota and U.S. Constitutions. Division attorneys work to carry out these constitutional provisions to ensure the compensation paid for land necessary for these vital improvements is just to both the affected landowners and the public that funds the projects.

- ***Amicus Brief – Ames Construction, Inc. v. City of Moorhead.*** Division attorneys drafted an amicus brief at the Minnesota Court of Appeals in a case involving a lawsuit brought by a highway contractor related to a city project that incorporated MnDOT’s Standard Specifications for Construction into the project contract. MnDOT requires all contracts for construction work on state highways to include these specifications, and because of the vetted, comprehensive coverage of issues that arise in highway construction, cities also generally incorporate these Specifications into the contracts for road construction projects. The amicus brief drafted by the Division attorneys offers important and experienced perspective to the court of appeals that highlights how MnDOT’s specifications provide clarity and predictability to the solicitation and administering of road construction contracts. The amicus brief also advocates for consistent application of the specifications and longstanding court precedent interpreting and applying express contract terms in construction disputes.
- ***In the Matter of the Obstruction of Renville County Ditch 59.*** In this appellate case involving interpretation and application of several provisions in Minnesota’s Drainage Code that are contained in Minnesota Statutes Chapter 103E, Division attorneys successfully challenged a county drainage system authority’s order incorrectly determining that Trunk Highway 71 was an “obstruction” to a county drainage system that required either removal of the highway or payment of significant costs from the trunk highway fund to make improvements to the county ditch. In arguing MnDOT’s position at the Minnesota Court of Appeals, Division attorneys presented extensive historical records to provide a clear and accurate history of the over 100 year-old drainage system, the origins and improvements to the highway, and the local roads that preceded both, to counter arguments that the highway qualified as an “obstruction” to the drainage system—a decision that, if affirmed, could obligate MnDOT (or any local road authority, depending on the roadway at issue) to improperly pay for substantial drainage costs statewide. By obtaining a successful reversal of the improper obstruction order, the Division attorneys ensured that the Drainage Code provisions were correctly interpreted and applied in a holding consistent with past court precedent while also providing clear guidance for future drainage proceedings so that state trunk highways under MnDOT’s purview as well as roadways established and maintained by local road authorities are not incorrectly designated as obstructions and improperly assessed.

CRIMINAL DIVISION

The Criminal Division provides prosecutorial assistance to county attorneys and local law enforcement agencies with the prosecution of serious crimes. The Division assists counties in the prosecution of serious crimes in trial courts throughout Minnesota under Minnesota Statutes section 8.01. Division attorneys also provide legal assistance to the Advisory Committee on the Rules of Criminal Procedure.

Below is a ***representative sample of some but not all*** cases prosecuted by the Criminal Division in FY 2025.

- ***State v. Manamany Abella; Jenup Chop; Cham Oman*** (Mower County). On June 9, 2023, Abella, Chop, and Oman participated in a drive-by shooting. Chop fired multiple shots at another vehicle, which killed the driver and wounded two of its passengers. The other vehicle ultimately crashed into a house. Chop pled guilty to second-degree intentional murder and two counts of first-degree attempted murder. The district court sentenced Chop to 450 months' imprisonment on February 28, 2025. On April 29, 2025, Abella pled guilty to aiding an offender and later received a 120-month prison sentence. After a trial lasting more than two weeks, on July 14, 2025, a jury convicted Oman of aiding and abetting second-degree murder and two counts of aiding and abetting second-degree attempted murder. He was sentenced to 338 months' imprisonment.
- ***State v. Fox Bellanger; Anthony Costello; Crystal Swenson*** (Benton County). On March 2, 2024, Swenson sold drugs to her 16-year-old son to use with Costello. Costello provided money to the juvenile to purchase the drugs, which contained fentanyl. Bellanger aided Swenson in facilitating the sale of the drugs to the 16-year-old. The juvenile overdosed and died from fentanyl toxicity. Costello pled guilty to second-degree manslaughter in March 2025, and Swenson pled guilty to second-degree manslaughter in April 2025. The district court sentenced Costello to 48 months' imprisonment, and Swenson received a sentence of 41 months' imprisonment. Bellanger pled guilty to second-degree manslaughter on July 23, 2025, and the district court imposed a 75-month sentence.
- ***State v. Michael Carpenter*** (Benton County). On October 24, 2022, Carpenter approached a coworker before her work shift in the parking lot of Dubow Textile, armed with a 9mm pistol, and fired a single shot through her neck. A jury convicted Carpenter of first-degree premeditated murder and second-degree intentional murder on August 2, 2024. The district court sentenced Carpenter to the statutory sentence of life imprisonment.
- ***State v. Happy*** (Cottonwood County). After being kicked out of the Phat Pheasant Pub in Windom on New Year's Eve 2024, the defendant named Happy armed himself with a large knife and returned to the bar. Inside, Happy stabbed B.M. twice, causing B.M.'s death. Happy also threatened to kill other patrons inside the bar. On June 17, 2025, a jury found Happy guilty of second-degree murder and threats of violence. Happy received a 180-month prison sentence.
- ***State v. Abraham Houle; Fredy Olivar; Gerald ("Jerold") Downs*** (Isanti County). On December 12-13, 2023, Olivar and Downs conspired to rob a purported cartel stash house in Spencer Brook Township. Olivar provided the target location's address, drugs, and a gun. Downs recruited others, including Houle, to participate in the crime. Downs, Houle, and another individual then posed as police officers, kicked in the front door of the home, and shot and killed J.F. After a bench trial, the district court convicted Olivar of aiding and abetting murder in the second degree and aiding and abetting burglary in the first degree on November 7, 2024, and sentenced Olivar to 366 months' imprisonment. On June 2, 2025, Downs pled guilty to aiding and abetting murder in the second degree and

received a 366-month prison sentence. On May 19, 2025, Houle pled guilty to burglary in the first degree and aiding an offender after the fact. The district court sentenced Houle to a total of 297 months' imprisonment.

- ***State v. Breeann Krueger; Miranda Sanow*** (Pipestone County). In the fall of 2022, Krueger sold Sanow significant quantities of fentanyl. Sanow repackaged the fentanyl, and on November 16, 2022, Sanow sold fentanyl she purchased from Krueger to J.R. J.R. consumed the drugs, and J.R.'s mother found J.R. deceased the next morning. An autopsy determined that fentanyl toxicity caused J.R.'s death. Both Sanow and Krueger pled guilty to murder in the third degree for their roles in J.R.'s death. On June 4, 2025, the district court sentenced Krueger to 117 months' imprisonment. On July 8, 2025, Sanow received a stayed prison sentence of 134 months and 364 days in jail.
- ***State v. Austin Navarro*** (Freeborn County). On July 6, 2023, Navarro physically assaulted a 2-year-old toddler and a 12-week-old infant while they were in his care. The 2-year-old child sustained multiple blunt force injuries, including broken ribs, a lacerated liver, and a traumatic brain injury. Despite extensive life-saving efforts, the toddler died from his injuries the same day. The 12-week-old child survived the assault but sustained several injuries to his head and body, including fractured ribs. Navarro pled guilty to second--degree murder and third-degree assault on September 18, 2024. The district court sentenced Navarro to 25 years' imprisonment.

CRIMINAL APPELLATE DIVISION

The Criminal Appellate Division was previously part of the Office's Criminal Division. It became its own division due to the growth provided by the Legislature to the Attorney General's Office's support of County Attorneys in the 2023 legislative session. The Criminal Appellate Division provides assistance to county attorneys in felony appeals. The cases handled in FY 2024 involved, among other crimes, murder, sexual assault, drug distribution and manufacturing, child sexual abuse, arson, and distribution of child pornography.

Division attorneys also provide assistance in civil commitment proceedings involving dangerous sex offenders, upon request of the county attorney; assist the Department of Corrections ("DOC") in administrative hearings required by the Community Notification Act when a registered sex offender challenges the DOC's assessment of the offender's level of danger upon release from incarceration; advise the Bureau of Criminal Apprehension on registration and DNA collection issues, and advise the DOC on community-notification issues.

Below is a *representative sample of some* cases handled by the Criminal Appellate Division in FY 2025.

- ***State v. Moore*** (Chippewa County). Police found a pound of methamphetamine and a handgun locked in the defendant's glovebox. He was found guilty of aggravated first-degree controlled substance crime, which applies when the defendant's drug possession

occurs while he has a firearm in his “immediate reach.” In a case of first impression, the Minnesota Supreme Court agreed with the AGO that locking the gun in the glovebox did not prevent the jury from finding that it was within the defendant’s “immediate reach.”

- ***State v. Latino*** (Meeker County). A jury found Mr. Latino guilty of domestic assault. On appeal he argued the domestic assault statute did not apply because he and the victim had broken up, had never lived together, and had no children. In a case of first impression, the Minnesota Supreme Court held the defendant and victim met the statutory definition for a “significant romantic or sexual relationship,” and affirmed the conviction.
- ***State v. Martens*** (Kanabec County). Mr. Martens’s therapist reported to law enforcement that Mr. Martens had sex with his children’s babysitter. A jury then found Mr. Martens guilty of third-degree criminal-sexual conduct. On appeal, he argued that a “child” for purposes of the mandatory-reporter statute is someone under 18 at the time of the report. The AGO argued that “child” means someone under 18 at the time of the sexual abuse. The Supreme Court agreed with the AGO and affirmed the conviction.
- ***In re Frank*** (Chippewa County). Frank repeatedly sexually abused his 8-year-old female cousin when he was 16. He also sexually abused a learning-disabled 14-year-old girl when he was 18. Most recently, in 2020, he repeatedly sexually abused the 11 and 12-year-old daughters of the woman with whom he was in a relationship when they lived with him. That sexual abuse included repeated fondling, digital penetration, simulated intercourse, and vaginal penetration. The court granted our petition to commit him as a sexually dangerous person and a sexual psychopathic personality, and the court of appeals affirmed.

POST-CONVICTION JUSTICE DIVISION

The Attorney General established the Post-Conviction Justice Division (“the Division”) to carry out two important initiatives to seek justice for persons who have been convicted of crimes in the past. First, the Division’s Conviction Review Unit (“CRU”), an independent unit within the Attorney General’s Office with a mission to prevent wrongful convictions, seeks to identify cases in which a wrongful conviction may have occurred and remedy those convictions. Unlike most other conviction review units that work in the Office of single-jurisdiction prosecutors, the Division’s CRU operates statewide to provide applicants from any Minnesota county an opportunity for case review. For cases accepted for review, the CRU will conduct a comprehensive, independent, and non-adversarial review of the evidence in the case. Where the CRU concludes there was a wrongful conviction, the CRU will work cooperatively to seek remedial measures necessary to correct the injustices it uncovers. The CRU will also study and collect data on the causes of wrongful convictions in order to shape policies and procedures to prevent them from occurring in the future. Since August 2021 when it accepted its first application from a person with a credible claim of innocence, the CRU has received over 1,250 applications. With assistance from volunteer attorneys and law-school externs from numerous law schools, the CRU screens all applications and has prioritized case review, closing over 975 applications without recommending relief to the applicant.

Second, the Division's Statewide Expungement Program ("SWEP") seeks to help make Minnesotans who are eligible for expungement aware that they can apply, help others determine if they are eligible to apply, and help initiate an application for those who need assistance. The SWEP breaks down barriers to applying for expungements as a means to mitigate the collateral consequences of past criminal convictions for people who have served their sentences and rehabilitated themselves.

CONVICTION REVIEW UNIT

In February 2025, the results of an external audit of the CRU's work conducted by an outside and independent expert in conjunction with the Quattrone Center for the Fair Administration of Justice at the University of Pennsylvania were released. The review was conducted by Patricia Cummings, a professor and former prosecutor, defense attorney, judge, and head of the Dallas and Philadelphia Conviction Integrity Units. Cummings was given unfettered access to the CRU staff and its work, and based on her extensive review of the CRU's efficacy and efficiency she concluded that "while prosecutors are motivated to do justice by convicting the right person, and innocence lawyers are motivated to prove their clients' innocence, the Minnesota CRU is clearly motivated to discover what really happened in cases it reviews and advocate for whatever relief, if any, is appropriate." Cummings praised the work that the CRU is doing and described the CRU as a "model for how statewide conviction integrity work should be done."

On April 4, 2025, the Minnesota Clemency Review Commission heard an application from Brian Pippitt, who had applied for Commutation to the Minnesota Board of Pardons & Clemency Review Commission. Mr. Pippitt submitted his clemency application while awaiting a decision from the district court in Aitkin County where Mr. Pippitt previously filed a motion to vacate his 2001 first-degree murder conviction. In June 2024, the CRU recommended that the 2001 conviction in Aitkin County of Brian Pippitt for first-degree murder be vacated. The recommendation followed an extensive investigation that the CRU conducted, which culminated in a 181-page report, and was the first time the CRU recommended the full exoneration of an incarcerated person, and the second time it has recommended relief based on a wrongful conviction. Upon release of the CRU's report, Mr. Pippitt filed a motion to vacate his conviction and dismiss the charges against him. The Aitkin County Attorney is opposing any form of postconviction relief, including an evidentiary hearing. The case awaits a decision from the district court judge assigned to the case. After Mr. Pippitt appeared before the Clemency Review Commission and the Commission reviewed submissions and heard other testimony, a motion to commute Mr. Pippitt's sentence to time served passed by a vote of 6 to 1 to recommend that the Board of Pardons grant Mr. Pippitt's sentence commutation to time served, a copy of the recommendation was sent the Board of Pardons for a final decision at a future meeting.

On November 6, 2024, a Hennepin County District Court set aside Edgar Barrientos's 2009 first-degree murder conviction based on evidence the CRU uncovered in its exhaustive investigation. In August 2024, the CRU recommended that the 2009 conviction for murder be vacated following a three-year investigation, culminating in a 180-page report compiled by the CRU. Mr. Barrientos was convicted of murder on May 28, 2009, and sentenced to life without the opportunity for parole. The jury deliberated for three days: at one point, it was split, with three members strongly favoring a verdict of not guilty. During its lengthy investigation, the CRU found

exculpatory evidence that the jury never heard. This evidence supported Mr. Barrientos's claim of innocence. The CRU's report detailed the facts it uncovered and concluded there was ample evidence to substantiate Mr. Barrientos's claim of innocence. As a result, the Attorney General recommended that Mr. Barrientos's conviction be vacated and the charges against him dismissed. Shortly thereafter, Mr. Barrientos filed a petition for post-conviction relief based on a claim of actual innocence. The Hennepin County Attorney's Office supported the petition. Ultimately, the Judge issued a 103-page Order with Findings of Facts and Conclusions of Law vacating Mr. Barrientos's conviction, and the Hennepin County Attorney's Office dismissed the case. Mr. Barrientos was released from prison on November 6, 2024.

STATEWIDE EXPUNGEMENT PROGRAM

To mitigate the collateral consequences of convictions for people who have satisfied all the terms of their sentence for an offense that is eligible to be expunged, the Division created a website when it started in 2020 (*[Helpsealmyrecords.org](https://helpsealmyrecords.org)*), where people can complete and submit an on-line application to request that their records be sealed so that certain convictions might no longer appear on background checks. The Division's Statewide Expungement Program helps local prosecutors who agree to the sealing of records and wish to apply to the district court for expungement of certain criminal records of eligible applicants who have satisfied the conditions of the Minnesota Expungement law set forth in Chapter 609A. The SWEP recognized early on that for many people who have been convicted of crimes and are working to better their futures, criminal records can hamper their efforts to improve their prospects for getting good jobs or certain job-related licenses, education, housing, credit, and public services long after they have completed the sentence for their crimes. The SWEP team hopes to help Minnesotans who have paid the price for offending in the past gain access to expungements so they can afford their lives, live with dignity and respect, and give back today and in the future.

Because of the Division's success in reaching and helping applicants, and due to two high-profile changes in the State's expungement laws, the availability of automatic statutory expungement for dozens of crimes and expungement by the Cannabis Expungement Board of certain cannabis-related convictions, demand for expungement assistance from the Division's SWEP team has continued unabated. The Division has received nearly 12,000 applications, both through the SWEP website and from individuals who come to expungement outreach clinics held around the State.

In fact, since mid-2024, Division and AGO staff have hosted or participated in nearly a dozen expungement clinics held in counties around the State and helped hundreds of people, who may not have had the opportunity to submit an on-line application, complete and submit their application in person. Division and AGO staff review applications for sealing records, determine eligibility under state law, and for those that qualify, work cooperatively with interested prosecutors across the state to prepare court filings. Through the work of the SWEP team and in cooperation with local prosecutors who decide to file applicant requests with the courts, applicants avoid expensive court filing fees and confusing forms that are difficult to navigate for non-lawyers. To date, the Division's SWEP team has helped local prosecutors obtain expungement orders in approximately 1,200 cases.

APPENDIX A: SERVICE HOURS				
By Agency or Political Subdivision for FY 2025				
Agency/Political Subdivision	Estimated Service Hours (1)	Actual Service Hours	Estimated Expenditures	Actual Expenditures (2)
Partner Agencies				
Administration Department-Risk Management		1,133.8		\$ 163,989.40
Agricultural Utilization Research Institute		0.0		\$ -
Clemency Review Commission (4)		0.5		\$ 81.50
Corrections Department (3)		3,230.2	\$ 791,208.00	\$ 526,522.08
Children, Youth, and Families Department (4)		294.1		\$ 46,696.30
Education Department		3,973.9		\$ 637,833.70
Environmental Quality Board		64.4		\$ 10,497.20
Gambling Control Board		366.4		\$ 59,723.20
Health Department		5,400.9		\$ 878,792.70
Housing Finance Agency		893.8		\$ 142,947.40
Human Services Department		24,725.5		\$ 3,820,280.50
Iron Range Resources & Rehabilitation		12.6		\$ 2,053.80
Labor and Industry Department (3)		1,879.3		\$ 302,653.90
Lottery		10.1		\$ 1,646.30
Medical Practice Board		2,666.5	\$ 1,000,000.00	\$ 367,187.50
Metropolitan Council		977.1		\$ 154,677.30
Minnesota Climate Innovation Finance Authority		619.6		\$ 85,433.80
Minnesota Racing Commission		583.9		\$ 88,269.70
Minnesota State Retirement System		298.3		\$ 48,622.90
Minnesota State Colleges & Universities		4,985.5		\$ 786,830.50
MNsure		0.0		\$ -
Natural Resources Department		2,940.0		\$ 470,061.20
Office of Cannabis Management		592.3		\$ 96,544.90
Petroleum Tank Release Compensation Board		7.1		\$ 1,157.30
Pollution Control Agency		4,753.0		\$ 710,452.20
Public Employees Retirement Association		601.0		\$ 97,963.00
Public Safety Department (3)		10,669.1		\$ 1,450,637.30
Revenue Department (3)		1,839.7		\$ 299,712.95
Teachers Retirement Association		133.9		\$ 21,045.70
Transportation Department		8,400.1		\$ 1,342,776.50
TOTAL PARTNER AGENCIES	0.0	82,052.5	\$ 1,791,208.00	\$ 12,615,090.73
Health Boards/Offices				
Behavioral Health & Therapy Board		986.7		\$ 144,446.10
Board of Executives for Long Term Services & Supports		310.6		\$ 50,627.80
Chiropractic Board		1,710.9		\$ 205,130.70
Dentistry Board		1,068.9		\$ 153,590.70
Dietetics & Nutrition Practice Board		31.4		\$ 5,118.20
Emergency Medical Services Regulatory Board		324.0		\$ 50,274.00
Health Professionals Services Program		25.0		\$ 4,075.00
Licensed Drug & Alcohol Counselor Program		1,200.0		\$ 155,562.00
Marriage & Family Therapy Board		471.1		\$ 58,219.30
Nursing Board		10,806.0		\$ 1,443,684.00
Occupational Therapy Board		36.2		\$ 5,900.60
Optometry Board		21.7		\$ 3,537.10
Pharmacy Board		1,534.2		\$ 246,529.10
Physical Therapy Board		370.6		\$ 47,273.80
Podiatry Board		15.2		\$ 2,477.60
Psychology Board		601.8		\$ 89,999.40
Social Work Board		1,643.4		\$ 242,740.20
Veterinary Medicine Board		886.9		\$ 135,444.70
TOTAL HEALTH BOARDS/OFFICES		22,044.6		\$ 3,044,630.30

Other State Agencies/Political Subdivisions			
Accountancy Board	261.2	\$	42,575.60
Administration Department	386.5	\$	62,879.50
Administrative Hearings Office	105.4	\$	16,550.20
Agriculture Department	476.7	\$	72,752.10
Agriculture Chemical Response Compensation Board	10.3	\$	1,678.90
Amateur Sports Commission	7.5	\$	1,222.50
Animal Health Board	168.3	\$	27,090.90
Architecture Board	557.9	\$	90,937.70
Barber Board	166.9	\$	27,204.70
Board on Aging	22.4	\$	3,651.20
Campaign Finance and Public Disclosure Board	619.5	\$	95,098.50
Cannabis Expungement Board	559.2	\$	87,909.60
Capitol Area Architectural Planning Board	31.9	\$	5,199.70
Center for Arts Education	37.5	\$	6,016.50
Client Security Board	72.7	\$	11,850.10
Commerce Department	5,975.3	\$	959,183.90
Commission Serving Deaf and Hard of Hearing	34.0	\$	5,542.00
Corrections Department (3)	2,295.4	\$	351,014.72
Corrections Department-Community Notification	1,382.0	\$	193,976.00
Cosmetology Examiners Board	457.6	\$	72,848.80
Council on Latino Affairs	1.4	\$	228.20
Council on LGBTQIA2S+ Minnesotans	12.8	\$	2,086.40
Crime Victims Reimbursement Board	285.0	\$	45,735.00
Disability Council	3.5	\$	570.50
Employment & Economic Development Department	294.0	\$	47,922.00
Explore Minnesota Tourism	17.4	\$	2,836.20
Firefighter Training & Education Board	69.0	\$	8,907.00
Governor's Office	1,325.1	\$	214,125.30
Human Rights Department	900.2	\$	145,388.60
Indian Affairs Council	17.6	\$	2,868.80
Judicial Branch	1,519.2	\$	243,555.60
Labor and Industry Department (3)	4,850.6	\$	784,443.80
Law Examiners Board	92.7	\$	14,444.10
Lawyers Professional Responsibility Board	2.7	\$	410.10
Legislature	142.5	\$	22,549.50
Legislative Auditor Office	5.8	\$	945.40
Mediation Services Bureau	132.6	\$	21,613.80
Military Affairs Department	36.7	\$	5,982.10
Minnesota Management & Budget	818.2	\$	126,688.60
Minnesota Rare Disease Advisory Council	5.0	\$	815.00
Minnesota State Academies	73.9	\$	12,045.70
MN.IT Services Office	621.3	\$	100,083.90
Office of Higher Education	632.9	\$	99,232.70
Ombudsman for Long Term Care	32.3	\$	5,264.90
Ombudsman for Mental Health & Developmental Disabilities	6.3	\$	1,026.90
Ombudsperson for Corrections	6.0	\$	978.00
Ombudsperson for Foster Youth	8.0	\$	1,304.00
Peace Officers Standards and Training Board	1,727.7	\$	280,841.10
Private Detective Board	224.3	\$	36,560.90
Professional Educator Licensing & Standards Board	2,012.3	\$	324,320.90
Public Defender, Local	90.5	\$	14,307.50
Public Defender, State	0.2	\$	32.60
Public Facilities Authority	13.4	\$	2,184.20
Public Safety Department (3)	28,258.4	\$	4,182,165.20
Public Utilities Commission	3,441.1	\$	558,643.30
Revenue Department (3)	1,839.7	\$	299,712.95
Rural Finance Authority	137.8	\$	22,461.40
School Administrators Board	151.6	\$	24,710.80
Secretary of State	2,463.0	\$	398,961.00
State Arts Board	68.6	\$	11,181.80
State Guardian Ad Litem Board	50.6	\$	7,653.80
State Historical Society	11.5	\$	1,874.50

State Investment Board		22.7	\$	3,700.10
Veterans Affairs Department		645.8	\$	99,091.40
Veterans Homes		83.9	\$	13,573.70
Water & Soil Resources Board		310.6	\$	48,917.80
TOTAL OTHER STATE AGENCIES/POLITICAL SUBDIVISIONS		67,094.6	\$	10,378,130.17
Medicaid Fraud Control Unit Investigations & Prosecutions				
Aitkin County		786.0	\$	95,598.00
Anoka County		533.6	\$	59,346.80
Carlton County		753.7	\$	113,817.10
Carver County		61.0	\$	6,283.00
Chisago County		9.8	\$	1,135.40
Crow Wing County		1,859.0	\$	260,441.00
Dakota County		407.5	\$	46,550.50
Hennepin County		15,491.7	\$	1,887,689.10
Isanti County		242.2	\$	37,606.60
Lincoln County		136.6	\$	15,179.80
Mower County		87.1	\$	9,241.30
Nobles County		9.3	\$	1,515.90
Olmsted County		269.0	\$	28,493.00
Otter Tail County		287.4	\$	30,610.20
Polk County		132.0	\$	13,596.00
Ramsey County		5,229.4	\$	585,920.20
Rice County		1,524.3	\$	191,622.90
Sherburne County		338.2	\$	37,462.60
St. Louis County		241.3	\$	25,591.90
Stearns County		102.9	\$	10,874.70
Steele County		38.8	\$	4,374.40
Washington County		871.9	\$	94,065.70
TOTAL MEDICAID FRAUD CONTROL UNIT INVESTIGATIONS & PROSECUTIONS		29,412.7	\$	3,557,016.10
Other Local Government Assistance				
Aitkin County Attorney		345.6	\$	56,152.80
Anoka County Attorney		13.0	\$	2,059.00
Becker County Attorney		457.7	\$	70,225.10
Beltrami County Attorney		1,829.0	\$	266,099.00
Benton County Attorney		3,221.5	\$	445,184.50
Big Stone County Attorney		366.7	\$	57,822.10
Blue Earth County Attorney		861.0	\$	124,863.00
Brown County Attorney		58.0	\$	9,454.00
Carlton County Attorney		358.9	\$	58,380.70
Carver County Attorney		157.7	\$	25,405.10
Cass County Attorney		15.7	\$	2,559.10
Chippewa County Attorney		381.9	\$	55,709.70
Chisago County Attorney		900.8	\$	135,130.40
Clay County Attorney		14.5	\$	1,523.50
Clearwater County Attorney		94.1	\$	15,338.30
Cook County Attorney		787.3	\$	122,929.90
Cottonwood County Attorney		951.4	\$	130,220.20
Crow Wing County Attorney		1,003.8	\$	134,441.40
Dodge County Attorney		109.6	\$	13,364.80
Douglas County Attorney		185.6	\$	28,428.80
Faribault County Attorney		51.2	\$	8,075.60
Fillmore County Attorney		161.0	\$	20,063.00
Freeborn County Attorney		293.6	\$	45,918.80
Goodhue County Attorney		18.0	\$	2,934.00
Grant County Attorney		386.8	\$	52,500.40
Hennepin County Attorney		472.7	\$	72,478.10
Houston County Attorney		1.0	\$	163.00
Hubbard County Attorney		58.9	\$	9,600.70
Isanti County Attorney		3,147.6	\$	420,897.80
Itasca County Attorney		548.0	\$	79,280.00
Jackson County Attorney		210.5	\$	29,661.50

Kanabec County Attorney		452.0	\$	70,166.00
Kandiyohi County Attorney		129.8	\$	21,067.40
Kittson County Attorney		30.4	\$	4,085.20
Koochiching County Attorney		172.6	\$	27,923.80
Lac Qui Parle County Attorney		33.3	\$	5,427.90
Lake County Attorney		395.9	\$	60,631.70
Lincoln County Attorney		157.5	\$	25,432.50
Lyon County Attorney		115.8	\$	17,387.40
McLeod County Attorney		235.4	\$	37,320.20
Meeker County Attorney		159.4	\$	25,892.20
Mille Lacs County Attorney		766.9	\$	108,474.70
Morrison County Attorney		969.4	\$	135,248.20
Mower County Attorney		1,729.8	\$	242,669.40
Nicollet County Attorney		107.5	\$	17,522.50
Otter Tail County Attorney		335.0	\$	50,405.00
Pennington County Attorney		551.1	\$	85,209.30
Pine County Attorney		234.6	\$	37,039.80
Pipestone County Attorney		660.2	\$	92,312.60
Pope County Attorney		773.6	\$	107,118.80
Ramsey County Attorney		60.0	\$	9,780.00
Red Lake County Attorney		60.0	\$	9,540.00
Redwood County Attorney		2.0	\$	326.00
Renville County Attorney		72.2	\$	11,768.60
Rice County Attorney		451.8	\$	60,539.40
Roseau County Attorney		207.0	\$	29,271.00
Scott County Attorney		364.0	\$	43,912.00
Sherburne County Attorney		60.2	\$	9,812.60
St. Louis County Attorney		1,109.1	\$	180,423.30
Stearns County Attorney		688.7	\$	106,798.10
Steele County Attorney		896.6	\$	129,633.80
Stevens County Attorney		240.0	\$	36,330.00
Swift County Attorney		173.0	\$	28,199.00
Todd County Attorney		2,038.5	\$	305,185.50
Traverse County Attorney		304.5	\$	39,193.50
Wabasha County Attorney		4.2	\$	642.60
Wadena County Attorney		856.3	\$	119,146.90
Waseca County Attorney		161.9	\$	26,119.70
Watsonwan County Attorney		41.0	\$	4,223.00
Wilkin County Attorney		0.3	\$	48.90
Winona County Attorney		448.5	\$	68,665.50
Wright County Attorney		310.5	\$	44,881.50
Yellow Medicine County Attorney		27.0	\$	4,401.00
Association of County Attorneys		88.7	\$	14,458.10
TOTAL OTHER LOCAL GOVERNMENT ASSISTANCE		34,139.3	\$	4,951,498.90
TOTAL PARTNER/SEMI-PARTNER AGENCIES (from page A-1)		82,052.5	\$	12,615,090.73
TOTAL NON-PARTNER AGENCIES SUBDIVISIONS		152,691.2	\$	21,931,275.47
GRAND TOTAL HOURS/EXPENDITURES		234,743.7	\$	34,546,366.20
Notes:				
(1) The projected hours of service were agreed upon mutually by the partner agencies and the AGO. Actual hours may reflect a different mix of attorney and legal assistant hours than projected originally.				
(2) Billing rates: Attorney \$163.00, Attorney Fellowship \$72.00, and Legal Assistant \$103.00.				
(3) A number of agencies signed agreements for a portion of their legal services.				
(4) Clemency Review Commission and Department of Children, Youth, and Families signed an agreement starting in FY25 for their legal services.				

**APPENDIX B: SPECIAL ATTORNEY EXPENDITURES
BY AGENCY/POLITICAL SUBDIVISION FOR FY 2025**

AGENCY/POLITICAL SUBDIVISION	Amount
Administration	\$ 1,242,522.19
Attorney General	\$ 2,954,258.00
Education	\$ 193,082.56
Human Services	\$ 22,466.27
Lottery	\$ 10,535.00
Minnesota Climate Innovation Finance Authority	\$ 17,130.00
Minnesota Management & Budget	\$ 237,640.89
Office of Cannabis Management	\$ 74,860.79
Public Employees Retirement Association	\$ 33,277.50
Public Safety	\$ 38,619.77
Revenue	\$ 74,860.80
State Retirement System	\$ 13,369.50
Teachers Retirement Association	\$ 3,870.00
TOTAL	\$ 4,916,493.27

Notes:

- (1) Attorney General expenditures are based on date paid
- (2) Expenditures for other agencies/political subdivisions are based on the date billing information was transmitted by the Attorney General's Office to the agency/political subdivision

**APPENDIX B: SPECIAL ATTORNEY EXPENDITURES
BOND COUNSEL BY AGENCY/POLITICAL SUBDIVISION FOR FY 2025**

AGENCY/POLITICAL SUBDIVISION	Amount
Housing Finance Agency	\$ 469,945.63
Minnesota Management & Budget	\$ 73,976.40
Minnesota State	\$ 225.00
Office of Higher Education	\$ 81,556.46
Public Facilities Authority	\$ 12,983.60
TOTAL	\$ 638,687.09

Notes:

- (1) Certain bond fund counsel are paid from proceeds
- (2) Expenditures are based on the date billing information was transmitted by the Attorney General's Office to the agency/political subdivision