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July 14, 2026

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Speaker of the House
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Jen Flood
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This Letter Sent VIA Email Only

Mary Ann Cleary, Director
House Fiscal Agency
House Office Building
124 N. Capitol Ave
Lansing, MI 48933
MCleary@house.mi.gov

Re: *Paul Kreps, et al. v Michigan Unemployment Insurance Agency, et al.*
Sixth Circuit Court of Appeals, Docket No. 25-1497
Eastern District of Michigan, Docket No. 22-cv-12020

Dear Senators, Representatives, and Directors:

MCL 18.1396 directs that the Attorney General notify you in the event of a settlement or consent judgment in excess of $200,000.00. Accordingly, I am

notifying you that, with the concurrence of the Michigan Unemployment Insurance Agency (UIA), this case settled for $500,000.00.

This matter was originally brought by ten plaintiffs (nine at settlement) representing a putative class against UIA, three individual Defendants, and 3 John Does. Plaintiffs asserted three counts alleging violations of procedural due process related to state unemployment claims and pandemic unemployment assistance claims filed during the COVID-19 pandemic. Plaintiffs' asserted that class damages were at least in the hundreds of millions of dollars.

After the close of discovery, UIA and the individual Defendants were granted summary disposition as to all Plaintiffs.[1] Plaintiffs' appealed and the parties participated in facilitative mediation at the Sixth Circuit Court of Appeals. Plaintiffs' initial demand during mediation at the Sixth Circuit was $3.3 million.

Negotiations resulted in the $500,000.00 settlement. Had Plaintiffs' appeal been successful and this matter proceeded to a jury trial, damages and attorney fees considerably in excess of the settlement amount were possible.

Sincerely,

Ashley Steffen

Ashley Steffen
Director, Office of Legislative Affairs
Department of Attorney General

AS/sg

[1] A fourth, non-class-action count brought by the UAW, alleging violation of a settlement agreement, was resolved prior to appeal.