

2019

Asset Forfeiture Report

(Covers Jan. 1, 2018, thru Dec. 31, 2018)



Grants and Community Services Division
Byrne JAG Unit

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STATE OF MICHIGAN
DEPARTMENT OF STATE POLICE
LANSING

GRETCHEN WHITMER
GOVERNOR

COL. JOSEPH M. GASPER
DIRECTOR

June 30, 2019

Ms. Margaret O'Brien
Secretary of the Senate
Michigan Senate
P.O. Box 30036
Lansing, Michigan 48909

Mr. Gary Randall
Clerk of the House
Michigan House of Representatives
P.O. Box 30014
Lansing, Michigan 48909

Dear Ms. O'Brien and Mr. Randall:

I am pleased to present to the Michigan Legislature the 26th annual Asset Forfeiture Report. Michigan's asset forfeiture laws provide for the seizure of cash and property assets of drug traffickers and other criminal organizations when that property is obtained through illegal activity. The report this year is the third and final report to be submitted specifically under the Uniform Forfeiture Reporting Act, PA 148 of 2015, which became effective February 1, 2016.

PA 148 repealed the prior asset forfeiture reporting requirements and requires submission of a summary to the Michigan Department of State Police of the reporting agency's activities regarding forfeiture of property under the following sections of law: Public Health Code, MCL 333.7521-MCL 333.7533 (Controlled Substances); the Identity Theft Protection Act, MCL 445.79d; Revised Judicature Act of 1961, MCL 600.4701-600.4709 (Omnibus); and Revised Judicature Act of 1961, MCL 600.3801-600.3840 (Public Nuisance). Additionally, the type of information to be reported for each seizure and forfeiture of property was expanded to provide for greater transparency regarding the government seizure of private property.

Effective August 7, 2019, legislation signed this year will require a criminal conviction before some property seized under the Public Health Code can be forfeited to law enforcement. The 2020 Asset Forfeiture Report will include forfeitures under PA 148 of 2015 as well as PA 7 and PA 9 of 2019, and beginning with the 2021 report, will cover data from forfeitures under PA 7 and PA 9 of 2019.

This report covers the period from January 1, 2018, through December 31, 2018. This is the second report in which all reporting agencies submitted forfeiture data based upon the calendar year. Over \$15 million in cash and assets amassed by drug traffickers was forfeited. Asset forfeiture funds were used to support law enforcement by providing resources for equipment, personnel, vehicles, training, and supplies. Assets seized pursuant to this program also allowed some agencies to contribute monies to non-profit organizations that assist in obtaining information from citizens for solving crimes.

I submit this report for your information and review.

Sincerely,

A handwritten signature in black ink, appearing to read "J M Gasper".

DIRECTOR

FOREWARD

This is the 26th annual Asset Forfeiture Report; it is the third and final of its kind written exclusively under the Uniform Forfeiture Reporting Act. Effective February 1, 2016, Public Act 148 of 2015 created the Uniform Forfeiture Reporting Act that repealed prior forfeiture reporting requirements under the Public Health Code, and mandated forfeiture reporting requirements under four sections of law: Public Health Code, MCL 333.7521 - MCL 333.7533 (Controlled Substances); the Identity Theft Protection Act, MCL 445.79d; Revised Judicature Act of 1961, MCL 600.4701-600.4709 (Omnibus); and Revised Judicature Act of 1961, MCL 600.3801-600.3840 (Public Nuisance).

Effective August 7, 2019, legislation signed this year will require a criminal conviction before some property seized under the Public Health Code can be forfeited to law enforcement. The 2020 Asset Forfeiture Report will include forfeitures under PA 148 of 2015 as well as PA 7 and PA 9 of 2019, and beginning with the 2021 report, will cover data from forfeitures under PA 7 and PA 9 of 2019.

This report is a compilation of Reporting Agencies' Government Asset Forfeiture Report online submissions by Michigan law enforcement agencies, prosecutors, counties, townships, cities, and villages to the Michigan State Police (MSP), Grants and Community Services Division (GCSD), Byrne Justice Assistance Grant (Byrne JAG) Unit. As a result of the expanded inventory and reporting requirements under the 2015 act, this year 6,616 forfeited property records were submitted to the MSP. The content of the records submitted is summarized for brevity in this report.

Of the 1,531 Reporting Agencies' Government Asset Forfeiture Reports submitted to the MSP, 236 law enforcement agencies reported receiving funds from asset forfeiture during this reporting period. More than \$13.5 million in cash was seized and over \$15 million in cash and property was awarded to law enforcement during this reporting period.

SCOPE OF THE REPORT

The Uniform Forfeiture Reporting Act defines “reporting agency” to mean one of the following: *(i) If property is seized by or forfeited to a local unit of government, that local unit of government means a village, city, township, or county. (ii) If property is seized by or forfeited to the State of Michigan, the state department or agency effectuating the seizure or forfeiture is the reporting agency. “Local unit of government” means a village, city, township, or county.* Asset forfeiture reporting submissions were solicited from every unit of government in the state of Michigan.

Section I: Identification

The following tables provide information regarding the types of agencies that were requested to submit an asset forfeiture report and the responses received as a result of that request:

Agencies	Agencies Submitting a Report Including Asset Forfeitures	Agencies Submitting a Report with NO Asset Forfeitures	Agencies that DID NOT Submit a Report
Local Police Agencies (466)	161	305	0
Multijurisdictional Task Forces (27)	26	1	0
MSP (1)	1	0	0
Sheriff’s Offices (83)	40	43	0
Prosecuting Attorneys (83)	8	75	0
Total	236	424	0

Added Reporting Agencies	Agencies Submitting a Report	Agencies Submitting a Report with NO Asset Forfeitures
Counties	5	5
Townships	739	739
Cities	26	26
Villages	95	95
Departments of State Government	4	4
Total	869	869

Note: Many local units of government maintain their own police agency or contract for police services. Therefore, the police agency executes and reports asset forfeitures on behalf of the unit of government. In some instances, the unit of government filed a null report for the police agency this year.

Section A: Number of Forfeiture and Public Nuisance Proceedings

MCL 28.112(1)(a) – (f)

Proceedings	Forfeiture and Public Nuisance Proceedings
1,314*	A1. Forfeiture proceedings instituted in circuit court
969	A2. Forfeiture proceedings concluded in circuit court
392	A3. Forfeiture proceedings pending in circuit court
4,382	A4. Forfeitures effectuated without a forfeiture proceeding in circuit court
1,809	A5. Forfeiture proceedings concluded by agreement
1,213	A6. Public nuisance proceedings

*Note: Forfeiture proceedings instituted in circuit court may be resolved by agreement and therefore not counted as concluded or pending in circuit court.

Section B: Inventory of Property Received by the Reporting Agency

MCL 28.112(1)(g)

This table includes all items seized, or seized and forfeited, during the reporting period.

Units	Inventory of Property Received
13	B1. Residential Real Property: Number of residential real property units received
0	B2. Industrial or Commercial Real Property: Number of units received
0	B3. Agricultural Real Property: Number of units received
\$13,481,834.78	B4. Money: Dollar amount of all money received
126	B5. Negotiable Instruments and Securities: Number of units seized
672	B6. Weapons: Number of weapons received
3,545	B7. Motor Vehicles and Other Conveyances: Number of units received
39,402	B8. Other Personal Property of Value: Number of other items of value seized

Section C: Description of Property Forfeited

MCL 28.112(1)(h)

Each property inventoried in Section B that has been finalized for purposes of appeal is further described in the tables that follow. Requirements C1-C4 are on file in the MSP database; however, they represent over 6,600 unique entries which are not conducive to summarization.

- C1. Case number or other number assigned by the reporting agency that identifies the forfeiture.
- C2. Description of the property (e.g., residential real property address; legal description of agricultural property; vehicle identification number; make, model, and serial number of a firearm).
- C3. Date the property was seized.
- C4. Date the property was ordered forfeited or disposed of.
- C5. Final disposition of property.
- C6. Estimated value of the property.

Items	Disposition of Property Received	Value of Property Received
461	Destroyed	\$11,382
6	Donated	\$101,106
3,698	Retained by agency	\$7,662,373
374	Sale pending	\$579,247
2,467	Sold	\$3,044,278
72	Dispositions not answered	\$256,470

Note: Some reporting agencies' inventory reports were incomplete and were returned to those reporting agencies for correction. Corrected inventory reports have not been returned and, therefore, are not included in the table above. However, net proceeds of those agencies are included in Section D below.

- C7. The violation or nuisance alleged to have been committed for which forfeiture is authorized.

Asset Forfeitures by Section of Law

Section of Law	Number of Forfeitures
Public Health Code, MCL 333.7521 – 333.7533 (Controlled Substances)	5,629
Identity Theft Protection Act, MCL 445.79d (Identity Theft)	25
Revised Judicature Act of 1961, MCL 600.3801 – 600.38340 (Public Nuisance)	890
Revised Judicature Act of 1961, MCL 600.4701 – 600.4709 (Omnibus)	38
No Answer/Not Identified	26

Asset Forfeitures by Specific Violations

Instances	Specific Violation of Public Health Code
1	333.7340A –NPLEX violation
16	333.74012A1, Controlled substance - Delivery/manufacture - Narcotic or cocaine 1000 or more grams
14	333.74012A2, Controlled substance - Delivery/manufacture - Narcotic or cocaine 450 to 999 grams
85	333.74012A3, Controlled substance - Delivery/manufacture - Narcotic or cocaine 50 to 449 grams
1232	333.74012A4, Controlled substance - Delivery/manufacture - Narcotic or cocaine less than 50 grams
283	333.74012B1, Controlled substance - Delivery/manufacture - Methamphetamine/ecstasy
102	333.74012B-A, Controlled substance - Delivery/manufacture - Schedules 1,2, and 3 except marihuana and cocaine
15	333.74012B-B, Controlled substance - Delivery/manufacture - Substance added to Schedules 1,2, and 3 by Board of Pharmacy rule
25	333.74012C-A, Controlled substance - Delivery/manufacture - Schedule 4
3	333.74012D, Controlled substance - Delivery/manufacture - Schedule 5
6	333.74012D1, Controlled substance - Delivery/manufacture 45 kilograms of marihuana or 200 or more plants
94	333.74012D11, Controlled substance - Delivery/manufacture 5 to 45 kilograms of marihuana or 20 to 200 plants
952	333.74012D3, Controlled substance - Delivery/manufacture marihuana
8	333.74012F, Prescription forms - Manufacture/deliver
1	333.7401A, Controlled substance - Delivery to commit criminal sexual conduct
6	333.7401B3A, Controlled substance - Delivery/manufacture - GBL
7	333.7401B3B, Controlled substance - Possession of GBL
39	333.7401C2A, Controlled substance - Operating/maintaining a laboratory
2	333.7401C2B, Controlled substance - Operating a laboratory in presence of minor
1	333.7401C2D, Controlled substance - Operate a laboratory near specified places
5	333.7401C2F, Controlled substance - Operate a laboratory involving methamphetamine
15	333.74022A, Controlled substance - Creation/delivery counterfeit substance - Narcotic/methamphetamine/ecstasy
2	333.74022D, Controlled substance - Creation/delivery of counterfeit substance - Schedule 5
14	333.74022E, Controlled substance - Creation/delivery of an analogue

Instances	Specific Violation of Public Health Code (Cont'd.)
32	333.74032A1, Controlled substance - Possession of cocaine, heroin, or another narcotic - 1000 or more grams
7	333.74032A2, Controlled substance - Possession of cocaine, heroin, or another narcotic - 450 to 999 grams
36	333.74032A3, Controlled substance - Possession of cocaine, heroin, or another narcotic - 50 to 449 grams
64	333.74032A4, Controlled substance - Possession of cocaine, heroin, or another narcotic - 25 to 49 grams
1141	333.74032A5, Controlled substance - Possession of cocaine, heroin or another narcotic - Less than 25 grams
190	333.74032B1, Controlled substance - Possession of methamphetamine/ecstasy
219	333.74032B-A, Controlled substance - Possession of analogues
39	333.74032B-B, Controlled substance - Possession of substance added to Schedules 1, 2, 3, or 4 by Board of Pharmacy rule
10	333.74032C-A, Controlled substance - Possession of Schedule 5 or LSD, peyote, mescaline, psilocybin, etc.
18	333.74032C-B, Controlled substance - Possession of substance added to Schedule 5 by Board of Pharmacy rule
623	333.74032D, Controlled substance - Possession of marihuana
6	333.74032F, Prescription forms - Possession
3	333.7403A –Controlled substance – Fraudulently obtaining
25	333.74042A, Controlled substance - Use of narcotic/cocaine/methamphetamine/ecstasy
8	333.74042B, Controlled substance - Use
12	333.74042D, Controlled substance - Use of marihuana
1	333.7405B, Controlled substance - Manufacture/distribute outside license
59	333.7405D, Controlled substance - Maintaining a drug house
54	333.7407A1-A, Controlled substance - Attempt - Felony
56	333.7407A1-C, Controlled substance - Attempt - Misdemeanor
1	333.7407A-B, Controlled substance - Attempt - High misdemeanor
5	333-74101-A, Controlled substance - Delivery to minor - Narcotic or cocaine - Less than 50 grams
1	333.74101-B, Controlled substance - Delivery to minor - Substance added to Schedules 1, 2, and 3 by Board of Pharmacy rule

Instances	Specific Violation of Public Health Code (Cont'd.)
2	333.74102-A, Controlled substance - Delivery on school property - Narcotic or cocaine - Less than 50 grams
2	333.74104-A, Controlled substance - Possession on school property - Narcotic or cocaine - Less than 25 grams
1	333.74104-D, Controlled substance - Possession on school property - Marihuana
86	Not Answered/left blank as unspecified violations of the Public Health Code

Instances	Specific Identity Theft Violations
20	445.65, Identity Theft
0	445.65-A, Identity Theft - Second offense
5	445.67, Personal identifying information - Obtain/possess/transfer with intent to commit identity theft
0	Unspecified/unanswered violations of Identity Theft Protection Act, MCL 445.79d

Instances	Specific Nuisance Violations
17	Property was used by or kept for the use of prostitutes or other disorderly persons.
4	Property was used for the unlawful manufacture, transporting, sale, keeping for sale, bartering, or furnishing of a controlled substance.
856	Property was used for the purpose of lewdness, assignation, prostitution, or gambling.
0	Property was used for the unlawful manufacture, transporting, sale, keeping for sale, bartering, or furnishing of vinous, malt, brewed, fermented, spirituous, or intoxicating liquors or mixed liquors or beverages, any part of which is intoxicating.
5	Property was used to facilitate armed violence in connection with the unlawful use of a firearm or other dangerous weapon.

Instances	Specific Violations of Omnibus Act
1	750.2241-A, Weapons - Dangerous weapon - Miscellaneous
5	750.224F, Weapons - Firearms - Possession by felon
3	750.249, Uttering and publishing
4	750.253, Uttering and publishing counterfeit bills or notes
2	750.271, Fraud - Issue/sell domestic securities
2	750.274, Fraud - Purchasing/collecting on fraudulent financial document

Instances	Specific Violations of Omnibus Act (Cont'd.)
1	750.360, Larceny in a building
3	750.459, Prostitution/transporting person
1	750.462F, Human trafficking - Attempting, conspiring, or soliciting another to violate chapter
1	750.49-C, Animals - Fighting animals/equipment
2	750.5352A, Stolen property - Receiving and concealing - \$20,000.00 or more
7	750.5353A, Stolen property - Receiving and concealing - \$1,000.00 or more but less than \$20,000.00
1	750.5353B, Stolen property - Receiving and concealing - \$200.00 or more but less than \$1,000.00 - Second or subsequent offense
1	750.540B1C1, Telecommunications services - Misusing or diverting value of \$1,000.00 or more but less than \$20,000.00
2	752.7973D, Computers - Using to commit a crime - 4 years or more but less than 10 years
8	Unspecified/unanswered violations classified as Omnibus Act.

Instances	Other Entries
25	Entries with no violation entered for the reported seizure

C8. Whether any person was charged with the violation for which the forfeiture was authorized. If yes, whether that person was convicted, not convicted, or the charge is still pending.

Number	Charge and Conviction Data
369	Cooperated/assisted law enforcement to avoid criminal charges*
514	Not charged with a violation for which forfeitures were authorized
2,656	Charged with a violation - Charges Still Pending
2,810	Charged and Convicted for Violation for which Forfeiture was Authorized
124	Charged but not Convicted for Violation for which Forfeiture was Authorized
113	Charged but Conviction Status Not Answered in Survey
49	Neither Charge or Conviction Status Answered in Survey

*Many persons accused of crimes cooperated with authorities, resulting in criminal charges not being pursued. This category was added to the 2018 and future reports for tracking.

C9. Whether any person claimed an interest in the property and the number of claimants to the property.

Number	Number of Persons Claiming an Interest in the Property
4,799	0 persons claimed an interest in the property
1,628	1 person claimed an interest in the property
44	2 persons claimed an interest in the property
18	5 or more persons claimed an interest in the property
120	Question not answered

C10. Whether the forfeiture resulted from an adoptive seizure.

Number	Did the Forfeiture Result from an Adoptive Seizure
351	Yes
6044	No
111	Not answered

C11. Whether the property was seized pursuant to a search warrant, arrest warrant, or search incident to arrest.

Number	Search Warrant, Arrest Warrant, or Search Incident to Arrest
2266	Search warrant
105	Arrest warrant
2596	Search incident to arrest
1601	No warrant
41	Not answered

C12. Whether a controlled substance was found in the course of the investigation that resulted in the forfeiture of the property.

Number	Controlled Substance Found in the Course of the Investigation
5492	Yes
1112	No
3	Not answered

Section D: Net Total Proceeds

MCL 28.112(1)(i)

Report the net total proceeds of all property forfeited through actions instituted by the reporting agency that the reporting agency is required to account for and report to the state treasurer.

Amount	Net Total Proceeds
\$15,176,886	Net total proceeds reported to MSP for January 1, 2018, thru December 31, 2018

Note: This report includes only the net proceeds of property that was seized on or after the effective date of the act and forfeited during the reporting period.

Section E: Expenditures of Asset Forfeiture Funds under the Public Health Code

MCL 28.112(1)(j)(i)

The reporting agencies were requested to report the use of asset forfeiture funds as a percentage of the agency’s total expenditures of asset forfeiture funds in 13 broad categories: personnel, overtime, vehicles, equipment, federal grant match, informant fees, buy money, training, crime prevention and public outreach, animal expenses, supplies and materials, non-profit organizations, and other expenses.

Expenditure of Funds	
Category	Percentage
Personnel	6%
Overtime	2%
Vehicles	10%
Equipment	33%
Federal Grant Match	1%
Informant Fees	1%
Buy Money	4%
Training	8%
Crime Prevention/Public Outreach	1%
Animal Expenses	2%
Supplies and Materials	7%
Shared with other Agencies	5%
Non-Profit Organizations	1%
Other	19%
TOTAL	100%

The following are examples of reported expenditures by category:

Personnel: Asset forfeiture funds are used to fund community policing officers, multijurisdictional drug team personnel, local and county agency drug team personnel, and civilian personnel.

Overtime: Drug investigations are often initiated in the late evening/early morning hours. Certified methamphetamine laboratory responders, raid entry teams, and canine handlers are examples of frequently used personnel that require overtime payment.

Vehicles: The increasing cost of vehicles has been a major factor in increased police department operating cost budgets. The use of asset forfeiture funds has offset some of these costs.

Equipment: Law enforcement is seeing rapid changes in technology to assist agencies in working more efficiently and effectively. Records management systems, mobile data terminals, live stream video, and evidence collection enhancements are examples of expenditures from this category.

Federal Grant Match: Grant matching funds help increase the number of investigators and prosecutors dedicated to drug enforcement. Multijurisdictional task forces rely heavily on federal funds to operate and most of these funds require a cash match.

Informant Fees: Asset forfeiture funds are used for informant fees to assist in solving complex drug investigations.

Buy Money: Assembling cases against drug traffickers requires resources for undercover agents to conduct drug purchases, often over a period of time. Enforcement budgets may be inadequate for this expenditure. Asset forfeiture funds fill this gap and provide needed resources, especially for smaller law enforcement agencies.

Training: The majority of sworn personnel assigned to multijurisdictional task forces require formal narcotics investigative training. Law enforcement agencies are providing more training for personnel to keep current with new technological advances. Asset forfeiture funds can assist agencies with these costs.

Crime Prevention and Public Outreach: Law enforcement agencies are providing education and awareness programs throughout the state. These efforts may include presentations to schools and community groups.

Animal Expenses: Canines have proven to be a valuable asset to law enforcement. Law enforcement agencies and one multijurisdictional task force reported spending asset forfeiture funds on medical and maintenance costs for their canine programs.

Supplies and Materials: Supplies and materials are considered operational items that cost under \$5,000, including computers, copier leases, cellular telephones, and vehicle/building maintenance. Materials and supplies utilized by multijurisdictional task force personnel are not normally provided for in a participating agency's budget, so multijurisdictional task forces often use asset forfeiture funds to support their supplies and materials expenditures.

Shared with Other Agency: Some forfeitures result from joint investigations or multijurisdictional task force investigations; therefore, proceeds may be shared among participating agencies.

Non-profit Organizations: Many local police agencies and county sheriffs' offices reported contributing a percentage of their asset forfeiture funds to local crime alert organizations as allowed by MCL 333.7524(1)(b)(ii).

Other: Expenditures reported in this category were utilized for building/utility costs for narcotics unit operations, cellular telephone bills, global positioning tracker services, extradition costs, drug awareness kits, vehicle purchases, off-site storage units for toxic materials, dispatching consortium fees, aviation fees, and evidence collection materials.

F: Donated Grow Lights and Scales**MCL 28.112(1)(j)(ii)****Distribution to Schools**

MCL 333.7524(2) allows for the donation of forfeited lights for plant growth or scales to elementary schools, secondary schools, and institutions of higher education.

Lights and Scales Donated	
26	Number of lights for plant growth
24	Number of scales
4	Number of schools receiving donated equipment
\$1,405	Total cash value of lights and scales

Section G: Distribution of Net Proceeds of Revised Judicature Act (Nuisance) Proceedings**MCL 28.112(1)(k)**

Amount	Other Persons Entitled to the Proceeds of Nuisance Proceedings
0%	Percent to victims of human trafficking
4%	Percent to other persons entitled to proceeds
96%	Percent reported paid to state treasurer

Section H: Distribution of Net Proceeds of Revised Judicature Act (Omnibus) Proceedings**MCL 28.112(1)(l)**

Amount	Net Proceeds of Revised Judicature Act (Omnibus) Proceedings
\$304,102	Amount used to enhance enforcement of criminal laws
\$24,166	Amount used to implement William Van Regenmorter Crime Victim's Rights Act