STATE OF MICHIGAN

COURT OF CLAIMS

DARRELL SIGGERS,

Plaintiff,

v

Case No. 18-000242-MZ

STATE OF MICHIGAN,

Hon. Michael J. Riordan

Defendant.
_____ /

OPINION AND ORDER GRANTING MOTION TO LIFT ORDER OF ABEYANCE, REOPEN CASE AND RELEASE FUNDS

At issue in this case is the proper disbursement of interest accrued on an "award of compensation" held in an interest-bearing account while court proceedings regarding reimbursement under MCL 691.1755(13) of the Wrongful Imprisonment Compensation Act (WICA), MCL 691.1751 *et seq*., were pending. For the reasons described herein, the Court:

1. Lifts the Order of Abeyance on the State's Motion to Reopen this case,
2. GRANTS the State's motion to reopen the case,
3. DIRECTS that $750,000 from the Huntington Bank account be released to the State.
4. DIRECTS the interest accrued on the Huntington Bank account be released to the State.

I. BACKGROUND

Plaintiff filed this suit against the State on November 13, 2018, seeking compensation under the WICA. The parties reached a settlement agreement and the Court entered a consent judgment on November 26, 2019, for $750,000 in compensation. The Court entered a stipulated order awarding attorney fees and costs a month later. The matter was then closed.

On April 22, 2024, the State moved to reopen this case because plaintiff settled a lawsuit filed in federal district court against employees for the city of Detroit for $7 million arising from the same wrongful conviction and imprisonment. The State argued it was entitled to reimbursement of the $750,000 WICA judgment from the federal court settlement pursuant to MCL 691.1755(13), which states: "An award of compensation under this act is subject to setoff or reimbursement for damages obtained for the wrongful conviction or imprisonment from any other person." Plaintiff challenged the reimbursement, seeking to keep the full judgments awarded in both federal and state court.

On May 20, 2024, the parties stipulated that plaintiff would place $750,000 "in a restricted, interest-bearing account at Huntington Bank" until otherwise ordered by this Court. The parties agreed, "Each party reserves the right to petition the Court for a decision on interest gained on the WICA Funds. . . ." The Court held the State's motion to reopen the case in abeyance. Although not identified in the Court's order, the matter was held in abeyance to permit the resolution of another matter raising a similar issue: *Ricks v Desmond*, Court of Claims Docket No. 17-000159-MZ.

Ricks has now been fully resolved. The parties have filed supplemental pleadings, in which they agree that the abeyance should be lifted and this case reopened. They agree, consistent with

Ricks, that plaintiff must reimburse the State $750,000 and that this amount should be released from the Huntington Bank account to the State. The parties disagree, however, on which party is entitled to the interest that accrued on the funds while deposited with Huntington Bank per this Court's order and over which funds neither party had access or control.[1]

II. ANALYSIS

The first step in resolving the issue before the Court is to review the WICA statutory language enacted by the Legislature and signed into law. "The primary goal of statutory interpretation is to give effect to the Legislature's intent. To do that, we read a statute's provisions reasonably and in context." *Ricks v State*, 507 Mich 387, 397; 968 NW2d 428 (2021) (*Ricks I*) (quotation marks and citations omitted). "A statute's language offers the most reliable evidence of the Legislature's intent." *Id*. (quotation marks and citation omitted). "In interpreting a statute, this Court avoids a construction that would render any part of the statute surplusage or nugatory. Additionally, we must strive to give meaning to every phrase, clause, and word found within the statute." *Ricks v State*, ___ Mich App ___; ___ NW2d ___ (2026) (Docket No. 369531) (*Ricks II*), slip op at 3 (quotation marks and citations omitted). To that end, "[i]ndividual words and phrases, while important, should be read in the context of the entire legislative scheme," understanding those words "according to the common and approved usage of the language," while giving "technical words and phrases" their "peculiar and appropriate meaning in the law." *Id*. (quotation marks and citations omitted).

[1] This issue was not considered or decided in the *Ricks* litigation or appeals and appears to be an issue of first impression.

MCL 691.1755(1) provides that a wrongfully imprisoned individual is entitled to a civil judgment under the WICA under certain conditions. The statute continues, in relevant part:

> (2) Subject to subsections (4) and (5), if a court finds that a plaintiff was wrongfully convicted and imprisoned, the court shall award *compensation* as follows:
>
> (a) Fifty thousand dollars for each year from the date the plaintiff was imprisoned until the date the plaintiff was released from prison, regardless of whether the plaintiff was released from imprisonment on parole or because the maximum sentence was served. . . .
>
> (b) Reimbursement of any amount awarded and collected by this state under the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406.
>
> (c) Reasonable attorney fees incurred in an action under this act. . . .
>
> * * *
>
> (13) An *award of compensation* under this act is subject to setoff or reimbursement *for damages obtained* for the wrongful conviction or imprisonment from any other person. . . . [Emphasis added.]

MCL 691.1755 does not refer to interest payments in any of its provisions. MCL 691.1755(2) defines "compensation" under the WICA as including $50,000 per year of wrongful imprisonment, reimbursement of any amounts collected under the state correctional facility reimbursement act, and reasonable attorney fees incurred in the WICA action. There is no mention of interest in the definition of compensation. Even MCL 169.1755(6), which allows the State to pay the compensation owed to a plaintiff through a payment plan, does not contemplate the accrual of interest. The most relevant provision to this matter—MCL 169.1755(13)—does not contemplate any situation beyond the setoff or reimbursement from the state WICA award of compensation for "damages obtained" for the wrongful imprisonment or conviction from another person.

Plaintiff contends that although accumulated interest is not mentioned expressly in the WICA, the language of subsection (13) supports that he is entitled to the subject interest. The plain language of the statute provides that the State is entitled to setoff or reimbursement from the "award of compensation" "for damages obtained" by plaintiff from the city of Detroit defendants. The "award of compensation" paid by the State was $750,000; it did not pay interest on that amount to plaintiff. The "damages obtained" by plaintiff from the city of Detroit also did not include the interest at issue. Accordingly, plaintiff contends that he cannot be required to reimburse the State the amount of the interest regardless of the diminution in value of the funds between their deposit in the Huntington Bank account on May 20, 2024 and now.

The State, on the other hand, contends that the Court should award the interest accrued on the funds as "equitable interest" to compensate the State for the loss of use of those funds while this matter was pending. In this regard, the State cites *Gordon Sel-Way, Inc v Spence Bros, Inc*, 438 Mich 488, 499; 475 NW2d 704 (1991) (citation omitted), which states: "Michigan has long recognized the common-law doctrine of awarding interest as an element of damages. The doctrine recognizes that money has a 'use value' and interest is a legitimate element of damages used to compensate the prevailing party for the lost use of its funds." Stated differently, "in Michigan, the purpose of common-law interest is to compensate plaintiffs for loss of use of their funds and to allow full compensation. Indeed, courts have long recognized equitable prejudgment interest as an element of a litigant's complete compensation." *AFT v State*, 334 Mich App 215, 234 (cleaned up).

The current matter is distinguishable from *Gorden Sel-Way* and *AFT* because the State is not a prevailing party who was awarded a judgment or compensation. Indeed, the State paid a judgment to plaintiff. However, the current matter also has elements in common with these

precedents. Ultimately, the State is entitled to $750,000 and lost the use of those funds during the pendency of the reimbursement dispute. The State, not plaintiff, lost the "use value" of the funds in question, supporting the award of the interest to the State.

Ultimately, the purpose of the WICA is to provide compensation to an individual wrongfully convicted and imprisoned for an offense he or she did not commit. MCL 691.1753. The State waived its sovereign immunity for the limited purpose of allowing these wrongfully convicted and imprisoned individuals to seek a limited amount of compensation. See *Ricks II*, ___ Mich App at ___, slip op at 2. The Legislature decided that such individuals are not entitled to excess compensation from the State and must return all or part of a WICA judgment in the event another person is held liable. MCL 691.1755(13). Having determined that plaintiff is not entitled to retain the $750,000 WICA judgment, the Court concludes that plaintiff is not entitled to retain the interest accrued on those funds while they were maintained at Hungtington Bank. The interest must be returned to the State along with the underlying funds.

IT IS ORDERED:

1. The Court lifts the Order of Abeyance on the State's Motion to Reopen this case.
2. The Court GRANTS the State's motion to reopen the case.
3. The Court DIRECTS that the entirety of the funds in the Huntington Bank account, including both the principal of $750,000 and the accrued interest, be released to the State.
4. This is a final order resolving the last remaining issues in this case.

Date: July 27, 2026

Michael J. Riordan
Judge, Court of Claims