NATIONAL STATE ATTORNEYS
GENERAL PROGRAM:
CONSUMER PROTECTION
REPORT

May 2014
CONSUMER PROTECTION REPORT:
May 1 – 31, 2014

This newsletter is the seventh of a monthly circulation that describes consumer protection activity announced by state attorneys general. This information was gathered solely from attorney general press releases. It makes no effort to prioritize or analyze the impact of any of these cases and initiatives.

The following press releases are organized by state and multistate activity. In addition, certain Medicaid fraud cases that touch on consumer protection and advocacy initiatives have been included.

If an office would like their activity to be included in subsequent newsletters, please notify attorneygeneral@law.columbia.edu.

To sign up for the monthly consumer protection report, please click on the link below and enter your contact information.

Newsletter sign up: http://stateag.us4.list-manage.com/subscribe?u=9c3bb47bb6aba00473adb0c58&id=fdba3bae7b

The National State Attorneys General Program at Columbia Law School is a legal research, education, and policy center that examines the implications of the jurisprudence of state attorneys general. Working closely with attorneys general, academics, and other members of the legal community, the program is active in the development and dissemination of legal information used by state prosecutors in carrying out their civil and criminal responsibilities.

For more information about the National State Attorneys General Program and resources, please visit our website www.stateag.org.
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ARIZONA

May 30, 2014

Attorney General Tom Horne Files Consumer Fraud Lawsuit Against Private School

Attorney General Tom Horne today announced the recent filing of a lawsuit in Maricopa County Superior Court against Rise & Shine Exceptional Services, LLC and Desiree and Timothy Truett. The consumer fraud lawsuit alleges that Rise & Shine Exceptional Services, operating as a private school in Maricopa, and its owner, Desiree Truett, defrauded parents and donors by falsely claiming that the school was a non-profit tuition-free school when it did, in fact, charge tuition ranging from $2,000 to over $26,000 per year and it was never a non-profit corporation.

The State alleges that defendants misrepresented the for-profit status of the school and the tuition it charged to parents interested in enrolling their children at Rise & Shine. Desiree Truett told the State’s undercover investigator that the school doesn’t “charge any tuition,” they “never charge parents anything,” and “I've never taken a penny from a parent. Everything we do is free.” Notwithstanding defendants’ representations of being tuition-free, Rise & Shine did actually charge tuition and defendants issued tuition receipts to parents. Many of those parents were recipients of the Arizona Department of Education’s Empowerment Scholarship Accounts and used the scholarships to pay Rise & Shine’s tuition.

McDaniel Sues Lonoke County Pawnbroker

Attorney General Dustin McDaniel filed a consumer-protection lawsuit today against a Lonoke County pawnbroker accused of marketing illegal auto title loans with interest rates of more than 300 percent to dozens of Arkansas consumers.


(Click here for a copy of the lawsuit.)

According to the lawsuit, US Pawn and Loan offered auto-title loans, also known as title pawns, to Arkansas consumers. Title pawns are short-term, high-interest loans in which the borrower provides the lender with the title and a key to his or her vehicle as collateral. In a title pawn, the borrower retains the vehicle but the lender keeps the right to seize or sell the vehicle if the borrower fails to meet payment obligations.

US Pawn and Loan is accused of engaging in at least 86 title-loan transactions with at least 63 Arkansas consumers. The effective interest rate for each of the loans exceeded 300 percent. For example, the business charged $375 a month in interest and fees on a $1,500 loan, with the monthly rate being assessed every month the loan was outstanding.

“No matter whether it’s a high-interest title loan or a payday loan, these types of lending activities are bad for consumers and illegal in Arkansas,” McDaniel said. “I have made it a priority in my office to protect Arkansans against usurious lending practices.”

May 20, 2014

Attorney General Suthers Announces Five Men Indicted In Operation ‘Steamroller’ That Targeted Senior Citizens In Home Repair Scam

Colorado Attorney General John Suthers and Boulder District Attorney Stan Garnett today announced the dismantling of an asphalt paving and roofing ring that targeted and scammed Colorado senior citizens. In a 66-count statewide grand jury indictment Rickey Gene Fite, his father Rickey Dean Fite, Rodney Jackson, Michael Sullivan and Emanuel Broadway are accused of traveling throughout Colorado and the Western United States representing they were members and operators of a home contractor businesses. Instead, they ran a “fly-by-night” operation that methodically and systematically defrauded and stole from seniors. In some instances, Ricky Gene Fite intimidated and used violent tactics.

The ring operated in more rural areas and neighborhoods of Arapahoe, Boulder, Delta, Jefferson, Larimer, Mesa, Montrose, Ouray and Weld counties and made unsolicited contact with a homeowner. After claiming they had excess asphalt (or roofing material) left over from a nearby job, the men offered the homeowner a “great deal.” If a price was even quoted, it was low and enticing, however, sometimes work began without homeowners’ permission. Always though, the final price was hugely inflated in relation to the nature of the work done.

http://www.coloradoattorneygeneral.gov/press/news/2014/05/20/five_men_indicted_operation_%E2%80%98steamroller%E2%80%99_targeted_senior_citizens_home_repair

May 07, 2014

Attorney General Suthers Announces Civil Lawsuit Against O’s Pipe And Tobacco In Wake Of Recent ‘Spice’ Outbreak

Colorado Attorney General Suthers announced today that the Consumer Protection Section of his office filed a civil lawsuit against Orlando Martinez (D.O.B 09/26/43) and his Denver store, O’s Pipes & Tobacco for illegally selling “spice” products that contributed to an illness outbreak. The suit
alleges that by selling spice products with deceptive labeling, Martinez failed to warn consumers that the contents contained dangerous and illegal synthetic cannabinoids. By making misleading statements, the suit alleges that Martinez violated the Colorado Consumer Protection Act.

“Investigators from the Colorado Attorney General’s Office and Colorado Department of Revenue conducted an undercover purchase at O’s Pipes & Tobacco and removed 1,319 spice packages with an estimated street value of more than $21,000.00,” Suthers said. “We can now connect the fact that last fall, 221 people were put in the emergency room after using these or similar spice products.”

[Link](http://www.coloradoattorneygeneral.gov/press/news/2014/05/07/colorado_attorney_general_announces_civil_lawsuit_against_o%E2%80%99s_pipe_and_tobacco)

### DELAWARE

*May 16, 2014*

**Biden’s Office Secures Order Requiring Manufactured Home Community To Pay Refunds To Tenants**

Attorney General Beau Biden announced today that his office has secured a consent order requiring a Smyrna-area manufactured home community to refund monies it collected in violation of the law.

“We’re acting to ensure that residents of manufactured home communities are treated fairly and that community owners are held accountable to the promises they make and to their obligations under the law,” Biden said.

Earlier this year, as a result of multiple complaints received from residents of the Bon Ayre manufactured home community in Smyrna, the Attorney General’s Consumer Protection Unit opened an investigation into supplemental fees that were being charged by the community to its tenants. Investigators learned that Bon Ayre had previously claimed in advertising promotions that tenants would not be responsible for the payment of real estate taxes, and information sheets provided to prospective purchasers stated that “Real Estate or Land Taxes are paid by the owner of the land, and not by the home owners.” While Bon Ayre subsequently modified its information sheets, the investigation revealed that it continued to foster the
belief that the community owner would be responsible for the payment of property taxes, not the tenants.


HAWAII

May 20, 2014

**Attorney General Louie Announces Email Scammers Preying On Hawaii’s Elderly And Vulnerable Residents**

Attorney General David M. Louie announced today that the Department of the Attorney General’s Investigations Division has opened a criminal investigation into an email fraud scheme involving false representations about compensation by the government of Ghana. As an added twist to what has become a common form of theft and identity theft on the internet, these criminals are falsely claiming that Attorney General Louie has verified the authenticity of their claims


IDAHO

May 28, 2014

**Idaho Falls Furniture Seller Settles with Attorney General Lawrence Wasden**

Oakridge Furniture has entered into an agreement with the state to resolve consumer protection issues related to the recent closure of the store, Attorney General Lawrence Wasden said.

The agreement, which involves S & S Sales, Inc., d/b/a Oakridge Furniture, and S & S Sales' owners, L. Kip and Angela Steed, stems from allegations that the Steeds conducted an unlawful "going out of business sale."
Under the Idaho Consumer Protection Act, a seller may not advertise a "going out of business sale" unless the seller is closing for good. The Steeds intended to close Oakridge Furniture and reopen in the future as an Ashley Furniture Store.

A store that closes and subsequently reopens in the same location, but under a different name, is not going out of business and may not advertise as if it is going out of business.


May 9, 2014

General Lawrence Wasden Announces Auto Service Contractor To Provide Refunds To 300 Idahoans

Gold Standard Automotive Network, Inc. (GSAN), a vehicle service contract provider based in Utah, has agreed to a settlement to resolve allegations it violated the Idaho Consumer Protection Act, Attorney General Lawrence Wasden announced today. As part of the settlement, Idaho consumers who purchased a motor vehicle service contract from GSAN prior to November 1, 2013, will be allowed to cancel their contracts and receive a refund from GSAN.

GSAN began selling motor vehicle service contracts in Idaho in the spring of 2013 that were not covered by a liability insurance policy as required by Idaho law and failed to make mandatory disclosures in its contracts.

GSAN's motor vehicle service contract is not a warranty or an insurance policy. It is an agreement that GSAN provides specific repair or replacement service for a motor vehicle due to defect in materials, workmanship, and normal wear and tear in exchange for payment from the vehicle's owner. The price for the motor vehicle service contract is in addition to the vehicle purchase price. A motor vehicle service contract may provide full or partial reimbursement for other expenses if included in the contract coverage, including, towing, rental car, lodging, motor club, maintenance benefits, roadside assistance and meal expenses.

ILLINOIS

May 21, 2014

Attorney General Lisa Madigan Launches Multi-County Crackdown On Home Repair Scams

Attorney General Lisa Madigan today filed a series of lawsuits against home repair contractors for scamming homeowners out of thousands of dollars for work that was never completed.

Madigan filed six lawsuits in Cook, DuPage, Logan and Vermilion County Circuit Courts, alleging contractors repeatedly took money upfront from homeowners without completing the work, leaving some people scrambling to complete repairs in the wake of severe storms that recently have hit Illinois.

The lawsuits are Madigan’s latest enforcement actions to combat unscrupulous contractors and serve to highlight the need for passage of House Bill 5735, the Home Repair and Construction Task Force Act, which would establish an exploratory committee to assess whether Illinois home repair and construction contractors should face additional regulatory requirements to do business in the state.

http://illinoisattorneygeneral.gov/pressroom/2014_05/20140521.html

INDIANA

May 1, 2014

Attorney General Greg Zoeller Reaches Agreement With Auto Dealer After Charging Fees Without Providing Protective Coating

Indiana Attorney General Greg Zoeller’s office reached a settlement with Kia of Muncie after the dealership charged customers for Xzilon exterior paint protection, but failed to apply the coating.

The state launched its investigation after receiving a tip from a former employee that the dealership continued to charge consumers for the product, even though it had run out of its supply and stopped applying it to vehicles.
“Kia of Muncie failed to apply Xzilon exterior protection to vehicles despite advertising it had been applied,” said Terry Tolliver, deputy director of the Consumer Protection Division. “This settlement ensures those consumers who were impacted were made whole again, but consumers should always be leery of dealer add-ons when purchasing a vehicle, especially for those products that you cannot see.”


IOWA

May 30, 2014

Attorney General Tom Miller Announces Judge Bars Eastern Iowa Contractor from Home Construction and Repair Work, Orders Payments to Customers

Attorney General’s consumer protection lawsuit alleges repeated deceptions & unfair practices

A state judge this week barred a Johnson County contractor from future contracting and home repair work, ruling the contractor repeatedly violated consumer fraud laws.

Polk County District Judge Eliza Ovrom issued a permanent injunction against Clay Lowell Willie, 73, of Oxford, after Attorney General Tom Miller alleged that Willie engaged in a series of deceptions and unfair practices connected to home repair and contracting work. The judge also ordered Willie to reimburse four consumers a total of more than $12,000.

Willie, who has used several aliases and at least nine business names, repeatedly violated Iowa’s Consumer Fraud Act and Door-to-Door Sales Act, according to the ruling.

In a lawsuit filed last week, the Consumer Protection Division alleged that Willie accepted payment and failed to deliver materials and services, failed to issue refunds, failed to meet appropriate standards and building codes, and, in some cases, caused physical damage to consumers’ residences due to abandoned projects.
May 16, 2014

Ashford University And Parent Company Bridgepoint Education Agree To $7.25 Million Payment And Major Changes After AG Miller Alleges Consumer Fraud

Many online Iowa students to receive some reimbursement; Agreement requires Ashford to change practices nationwide and submit to independent oversight

Ashford University and San Diego-based parent company Bridgepoint Education Inc. have agreed to a $7.25 million dollar payment and are required to change certain recruitment and enrollment practices after Attorney General Tom Miller alleged the for-profit online school violated Iowa’s Consumer Fraud Act.

The settlement caps a three-year investigation into complaints filed by current and former Ashford students that the online school’s conduct resulted in students not completing their educational programs, not obtaining professional licenses, and being saddled with substantial student loan debt.

“Our investigation found what we allege was troubling conduct by Ashford recruiters, including misleading prospective students to encourage them to sign on the dotted line,” Miller said. “Unfortunately for many Ashford students, they didn’t get the degree they hoped for or the job they were led to believe they’d get after graduating. What they did end up with was a crushing amount of student loan debt.”

http://www.state.ia.us/government/ag/latest_news/releases/may_2014/AU_BE.html
May 20, 2014

Attorney General Derek Schmidt Orders A California Company To Pay Nearly $700,000 For Violating Kansas No-Call Act

California marketing company has been ordered to pay nearly $700,000 in fees and penalties for violating the Kansas No-Call Act, Kansas Attorney General Derek Schmidt said today.

Variable Marketing, LLC, based in Los Angeles, was ordered in a default judgment to pay $691,500 in penalties and fees for calling Kansas consumers registered on the Do-Not-Call list. Shawnee County District Judge Larry Hendricks entered the order against the company last week.

The attorney general’s office began investigating the case in January 2013 after receiving six complaints from Kansans registered on the Do-Not-Call list about the company. The Federal Trade Commission also received 28 complaints from Kansas consumers. The company tried to sell auto insurance to the consumers, while representing themselves to be with the “Kansas Division of Motor Vehicles.”


May 2, 2014

Attorney General Derek Schmidt Fines California Security Company For Violating The Kansas No-Call Act

A California home security and marketing company has been ordered to pay a $10,000 penalty for violating the Kansas No-Call Act, Attorney General Derek Schmidt said today.

Outreach Marketing Group, Direct Source Media and Secure 1, Inc., were ordered to pay the fine in a consent judgment approved this week by Shawnee County District Judge Larry Hendricks. In addition, Hendricks ordered the company to refrain from further violations of the No-Call Act.
“Consumers who have chosen to register their phone numbers on the Do-Not-Call list have an expectation that they will no longer receive these calls,” Schmidt said. “Our office will continue to enforce the law against those who choose to violate consumers’ privacy.”

The attorney general’s office received three complaints from Johnson County residents in 2012 and 2013 alleging the company called them to sell home security systems or security monitoring systems. The consumers’ phone numbers were registered on the Do-Not-Call list.


KENTUCKY

May 21, 2014

Attorney General Jack Conway Announces Fraudulent Roofing Contractor Pleads Guilty in Grayson County

Attorney General Jack Conway and his Office of Consumer Protection today announced that a roofing contractor accused of failing to perform repair services for Kentucky residents, despite being paid to do so, has pleaded guilty to two counts of theft by deception over $500. James Twaddle, 41, entered the plea in Grayson Circuit Court. His three-year prison sentence was suspended for five years after Twaddle repaid approximately $12,500 in restitution to the victims.

Twaddle was previously indicted on more than two dozen counts of theft by deception in Bullitt, Grayson, LaRue, Jefferson, and Scott counties. Earlier this year, Twaddle pleaded guilty to theft by deception charges in Bullitt, LaRue, and Scott counties and was ordered to pay restitution to the victims in those cases. The remaining cases in Jefferson County are still pending.

http://migration.kentucky.gov/Newsroom/ag/twaddlegraysonplea.htm
May 20, 2014

Attorney General Martha Coakley Announces New York Woman Pleads Guilty, Sentenced to Prison for Defrauding One Fund Boston of $480,000

Woman Claimed to Have Traumatic Brain Injury Due to Boston Marathon Bombing

A New York woman has pleaded guilty and been sentenced to state prison in connection with collecting a fraudulent $480,000 claim from The One Fund Boston, Attorney General Martha Coakley announced today. The woman claimed she suffered a traumatic brain injury as a result of the Boston Marathon bombing.

“It is disturbing that this defendant would attempt to steal from the real victims of the Marathon bombing through fraud and deceit,” AG Coakley said. “As a result of our investigation, we recovered all of the money and it is now being returned to The One Fund Boston. This defendant will now serve time in state prison for her actions.”

Audrea Gause, 27, of Troy, N.Y., pleaded guilty today in Suffolk Superior Court to the charge of Larceny over $250. After the plea was entered, Superior Court Judge Carol Ball sentenced Gause to two-and-a-half to three years in state prison. The Commonwealth recommended that Gause be sentenced to four to five years in state prison. Five years in state prison is the maximum sentence for someone convicted of Larceny over $250.


May 01, 2014

Attorney General Martha Coakley Announces Financing Company to Pay $200,000 for Prematurely Cancelling Auto Insurance Policies

An Illinois-based premium financing provider has agreed to pay $200,000 to resolve allegations that it illegally and prematurely cancelled certain financed auto insurance policies affecting nearly 200 Massachusetts customers, Attorney General Martha Coakley announced today. Since 2011, the AG’s
Office has obtained more than $484,000 in restitution to consumers and payments to the Commonwealth as a result of its investigation of illegal cancellation practices by premium financing providers.

According to the assurance of discontinuance, filed in Suffolk Superior Court today, FIRST Insurance Funding Corporation issued cancellation requests to insurance companies with an effective date that was the same as the date of the notice, violating a state insurance statute that requires premium financing providers to give at least a 20-day notice to the insurance company that issues the policy.

“Financing companies are required to give Massachusetts customers adequate protections and proper notice of auto insurance cancellations so they can determine a solution for continued coverage,” AG Coakley said. “Our office will continue to track these providers to make sure that they are complying with state laws when dealing with the insurance policies of consumers and small businesses.”


MICHIGAN

May 1, 2014

AG Schuette: Wayne County Man Sentenced to 20 Years in Prison for Scamming 84 Victims Out of $914,151

Michigan Attorney General Bill Schuette today announced Kenneth Sandoval, 36, of Dearborn, of Nationwide Consulting was sentenced to up to 20 years in prison after securing his conviction on one count of Conducting a Criminal Enterprise, a felony punishable by 20 years in prison, and two counts of Larceny by Conversion, $20,000 or more, a felony punishable by up to 10 years in prison. Sandoval defrauded approximately 84 victims out of $914,151. Schuette is seeking full restitution for the victims of Sandoval's racketeering scheme.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-327532--,00.html
Attorney General Lori Swanson Files Lawsuit Against Outfits That Exploited Immigrants By Falsely Posing As Immigration Attorneys

Minnesota Attorney General Lori Swanson today filed a lawsuit against a woman and her companies for falsely posing as an attorney and charging immigrants thousands of dollars for legal work on immigration matters that she was not legally authorized to perform.

“This is an example of someone exploiting the complexity and cost of the legal process to their own advantage and to the detriment of others,” said Attorney General Swanson.

Attorney General Swanson indicated that her office has filed a number of lawsuits in recent years involving companies and individuals that seek to take advantage of people facing a costly and complicated legal system.

The lawsuit was filed in Hennepin County District Court against two companies, American Group US, Inc. and The Legacy Firm Corporation, and Ornella Hammerschmidt, a woman from Shakopee, Minnesota that runs them.

The defendants charged Spanish-speaking immigrants with limited English language proficiency as much as $12,000 for legal work on immigration matters. The legal work included assistance on applications for citizenship, asylum, and other immigration matters. Ms. Hammerschmidt is not an attorney, but she held herself out as one and held her companies out as being capable of providing immigration legal services. The company often gave consumers a business card or other paperwork calling Ms. Hammerschmidt an “International Attorney.”

http://www.ag.state.mn.us/Consumer/PressRelease/05132014OutfitsThatExploitedImmigrants.asp
NEVADA

May 16, 2014

Attorney General Masto Announces Arrest of Carson City Woman in Connection With Selling Fake NBA Tickets

Nevada Attorney General Catherine Cortez Masto announced the arrest yesterday of Megan Klein, 39, of Carson City, in connection with fraud charges related to a 2013 scheme in which professional athletes were targeted for the sale of fictitious ownership interests in the NBA team, the Miami Heat, and for purchasing season tickets that did not exist.

“We were able to investigate and arrest Ms. Klein due to the collaboration between the Los Angeles Police Department, the Federal Bureau of Investigation, and my office,” said Masto. “Klein was an accomplice to multiple theft and fraud charges. She will have to answer to a judge and face the consequences of her actions.”


May 8, 2014

Attorney General Masto Announces Sentencing in Las Vegas Securities Fraud Case

Nevada Attorney General Catherine Cortez Masto announced the sentencing of John J. Englehart, 67, of Las Vegas, in connection with the securities fraud scam involving a Las Vegas woman.

“Englehart lied to his victims and promised to invest their money, with no intention of following through,” said Masto.

Englehart was sentenced on May 6, 2014, by Clark County District Judge Valorie Vega, to 22-96 months in the Nevada Department of Corrections. Englehart was also ordered to pay $25,000 in restitution to the victim and $1,536 to the Nevada Secretary of State.
NEW HAMPSHIRE

May 13, 2014

Attorney General Joseph Foster Announces Employment Scam Targeting New Hampshire Job Seekers

Attorney General Joseph Foster and Employment Security Commissioner George Copadis have opened an investigation of a potential employment scam involving various companies contacting job seekers and offering fake job opportunities in an effort to obtain confidential information from these individuals. It appears the perpetrators of these fraud schemes are utilizing the names of legitimate companies here in New Hampshire.

These companies have sent e-mails to several New Hampshire job seekers over the past few days claiming to be interested in hiring them for current job openings. The e-mail is designed to obtain confidential information from the job seeker and to steal money or the identity of these unsuspecting individuals under the guise of providing the job seeker a long awaited job opportunity. The companies often require job seekers to provide personal bank account information so that the “employer” can then send them funds to purchase certain software or equipment they will need in order to perform the job. Skeptical job seekers promptly and appropriately contacted New Hampshire Employment Security to report these incidents.

These companies initially registered with the New Hampshire Job Match System, an on-line resume posting system run by New Hampshire Employment Security designed to connect legitimate employers with job seekers. They appear to be using the names of legitimate companies for purposes of registration. The companies then contact job seekers registered in the system. Employment Security has taken immediate steps to block any involved entity from further access to the system and has also contacted each individual job seeker potentially affected by this scheme. Employment Security has also taken further steps to reduce the likelihood this scenario occurs again in the future.
NEW JERSEY

May 12, 2014

Acting Attorney General Hoffman Announces Three Alleged Price Gougers to Pay More Than $89,000 to Resolve State Lawsuits Following Superstorm Sandy; Total Recoveries in Sandy Gouging Cases Top $900,000

The New Jersey Division of Consumer Affairs, with the assistance of the Division of Law, has settled price gouging lawsuits against two hotels, Berkeley Hotel LLC, d/b/a “The Berkeley Hotel” of Asbury Park and Devsatya Inc., d/b/a “Studio Inn & Suites” of Galloway, and a gas station, East Hanover Amoco Inc., d/b/a “C&M Exxon,” which agreed to pay a total of $89,845.68 to resolve lawsuits that alleged these companies engaged in hundreds of incidents of unlawful price gouging in the aftermath of Superstorm Sandy.

“These hotels allegedly raised their room rates by well over 100 percent of their normal prices, and this gas station increased its prices in excess of 25 percent – all at a time when a natural disaster turned the normal laws of supply and demand upside down, New Jersey families were in dire need of shelter and fuel, and price gouging was expressly prohibited due to a state of emergency,” Acting Attorney General John J. Hoffman said.

To date, the Divisions of Consumer Affairs and the Division of Law have resolved 21 of the 27 lawsuits filed against businesses accused of price gouging during the Superstorm Sandy state of emergency. Including the three settlements announced today, the State of New Jersey will have obtained a total of $906,158.68 in civil penalties, consumer restitution and reimbursement of fees and investigative costs, as a result of the price gouging lawsuits.

http://nj.gov/oag/newsreleases14/pr20140512a.html
May 7, 2014

**Acting Attorney General Hoffman Announces Unlicensed Person Illegally Performing Dentistry Arrested Following Investigation by Attorney General’s Division of Consumer Affairs and the Elizabeth Police Department**

Diego Perez Cedeno, 39, of Springfield, was arrested and charged with illegally performing dentistry without being licensed by the State Board of Dentistry, a third degree crime; unlawful possession of prescription drugs, a second-degree crime; and illegal possession of hypodermic needles, a fourth-degree crime. At his arrest, more than 100 doses of Lidocaine, a prescription anesthetic, were found by investigators from the Division of Consumer Affairs’ Enforcement Bureau and the Elizabeth Police Department.

“A license is more than a piece of paper. A license represents years of study and hard work to meet practice requirements set by our Professional Licensing Boards, and the ongoing commitment to continuing education needed for license renewal,” Acting Attorney General John J. Hoffman said. “Unlicensed practice puts the public at unnecessary risk and is a slap in the face to our licensees.”

Acting Attorney General Hoffman thanked the Elizabeth Police Department for its participation and assistance in this investigation.

http://nj.gov/oag/newsreleases14/pr20140507a.html

May 5, 2014


The New Jersey Division of Consumer Affairs has filed action against a Monmouth County landscaping company, Stephen’s Landscaping, d/b/a “Stephen’s Garden Center,” that allegedly defrauded consumers in the wake of Superstorm Sandy by charging exorbitant prices for generators, and selling gasoline without being a licensed motor fuel retailer. The company also
allegedly sold generators that had been recalled due to potential fire hazards occurring with use of these generators.

“Consumers scrambled to find generators, fuel, and other basic necessities during the chaotic days right before and after Sandy’s landfall,” Acting Attorney General John J. Hoffman said. “This company allegedly took advantage by charging unconscionable prices – and even putting consumers at risk with the sale of generators that had been recalled due to fire hazards.”

Acting Director Steve Lee of the Division of Consumer Affairs said, “We have charged Stephen’s Landscaping and its owners and officers with taking advantage of the misfortune caused by Superstorm Sandy in order to line their pockets with illegal profits. The Division will do everything possible to punish those who profited illegally by cheating storm victims and to ensure that victims are made whole.”

http://nj.gov/oag/newsreleases14/pr20140505a.html

May 2, 2014

**Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs and Bureau of Securities Settlement with J.P. Morgan Securities, LLC**

The New Jersey Division of Consumer Affairs and the Bureau of Securities today announced a settlement with J.P. Morgan Securities, LLC, resolving violations that resulted from allowing unregistered agents to accept orders for the purchase and sale of securities in New Jersey.

“Investors expect, demand, and deserve full compliance with the law when they entrust their money to an investment firm,” Acting Attorney General John J. Hoffman said. “J.P. Morgan fell short when it failed to ensure compliance with New Jersey’s registration requirements when dealing with New Jersey investors.”

From 2004 through 2011, J.P. Morgan employed certain sales assistants who accepted orders from New Jersey investors, even though these sales assistants were not registered with the Bureau of Securities. Such conduct is prohibited by New Jersey’s Uniform Securities Law. This practice extended to other U.S. states and territories in which client orders were accepted by sales assistants not registered in those jurisdictions.
NEW YORK

May 22, 2014

A.G. Schneiderman Announces $30,000 Settlement With Group That Allowed Members' Health Insurance To Lapse

Gerald Burgin To Pay $30,000 To Cover Medical Expenses For Those Whose Policies Lapsed, Remainder To Be Returned To Members For Reimbursement Of Premiums Paid

Attorney General Eric T. Schneiderman today announced a settlement with Gerald Burgin and the Arts and Culturals Collaborative, LLC, a group created to give members of the local arts community access to affordable group health insurance. This settlement will protect members of the group whose health coverage Burgin had allowed to lapse.

“Gerald Burgin was entrusted to ensure that members of this group received the affordable health insurance they were promised, and he dropped the ball,” Attorney General Schneiderman said. “This settlement brings relief to the individuals who faced personal liability for medical bills as a result of their lapse in coverage, and sends the message that my office will hold those that fail to provide the services they promise – and charge for – accountable.”


May 20, 2014

A.G. Schneiderman Announces That Millions In Relief Are Available To Victims Of Illegal Loans By High Interest Lenders

Attorney General Eric T. Schneiderman today announced that consumers that were charged illegal interest on loans from Western Sky Financial, LLC and CashCall, Inc. can begin filing claims for refunds, through a fund established by the Attorney General’s settlement with the companies earlier this year. All borrowers who received a loan from Western Sky while a resident of New York and who paid Western Sky, CashCall, or a party collecting on their behalf...
more than the proceeds of the loan plus the legal interest rate of 16% are eligible to receive a refund of the illegal interest they paid. If consumers make claims, there is more than $20 million that could be distributed.

The settlement resolved a lawsuit filed by the Attorney General against Western Sky Financial, LLC, CashCall, Inc., WS Funding, LLC, and their owners over illegal, high-interest loans made to New York residents. Under the settlement, many New York borrowers have already received loan modifications and credit history adjustments, and the companies have paid $1.5 million in penalties to the State.


May 19, 2014

A.G. Schneiderman Sends Cease And Desist To Business Illegally Practicing Law

Attorney General Eric T. Schneiderman today issued a notice of proposed litigation, cease and desist letter, and a subpoena for business records to Derek Distenfield and his business, Legal Docs By Me, LLC for the unauthorized practice of law.

“It is critical that New Yorkers receive strong legal advice from knowledgeable and qualified attorneys,” Attorney General Schneiderman said. “My office will take whatever steps necessary to ensure that anyone practicing law in New York State is licensed to do so.”

Mr. Distenfield recently launched Legal Docs By Me, LLC, in the Franklin Building in Watertown, to “provide another key to the courthouse.” He has announced plans to open another location in Syracuse, with other stores planned near military bases nationwide.

May 15, 2014

A.G. Schneiderman Announces $1.7 M Settlement For NYC Church After Pastors Take Illegal Loans To Purchase Homes

Manhattan-based Glad Tidings Tabernacle Placed Under Interim Administration By Church Hierarchy

Attorney General Eric T. Schneiderman today announced that his office has reached a settlement that returns $1.7 million to Glad Tidings Tabernacle, Inc., related to illegal loans taken against church funds by husband-and-wife pastors Donna and Carl Keyes to fund their lifestyles, including the purchase of a New Jersey home. Under the settlement, the Keyeses are required to return the $1,230,000 they took and failed to pay back. Former Executive Pastor Mark Costantin must return more than $480,000, money he illegally borrowed from the Manhattan-based tabernacle and failed to repay. Under New York law, it is illegal for officers and directors of a not-for-profit or religious corporation to take a loan from the entity they serve.

“Carl and Donna Keyes and Mark Costantin abused the trust of their congregants and used Glad Tidings Tabernacle as their personal bank,” Attorney General Schneiderman said. “As with any not-for-profit entity, those who run religious organizations are bound by the requirements of New York law governing the administration of charitable assets. The law forbids officers and directors, and that includes ministers, from taking any loans from the entity they serve -- much less loans to finance personal expenses and lifestyle choices.”


May 15, 2014

A.G. Schneiderman & D.A. Rice Announce Guilty Plea Of Hicksville Child Modeling Agency Head For Scamming Families

James Muniz Defrauded Dozens Of Clients With Promises Of Lucrative Roles And Modeling Jobs For Children

Attorney General Eric T. Schneiderman and Nassau County District Attorney Kathleen Rice announced that a Suffolk County man and the corporation of
which he is president pleaded guilty today to scamming clients out of more than $236,000 by promising their children modeling and acting jobs that did not exist.

James Muniz, 44, of Smithtown, and New Faces Development Center, Inc. (also known as Model Talent Development Corp.), pleaded guilty today before Nassau County Court Judge William Donnino to two counts of Grand Larceny in the 3rd Degree (a D felony), and one count of Scheme to Defraud in the 1st Degree (an E felony). Muniz also pleaded guilty to one count of Conspiracy in the 5th Degree (an A misdemeanor). Under the plea agreement, Muniz faces 2-1/2 to 5 years in prison and civil judgments totaling $236,000 will be issued on behalf of the victims. He is due back in court on June 20.


May 13, 2014

A.G. Schneiderman Announces Arrest Of President Of Korean Social Service Center For Theft Scheme Of Nearly $800,000 From Immigrants Seeking Affordable Housing

Ock Chul Ha Posed As A Social Worker, Made False Promises Of Low-Income Housing In Exchange For Thousands Of Dollars In Fees

Attorney General Eric T. Schneiderman today announced the arraignment of Ock Chul Ha, President of the Korean Social Service Center, a not-for-profit organization, for operating a pervasive scam on primarily elderly Korean-Americans for more than three years. Ha allegedly falsely promised clients – who came to him for advice regarding Medicare or Social Security – placement in low-income housing in the city’s coveted 421(a) program. If convicted, Ha faces up to 15 years in prison. The investigation revealed that over the course of three years, the total amount of money fraudulently taken by Ha under the auspices of the Korean Social Service Center was approximately $780,000.

May 8, 2014

**A.G. Schneiderman Seeks Criminal Contempt Charges Against Fraudulent Western NY Contractor**

*George Anna Took Money From Consumers But Failed To Provide Services For Which He Was Paid*

Attorney General Eric T. Schneiderman today announced that he is seeking criminal contempt charges against George Anna, a Western New York home improvement contractor. In 2012, the Attorney General obtained a court order barring Anna from the home improvement business unless he first posted a $100,000 performance bond. Recently, Attorney General Schneiderman learned that Anna was again holding himself out as a home contractor, despite never having posted the bond.

“Remodeling one’s home is a costly and stressful undertaking, and those looking to do so should not have to worry that they may be taken advantage of,” Attorney General Schneiderman said. “By prosecuting fraudulent contractors like Mr. Anna to the fullest extent, we are sending the message that preying on unsuspecting consumers will not be tolerated.”


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May 8, 2014

**A.G. Schneiderman Announces Settlements With Two Major Consumer Debt Buyers For Unlawful Debt Collection Actions**

*For Years, Portfolio Recovery Associates And Sherman Financial Group Obtained Judgments Against New York Consumers Based Upon Untimely Claims*

Attorney General Eric T. Schneiderman today announced that his office has secured settlements with two major debt collectors, Portfolio Recovery Associates, LLC, and Sherman Financial Group, LLC, for repeatedly bringing improper debt collection actions against New York consumers. For years, the two companies had sued New York consumers and obtained uncontested default judgments against the individuals who failed to respond to these lawsuits, even though the underlying claims were untimely under New York
The settlements require Portfolio Recovery Associates and Sherman Financial Group to vacate the improper judgments with the court and cease any further collection activities on the judgments, make key enhancements to their debt collection practices, and pay civil penalties and costs to the state in the amounts of $300,000 and $175,000, respectively. All told, nearly three thousand improper judgments, totaling approximately $16 million, that had been entered against New York consumers will be vacated under the settlement agreements.

[Link to the full settlement announcement]

May 7, 2014

**A.G. Schneiderman Reaches Settlement With Former Hopewell Junction Day Spa Owner**

*Kathleen Pascazi, Ambiance Zen Day Spa Owner, To Refund Unused Gift Certificates Sold Prior To Spa’s Closing To More Than 160 Customers*

Attorney General Eric T. Schneiderman today announced that his office has settled an investigation into the sale of hundreds of gift certificates by Kathleen Pascazi, the former owner of a Hopewell Junction day spa, Ambiance Zen Day Spa, that were not refunded when the business closed. The settlement requires Pascazi to refund 162 consumers more than $13,000 for the unused gift certificates. New York Abandoned Property Law requires businesses to pay the New York State Comptroller the monies collected from unused gift certificate sales.

“Gift certificates can be an important strategy for businesses to promote their services, but the law also requires business owners to ensure they are able to live up to the promise of services sold in advance,” Attorney General Schneiderman said. “When they fail to do so, I will protect those consumers left holding worthless certificates.”

[Link to the full settlement announcement]
A.G Schneiderman And Comptroller DiNapoli Announce Guilty Plea By Former Met Council CFO In $9m Kickback Scheme

Herbert Friedman Admits To Participating In Decades-Long Theft From NYC Charity; Faces Jail Time And Agrees To Pay $775K Restitution To The Publicly Funded Social Services Group

New York State Attorney General Eric T. Schneiderman and New York State Comptroller Thomas P. DiNapoli today announced the guilty plea of Herbert Friedman, former chief financial officer of the Metropolitan Council on Jewish Poverty (Met Council). Friedman pleaded guilty to felony Grand Larceny and Conspiracy charges for facilitating the theft of $9 million from the taxpayer-funded nonprofit organization in a 20-year grand larceny and kickback scheme.

Friedman admitted that between the early 1990s and 2009, he received approximately $250,000 from the grand larceny and kickback scheme. Three other defendants, David Cohen, William Rapfogel and Joseph Ross, previously pleaded guilty in the case. Further information on the case is available here.


A.G. Schneiderman Announces Felony Guilty Pleas By Roofer Who Defrauded Capital Region Homeowners

Robert Decker To Be Sentenced To A Total Of 3 To 9 Years In Prison, Will Pay Up To $375,000 In Restitution

Attorney General Eric T. Schneiderman, together with Joseph D’Amico, Superintendent of the New York State Police, and Benjamin M. Lawsky, Superintendent of the New York State Department of Financial Services, announced felony guilty pleas today by Robert Decker, a roofer who stole thousands of dollars from homeowners by taking their money but failing to complete work on their homes.

“Home repairs are costly and stressful to begin with, without the added worry that you may be taken advantage of in the process,” Attorney General
Schneiderman said. “By holding dishonest and fraudulent contractors like Mr. Decker accountable, we are sending the message that this sort of behavior will not be tolerated.”


May 1, 2014

**A.G. Schneiderman Shuts Down Debt Collection Business, Secures $10,000 Fine**

*Swanson Walker & Associates Repeatedly Violated The Law By Harassing Customers*

Attorney General Eric T. Schneiderman today announced that he has shut down Swanson Walker & Associates, a consumer debt collection agency located in Lockport, New York. The owner, Sean Millard, entered into an agreement with the Attorney General by which he was required to shut down the business and pay a $10,000 fine. The Attorney General’s Office, the Better Business Bureau and the Federal Trade Commission Sentinel Network had received dozens of complaints about the tactics the agency used when attempting to collect repayments.

“Attempting to get out of debt is a stressful and overwhelming process that countless consumers struggle with every day,” Attorney General Schneiderman said. “To threaten and bully these individuals is unacceptable and wrong, and my office will keep fighting to hold those who employ these tactics accountable.”


**NORTH CAROLINA**

May 16, 2014

**AG Cooper Goes After Chicago Debt Settlement Scheme; Company Collected More Than $1.1 Million In Fees, Did Little To Help Consumers**
Attorney General Roy Cooper has filed suit against a debt settlement company operating out of Chicago that took consumers’ money but failed to provide them with expertise and help to reduce their debts.

“Consumers overwhelmed with debt need real help, not schemers looking to make a quick buck off of them,” said Cooper. “We pushed for a strong law in North Carolina that makes it illegal to collect money upfront for debt relief work and we’ll keep enforcing the law against violators.”

On Thursday, Cooper filed suit against Legal Helpers Debt Resolution, PLLC (Legal Helpers) and its principals Jeffrey Hyslip, Jason Searns, Jeffrey Aleman and Thomas Macey seeking to stop their illegal debt relief scheme in North Carolina. From 2010 through April 2012, approximately 412 North Carolina consumers lost more than $1.1 million in fees to the scheme. Under a North Carolina law that Cooper helped win, it’s illegal to collect advance fees for debt settlement services.

Ultimately, Cooper is asking the court to ban the defendants from offering debt settlement services in the state. The proposed court order seeks to prevent the company from taking payments or entering into contracts with any future customers in North Carolina. Cooper also wants the company to pay refunds to previous customers and civil penalties.


May 9, 2014

**Attorney General Roy Cooper Announces Raleigh Geeks Ordered To Stop Accepting Computers For Repair; Consumers Misled About Repair Time, Never Received Promised Work**

Raleigh Geeks is under court order to stop collecting money or entering into contracts for computer repairs, Attorney General Roy Cooper announced today.

“Taking money upfront, keeping someone’s computer for months, and then giving it back still broken is no way to do business,” Cooper said. “Customers who paid for repairs that never happened deserve their money and their computers back.”
Wake County Superior Court Judge John R. Jolly, Jr. granted Cooper’s request late Friday to halt defendants Steven Leo, Garret Foster and Timothy Staie from performing business in North Carolina at all Raleigh Geeks locations.

Cooper filed the lawsuit and request for a temporary restraining order after 24 consumers complained that Raleigh Geeks had misled them about repairs or failed to return repaired computers. He is also seeking a permanent ban against the owners’ and managers’ deceptive practices, refunds for consumers, civil penalties, and the return of customers’ computers.

Raleigh Geeks, also known as Caveman Computers, ProTech Computers and Fuquay Computer Center, has locations in Raleigh, Apex, Fuquay-Varina and Garner.


**OHIO**

*May 6, 2014*

**Attorney General DeWine Announces Elder Justice Initiative**

As part of Older Americans Month, Attorney General Mike DeWine today announced a new Elder Justice Initiative within the Ohio Attorney General’s Office to increase the investigation and prosecution of elder abuse cases and improve victims’ access to services.

The office’s Crime Victim Services Section will spearhead the initiative, which will also draw on the expertise and services of the Attorney General’s Bureau of Criminal Investigation (BCI) and Consumer Protection, Health Care Fraud, and Special Prosecutions sections.

“Older Ohioans are vulnerable to abuse, neglect, and financial exploitation for a number of reasons,” Attorney General DeWine said. “Through the Elder Justice Initiative, the Attorney General’s Office will work with local officials and advocates to identify, investigate, and prosecute elder abuse cases and increase services to victims.”
PENNSYLVANIA

May 2, 2014

HICPA-Related Settlements Show Consumers Should Be Proactive, Attorney General Kane Says

Attorney General Kathleen G. Kane encouraged consumers to be more proactive in calling her Bureau of Consumer Protection if they feel ripped off. The Bureau of Consumer Protection today announced a variety of settlements and legal actions against contractors, who slighted or deceived consumers.

"Just like protecting their personal data online and checking their credit reports, consumers must be proactive if they feel like contractors are not doing what they promised," Attorney General Kane said.

The majority of these settlements are the result of investigations initiated by consumer complaints. Settlements announced today were reached across the state, including Erie, Allegheny, Westmoreland, Philadelphia and Montgomery counties.


TEXAS

May 23, 2014

Texas Attorney General’s Office Takes Legal Action to Stop Four Unauthorized Legal Services Operations in El Paso

Texas Attorney General Greg Abbott has charged the owners of four El Paso firms with violating multiple provisions of the Texas Deceptive Trade Practices Act (DTPA) and the Texas Government Code. According to the State’s enforcement actions, the defendants provided immigration and other legal services to their clients despite not being licensed as attorneys.
Each of the State’s four legal actions, which were filed separately in El Paso state district court, is seeking temporary and permanent injunctions against the following five defendants:

- Maria Duria Chavelas, doing business as International Legal Services-Abogados;
- Sarah Beth and Peter Hernandez, doing business as Tiny’s Para-Legal Services;
- Jeffrey Smith, doing business as Jeff Smith Agency; and
- Jorge A. Zamarripa, doing business as Unidad Immigrant Advocacy Center.

https://www.texasattorneygeneral.gov/oagnews/release.php?id=4742

May 5, 2014

Attorney General Greg Abbott Launches Investigation, Warns Consumers about Thieves Impersonating Attorney General Employees

The Texas Attorney General’s Office has opened a criminal investigation into a scheme by identity thieves who are posing as employees of the Texas Attorney General’s Office in an attempt to steal the identities of targeted individuals – particularly individuals who have applied for a short-term loan.

Just last month, nearly 200 Texans reported receiving repeated telephone calls from criminals posing as employees with the Texas Attorney General’s Office. These imposters typically inform their victims that the Attorney General’s Office has launched a criminal investigation against him or her and claim that an arrest warrant has been issued due to the resident’s purported failure to repay a short-term loan.

https://www.texasattorneygeneral.gov/oagnews/release.php?id=4728
VERMONT

May 20, 2014

Attorney General Sorrell Settles Lawsuit Against Vermont Festival Organizer

Attorney General William Sorrell announced today that he had settled a lawsuit with Charles Nestor of St. Johnsbury, Vermont. Mr. Nestor, the organizer of a “Made in Vermont Festival” that was to be held in Burlington in 2011, collected over $24,000 from local businesses and craftspeople who paid to be exhibitors, vendors, and sponsors. The festival never took place and more than forty-five businesses lost their money.

Under the terms of the settlement, Mr. Nestor must post a $20,000 bond prior to organizing any trade shows or festivals and escrow the first $20,000 of any such event, for the next five years. Mr. Nestor has also agreed to refund businesses that lost their money, and to pay a $10,000 penalty, if he receives sufficient income or assets. He is required to submit his financial status to the Attorney General’s office annually for the next five years.


WASHINGTON

May 15, 2014

Attorney General Bob Ferguson Sues Cal-Western Foreclosure Trustee For Deceptive Business Practices

At the request of Washington State Attorney General Bob Ferguson, the King County Superior Court has issued a Temporary Restraining Order (TRO) requiring foreclosure trustee Cal-Western of Washington to halt its allegedly unfair and deceptive business practices.

Cal-Western is a Washington foreclosure trustee corporation with an office in Vancouver, Washington, but conducts many of its operations in southern California. Foreclosure trustees are legally required to act in good faith as
neutral parties between borrowers and lenders while conducting foreclosure proceedings.

The Attorney General’s Office (AGO) alleges Cal-Western gave borrowers an incorrect phone number in their Notices of Trustee’s Sale and Foreclosure, making it difficult for borrowers, some desperate to save their homes, to contact the firm quickly without physically traveling to Vancouver.

This case comes on the heels of AGO legal action against Quality Loan Service for deceptive business practices.

http://www.atg.wa.gov/pressrelease.aspx?id=32125#.U4TkDiiM8a8

May 12, 2014

Attorney General Bob Ferguson Forces Change-My-Address.Com To Refund Consumers, Stop Deceptive Business Practices

Washington State Attorney General Bob Ferguson today announced that Change-My-Address.com will pay $3 million back to consumers to resolve complaints of deceptive practices. Approximately 433,000 consumers were affected nationwide in 2013, including 20,000 Washington consumers. Consumers who purchased the defendants’ services will receive roughly $18.95 each unless they have already received money back.

Change-My-Address.com is an Ohio internet-based business that offers online change of address services.

The AGO alleges Change-My-Address.com defendants used deceptive business practices, most notably, by failing to disclose the total $19.95 charge billed to consumers for change of address services.

“Consumers deserve clear, straight forward information before agreeing to buy any service or product,” said Ferguson. “Companies that use deceptive business practices to earn a profit like Change-My-Address.com will be held accountable by my office.”

http://www.atg.wa.gov/pressrelease.aspx?id=32115#.U4TjnSiM8a8

May 2, 2014

AG Bob Ferguson’s Office Cracks Down On Two Tacoma Business Owners For Shoddy Asbestos Worker Training
Two Tacoma business owners entered guilty pleas today in Pierce County Superior Court after Attorney General Bob Ferguson leveled multiple charges against them for selling substandard asbestos worker training courses and certifications through their business, Environmental Management Training Services LLC. (EMT).

Timothy Pinckney pleaded guilty to 10 separate charges—six counts of forgery and four counts of making false statements—stemming from his fraudulent operation of EMT.

Pamela Pepper, Pinckney’s business partner, pleaded guilty to five separate charges, including three counts of forgery, one count of making a false statement, and one count of official misconduct by a notary public.

The Attorney General’s Office alleged that from 2010 to 2013, EMT charged a fee to provide required asbestos training to students. The company then failed to provide the required training—and, in several instances, provided no training at all. The company would then certify to employers and to state regulators the workers were trained as required.

http://www.atg.wa.gov/pressrelease.aspx?id=32073#.U4TjFyiM8a8

May 01, 2014

**Attorney General  Bob Ferguson Files Lawsuit Against Company Behind Asylum Playing Cards Crowdfunded Project**

Consumers who financially backed a failed crowdfunding project are finally getting some backing of their own. Washington State Attorney General Bob Ferguson today filed the first consumer protection lawsuit in the nation involving crowdfunding.

Crowdfunding is a way for people to secure financing for their initiatives directly from a large pool of backers who generally provide small amounts of financial support. Crowdfunding campaigns benefit a broad range of initiatives from movie-making to high-tech gadgets to charitable giving.

The AGO lawsuit is against Edward J. Polchlepek III, otherwise known as Ed Nash, and his company, Altius Management, who ran the “Asylum Playing Cards” crowdfunding campaign in 2012 through a crowdfunding service called Kickstarter. Under Kickstarter’s terms of use, consumers who back a
Kickstarter project make a financial pledge in exchange for an agreed upon product or “reward” that the project is legally required to deliver.

In this case, consumers pledged funds in exchange for decks of playing cards featuring a retro-horror theme and other similar items. The AGO alleges Polchlepek and Altius took consumer money and failed to deliver the promised playing cards and other rewards to these consumers.


WEST VIRGINIA

May 21, 2014

Attorney General Patrick Morrisey Files Complaint Against Monroe County Funeral Home

Attorney General Patrick Morrisey today announced that the West Virginia Attorney General’s Office has filed a complaint against Broyles-McGuire Funeral Home LLC and its owner, Joel L. McGuire, for allegedly violating the state’s Preneed Act and Consumer Credit Protection Act.

The complaint was filed in Monroe County Circuit Court. It alleges that a March 2013 audit of Broyles-McGuire Funeral Home by the Attorney General’s Preneed Unit discovered multiple violations of West Virginia law. The alleged violations include at least eight death claims, totaling $60,512.36, that were made by and paid to the funeral home prior to the deaths of the beneficiaries; eight preneed contracts for which the funeral home failed to submit a death beneficiary report with the Preneed Unit to account for the withdrawals, expenditures, and disbursement; and four occasions in which the funeral home accepted advanced payment, totaling $36,644.05, for funeral arrangements without depositing the consumers’ funds into a trust account or preneed insurance policy as required by law.

http://www.wvago.gov/press.cfm?ID=821&fx=more
May 15, 2014

Attorney General Morrisey Files Suit in Cabell County Against Downtown Used Auto Sales

West Virginia Attorney General Patrick Morrisey announced today that the Office of the Attorney General has filed suit in Cabell County Circuit Court against Thomas J. Matthews, doing business as Downtown Used Auto Sales, alleging numerous violations of the West Virginia Consumer Credit and Protection Act and other applicable consumer protection laws and regulations.

“We seek to ensure that businesses comply with our consumer protection laws. The laws apply to every business regardless of size,” Attorney General Morrisey said.

The Office of the Attorney General first opened an investigation into Downtown Used Auto Sales in September 2012 after receiving numerous complaints from Huntington-area consumers. At the time the suit was filed, the Office had received 22 formal complaints alleging a wide range of violations of the State’s consumer protection laws in the sale and financing of used motor vehicles.

http://www.wvago.gov/press.cfm?ID=819&fx=more
MULTISTATE CASES AND SETTLEMENTS

May 13, 2014

Fortune Hi-Tech Marketing (FHTM) Defendants Will Surrender At Least $7.75 Million in Assets

States - Illinois, Kentucky and North Carolina.

The operators of a Kentucky-based pyramid scheme, which enrolled more than 350,000 consumers throughout the United States, Puerto Rico and Canada in the last four years, have been banned from multi-level marketing under a settlement with the Federal Trade Commission and the states of Illinois, Kentucky and North Carolina. The settlement also requires the operators to surrender assets totaling at least $7.75 million, which will be returned to consumers.

In January 2013, the FTC and the states charged the Fortune Hi-Tech Marketing (FHTM) defendants with deceiving consumers by claiming they would earn significant income through selling various products and services if they signed up as FHTM representatives. In recent years, the scheme targeted Spanish-speaking and immigrant communities. Participants were required to pay substantial start-up costs and monthly fees to retain their positions with the company. The court subsequently halted the deceptive practices, froze the defendants’ assets, and appointed a receiver over the corporations pending a trial.

After conducting its own investigation, the court-appointed receiver determined that FHTM’s main business was recruiting new members and not selling products and services as it claimed, and confirmed the allegations made by the FTC and the states. The overwhelming majority of participants – more than 98 percent – lost more money than they ever made. At least 88 percent of consumers did not even recoup their enrollment fees. To the extent that consumers could make any income, it was mainly for recruiting other consumers into FHTM’s scheme. More than 81 percent of the payments to participants were based on recruiting new members and not for the sale of products or services. Not surprisingly, at least 94 percent of consumers did not renew their membership after their initial year.

MEDICAID FRAUD CASES AND SETTLEMENTS

FLORIDA

May 23, 2014

Attorney General Pam Bondi’s Medicaid Fraud Control Unit Arrests a Calhoun County Resident for Medicaid Fraud

Today Attorney General Pam Bondi announced the arrest of a Calhoun County resident for Medicaid Fraud. Following an investigation by the Attorney General’s Medicaid Fraud Control Unit, Adria Aultman, 37, was taken into custody by the Leon County Sheriff’s Office.

Attorney General Investigators determined that Aultman, a licensed practical nurse, falsified her time sheets and failed to provide necessary services to a patient in Liberty County. This resulted in over $12,000 in fraudulent Medicaid billing.

Aultman was arrested for one count of Medicaid Fraud, a second-degree felony, and faces up to 15 years in prison and more than $70,000 in fines, if convicted. The case will be prosecuted by the State Attorney’s Office for the Second Judicial Circuit.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/7CFCD292000719F585257CE100723BA2

May 23, 2014

Attorney General Pam Bondi’s Medicaid Fraud Control Unit and the Pasco County Sheriff’s Office Arrest a Tampa Bay Dentist

Attorney General Pam Bondi’s Medicaid Fraud Control Unit, with the assistance of the Pasco County Sheriff’s Office, arrested Pasco County Dentist Dr. Miranda Smith on charges of Medicaid Provider fraud.

Dr. Smith, owner of Smiles and Giggles Dentistry for Children and Adults in Pasco County, allegedly billed Florida’s Medicaid program more than $140,000 in dental services which were either unauthorized or not provided.
The Attorney General’s Medicaid Fraud Control Unit initiated its investigation of Smith and her dental practice after receiving complaints about suspicious billing from parents and patients. According to the investigation, Smith billed Medicaid for x-rays, anesthesia, and other dental procedures that were not performed. Additionally, former patients alleged that Smith’s employees provided dental care, even though these employees were not licensed dentists.


May 20, 2014

**Attorney General Bondi’s Office and the Levy County Sheriff’s Office Arrest Levy County Resident for Medicaid Fraud and Kickback Scheme**

Attorney General Pam Bondi’s Medicaid Fraud Control Unit and the Levy County Sheriff’s Office today arrested Levy County resident Carolyn Berryhill, 61, for Medicaid fraud. After receiving a complaint from the Agency for Health Care Administration, Attorney General Bondi’s Medicaid Fraud Control Unit investigated Berryhill for aiding and abetting a scheme to bill Medicaid for more than $10,000 in services never provided, as well as taking cash payments in a criminal kickback scheme. The other individual allegedly involved in the kickback scheme is deceased.

http://www.myfloridALEgal.com/newsrel.nsf/newsreleases/76B3544E04AE690885257CDE006668EB

**KENTUCKY**

May 28, 2014

**Attorney General Jack Conway Announces Ashland Hospital to Pay Nearly $41 Million to U.S. Government as Part of Landmark Settlement**

Attorney General Jack Conway, along with Kerry B. Harvey, U.S. Attorney for the Eastern District of Kentucky, the Federal Bureau of Investigation (FBI), the U.S. Dept. of Health and Human Services (HHS), and the U.S. Dept. of Justice, today announced that King’s Daughters Medical Center (KDMC) in Ashland, Ky., has agreed to pay the U.S. Government $40.9 million to resolve
civil allegations that it made millions of dollars by falsely billing federal health care programs for heart procedures that were performed on patients who didn’t medically need them.

The investigation was handled by Attorney General Conway’s Medicaid Fraud and Abuse Control Unit, the FBI, the U.S. Dept. of Health and Human Services Office of Inspector General (HHS-OIG), the Commercial Litigation Branch of the Dept. of Justice’s Civil Division and the U.S. Attorney’s Office for the Eastern District of Kentucky.

The Commonwealth of Kentucky will receive $1,018,380, which represents the state’s share of the recovered Medicaid funds. The Medicaid program is funded jointly by the federal and state governments.

http://migration.kentucky.gov/Newsroom/ag/kdmcsettlement.htm

MARYLAND

May 27, 2014


Keystone Peer Review Organization, Inc. billed for unnecessary reviews

Attorney General Douglas F. Gansler announced today that the state has entered into a $1.675 million settlement agreement with the Keystone Peer Review Organization, Inc. (“KePRO”) to resolve allegations of improper performance of a contract with the Medicaid program.

"The use of taxpayer dollars should always be closely scrutinized," said Attorney General Gansler. "This settlement ensures Marylanders are not paying more than they should for the work outlined in this contract."

http://www.oag.state.md.us/Press/2014/052714.html

May 8, 2014

AG Gansler: Baltimore Man Pleads Guilty To Medicaid Theft Former State Worker Collected Payments For Home Health Services Never Provided
Attorney General Douglas F. Gansler announced today that Martin Sacks, 56, of Baltimore, has pleaded guilty to one count of felony theft for fraudulently billing the Medicaid program for home health care services he never provided. Baltimore City Circuit Court Judge Sylvester Cox imposed probation before judgment and placed Sacks on five years supervised probation. Sacks was ordered to pay $21,860 in restitution to the Maryland Medicaid program and perform 300 hours of community service.

http://www.oag.state.md.us/Press/2014/050814.html

NEVADA

May 21, 2014

Attorney General Masto Announces Conviction of Home Healthcare Worker for Medicaid Fraud

Attorney General Catherine Cortez Masto announced today Encarnacion Ferrer, 51, of Las Vegas was sentenced for Medicaid Fraud. Ferrer pled guilty to a misdemeanor offense of Medicaid Fraud—Submitting False Claims.

“My office’s Medicaid Fraud Control Unit received a tip that Ferrer had submitted fraudulent claims on behalf of a client who was out of the country,” said Masto. “An investigation revealed Ferrer had submitted false documentation from June 2012 through 2013. She continued, “Cases like these send a message to the health care community that fraudulent activities involving Medicaid recipients will not go unpunished. It is important to preserve these services for the individuals who need them.”

http://ag.nv.gov/News/PR/2014/Medicaid_Fraud/Attorney_General_Masto_Anounces_Conviction_of_Home_Healthcare_Worker_for_Medicaid_Fraud/

May 13, 2014

Attorney General Masto Announces Conviction of Behavioral Health Company Owner for Medicaid Fraud - R. Richardson

Nevada Attorney General Catherine Cortez Masto announced that Romeeka Naytesa Richardson, 33, of Las Vegas, was sentenced today in a Medicaid
fraud case involving the intentional failure to maintain adequate records to support Medicaid claims.

“Richardson committed fraud by not keeping truthful case records and took from the Medicaid system,” said Masto. “Cases like these in which the owner of a behavioral health company misuse their power, keep services from going to people who truly need them. This conviction will help deter future fraud and ensure continued support of those in need of services.

http://ag.nv.gov/News/PR/2014/Medicaid_Fraud/Attorney_General_Masto_Announces_Conviction_of_Behavioral_Health_Company_Owner_for_Medicaid_Fraud_-_R__Richardson/

NEW JERSEY

May 15, 2014

Acting Attorney General John J. Hoffman Announces Owner of Union County Home Health Aide Agency Charged With Billing Medicaid & Veterans Affairs More Than $100,000 for Services That Were Not Provided

Acting Attorney General John J. Hoffman announced that the owner of a Union County home health aide agency has been charged in a 30-count indictment for allegedly billing Medicaid and the United States Department of Veterans Affairs more than $100,000 for services never rendered.

Laurie Provost, 54, of Sea Girt, was indicted yesterday (May 14) on 23 counts of second-degree health care claims fraud, and one count each of second- and third-degree theft by deception, third-degree Medicaid fraud, third-degree health care claims fraud, fourth-degree forgery, and two counts of fourth-degree falsifying or tampering with records.

“Through her greed, this defendant allegedly defrauded the Medicaid Program, a program that helps New Jersey’s most vulnerable population and the United States Department of Veterans Affairs, a department aimed at helping those who gave so much for their country,” Acting Attorney General Hoffman said.

http://nj.gov/oag/newsreleases14/pr20140515b.html
NEW YORK

May 5th 2014

A.G. Schneiderman Announces Prison Term For Rogue Pharmacy Owner In $16 Million Medicaid Theft

Raheel Pervez Knowingly Falsified Documents And Enabled Criminal Enterprise Based In NYC And On Long Island, Headed By His Fugitive Father, To Steal From The Health Care Program

Attorney General Eric T. Schneiderman announced that Raheel Pervez was sentenced to a 1-to-3-year prison term today for his part in a multi-year scheme that drained in excess of $16 million from the state Medicaid program. Pervez, 41, who pleaded guilty to felony Enterprise Corruption, is one of six individuals arrested by the Attorney General’s Medicaid Fraud Control Unit in a scheme that involved a web of more than a dozen pharmacies. They defrauded the Medicaid program by targeting vulnerable HIV patients and put their lives in jeopardy by paying them not to fill their HIV prescriptions and then billing Medicaid for those unfilled prescriptions. Three of the pharmacies, two of which operated as the scam’s central hubs, were previously ordered to pay $16.7 million in restitution to Medicaid. In addition to incarceration, Pervez has agreed to pay $500,000 in civil forfeiture.


OKLAHOMA

May 23, 2014

Attorney General Scott Pruitt Announces Operators of Mental Health Care Facility Charged with Medicaid Fraud

Attorney General Scott Pruitt Wednesday filed charges in Oklahoma County District Court against the operators of Central Oklahoma Behavioral Health Services, LLC (COBHS).

John Michael Doneti, 50, of Oklahoma City, and Angelique Marie Williamson, 39, of Choctaw, were each charged with five counts of Medicaid fraud, one count of identity theft, one count of conspiracy to commit Medicaid fraud, one
count of engaging in transactions involving unlawful proceeds and one count of conspiracy to engage in transactions involving unlawful proceeds.

According to the charges, Doneti and Williamson allegedly billed in excess of $289,000 in fraudulent claims to the Oklahoma Health Care Authority (OHCA).

http://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=14225

TEXAS

May 16, 2014

Attorney General Greg Abbott Announces Robstown Physician Ordered to Federal Prison for Health Care Fraud Following State and Federal Probe

Dr. Roque Joel Ramirez, 48, of Robstown, has been ordered to federal prison following his conviction of mail fraud in connection with his scheme to defraud Medicare and Medicaid through fraudulent billings, announced United States Attorney Kenneth Magidson and Texas Attorney General Greg Abbott. Ramirez pleaded guilty Feb. 18, 2014.

https://www.texasattorneygeneral.gov/oagnews/release.php?id=4738

May 13, 2014

Attorney General Greg Abbott Announces Houston-area Man Convicted of Health Care Fraud Following State and Federal Probe

Lawrence Tyler, 41, has been convicted of conspiracy to commit health care fraud, seven counts of health care fraud and one count of money laundering, announced United States Attorney Kenneth Magidson. The verdicts were returned just moments ago following five days of trial and less than four hours of deliberation.

https://www.texasattorneygeneral.gov/oagnews/release.php?id=4736
May 8, 2014

Attorney General Greg Abbott Files Legal Action to Recover Fraudulent Medicaid Payments from Xerox

The Texas Attorney General’s Office today filed a civil lawsuit in state district court against Xerox Corporation and its wholly owned subsidiary, ACS State Healthcare LLC. The State’s legal action seeks to recover fraudulent Medicaid payments for orthodontic and dental services that were improperly approved by Xerox.

Since 2003, Xerox has served as the vendor responsible for reviewing dental and orthodontic claims submitted to the Medicaid program. Under state law, orthodontic services are not generally eligible for coverage under the Medicaid program. Only the most acute cases where orthodontic disfigurement poses a health risk to a patient are eligible for Medicaid coverage; the Medicaid program does not cover cosmetic orthodontics. The State’s lawsuit seeks to recover Medicaid payments that Xerox approved for orthodontic services that were not medically necessary and therefore not authorized by law.

https://www.texasattorneygeneral.gov/oagnews/release.php?id=4734

VERMONT

May 15, 2014

Vermont Attorney General William Sorrell Announces Employer And Caregivers Arraigned On Medicaid Fraud Charges

Clayton LaFond, age 61, Kim LaFond, age 54, and Rebecca LaFond, age 32, of Milton, Vermont, were each arraigned on two counts of Medicaid fraud yesterday in the Windsor Criminal Division of the Vermont Superior Court. According to court documents, Rebecca LaFond was the employer of record, and Clayton and Kim LaFond were employed as caregivers, for a minor child under the Children’s Personal Care Services program. Allegedly, Clayton LaFond submitted 16 timesheets, and Kim LaFond submitted 11 timesheets, documenting their purported delivery of services when the child was actually in someone else’s care or attending school. Rebecca LaFond signed the 27 timesheets, attesting to their accuracy. The Vermont Medicaid program paid more than $6,000 on the allegedly false timesheets.
WASHINGTON

May 16, 2014

Attorney General Bob Ferguson Secures Guilty Pleas In Medicaid Fraud Cases Totaling $137,000

The Attorney General’s Office Medicaid Fraud Control Unit (MFCU) recently secured guilty pleas against four healthcare providers in four separate Medicaid fraud cases around the state, bringing more than $137,000 back to the state’s Medicaid program.

“The Attorney General’s Office Medicaid Fraud Control Unit helps ensure that dollars allocated for Medicaid services are spent as they were intended,” Attorney General Bob Ferguson said. “Every bit adds up so we encourage people to report fraud when they see it.”

http://www.atg.wa.gov/pressrelease.aspx?id=32128#.U4TknCiM8a8

WISCONSIN

May 14, 2014

Attorney General J.B. Van Hollen Announces Milwaukee Man Convicted Of Medicaid Fraud, Theft And Theft By Fraud

Attorney General J.B. Van Hollen announced that a Milwaukee man has been convicted and sentenced on charges of a scheme to defraud the Wisconsin Medicaid program by false claims for funeral expenses. Douglas L. Patton appeared in Milwaukee County Circuit Court and entered pleas of no contest to one count of Medicaid fraud, one count of theft, and one count of theft by fraud. Judge Dennis Moroney imposed six months in the House of Corrections and stayed the sentence, placing Patton on probation for two years with conditions including a fine of $5,000, restitution in the amount of $3,510.44, and no participation in any Medicaid program.

http://www.doj.state.wi.us/media-center/2014-news-releases/may-14-2014
Attorney General Tom Horne to Consumers: Be Aware of Fraudulent Grant Offers

Attorney General Tom Horne is warning Arizona consumers, particularly students, to be wary of telephone solicitors who offer to send thousands of dollars of grant money if the consumer pays a couple hundred dollars through a money card. Green Dot cards are a popular method through which scammers now conduct business as they are as good as cash and cannot be traced. These reloadable debit cards are available at numerous locations and can be used much like a debit card.


Attorney General Kamala D. Harris Issues Guide on Privacy Policies and Do Not Track Disclosures

Attorney General Kamala D. Harris today issued a series of recommendations for businesses that directly address recent changes to California privacy law. The guide, Making Your Privacy Practices Public, provides businesses with an up-to-date resource to craft a useful, transparent privacy policy for consumers.

“California has proven that robust and balanced privacy protections are consistent with a thriving innovation economy,” Attorney General Harris said.
“This guide is a tool for businesses to create clear and transparent privacy policies that reflect the state’s privacy laws and allow consumers to make informed decisions.”


**FLORIDA**

*May 31, 2014*

**Attorney General Pam Bondi Urges Floridians to Be Prepared for Storms and Avoid Scams This Hurricane Season**

The 2014 Hurricane Season begins this Sunday, and Attorney General Pam Bondi wants Floridians to be prepared for the storms and any scams associated with hurricane preparedness or property repair or clean-up in the aftermath of a disaster. To help Floridians protect themselves, Attorney General Bondi has released a hurricane preparedness guide. The guide includes useful tips on what to do to prepare for a storm and information to help consumers spot storm-related scams in order to avoid becoming victims.

“Unfortunately, unscrupulous individuals will use the threat of a hurricane and the devastation it can cause to scam Floridians,” stated Attorney General Pam Bondi. “By providing this hurricane guide, we intend to help Floridians prepare now so they can avoid being scammed.”

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/D2AAD4ED6DC12C6E85257CE900586F73

**IDAHO**

*May 15, 2014*

**Attorney General Wasden Warns Idahoans of IRS Agent Telephone Scam**

Attorney General Lawrence Wasden today warned Idahoans about threatening phone calls allegedly from agents of the Internal Revenue Service (IRS).
The callers are telling Idahoans that "officers of the law will take legal action" and sometimes have said "lethal action" if the person fails to pay back taxes from the previous five years. The callers demand payment by credit cards, prepaid debit cards or wire transfers. The phone numbers provided by the alleged agent of the IRS are answered by a person identifying themselves as a special agent.

"When a member of my staff called the telephone number seeking additional information, the 'special agent' promptly hung up when she identified herself as working for the Idaho Attorney General’s Office," Wasden said. "The IRS has warned citizens concerning these types of scams. However, this is the first time we have heard of a threat of lethal action."

http://www.ag.idaho.gov/media/consumerAlerts/2014/ca_05152014.html

INDIANA

May 5, 2014

Indiana Fraud Victims Receive More Than $32K From Consumer Protection Assistance Fund

Indiana Attorney General Greg Zoeller announced today that 18 victims of foreclosure-rescue fraud have started receiving payments from the state’s Consumer Protection Assistance Fund (CPAF).

Zoeller, whose office administers the fund, said consumers’ losses ranged from $595 to $3,500 and totaled more than $40,880. Affected consumers will receive more than $32,940 in total payments with each person receiving an amount equal to their loss – up to $3,000. Victims are from Allen, Elkhart, Hamilton, Johnson, Marion, Marshall and St. Joseph counties.

“The Consumer Protection Assistance Fund provides relief for consumers who are victims of fraud and assist my office in bringing legal actions against those that prey on consumers,” Zoeller said. “Thanks to state lawmakers’ efforts in creating the fund, it continues to give victims who are facing difficult times the means to recover some or all of their losses.”

Foreclosure-rescue fraud targets homeowners who are late on their mortgage payments or are already in foreclosure. Foreclosure consultants charge customers exorbitant upfront fees in exchange for assistance in reducing
monthly payments or stopping foreclosure. Most often, desperate homeowners pay the fees and don’t receive the promised services or a refund.


KANSAS

May 6, 2014

AG Schmidt: Legislature Made Significant Improvements For Seniors, Consumers And Public Safety

Kansas Attorney General Derek Schmidt today commended the Kansas Legislature for its work to better protect senior citizens and consumers and to improve public safety during the 2014 legislative session. The legislature adjourned its annual session last week.

“The legislature enacted several measures to strengthen our consumer protection laws and protect senior citizens,” Schmidt said. “In addition, the budget passed by the legislature last week reflects a continued commitment to public safety.”


MAINE

May 21, 2014

AG Mills Warns Of Phone Scam Claiming To Be From Maine Office Of Tourism

Maine Attorney General Janet T. Mills is warning Maine businesses to be aware of a phone scam that claims to be from the Maine Office of Tourism. The callers claim to be selling advertising in a publication of the Maine Office of Tourism and then demand an upfront, cash payment be paid over the
phone immediately. These calls are not from the Maine Office of Tourism or any of their sub-contractors and do not appear to be legitimate.


MASSACHUSETTS

May 14, 2014

AG Coakley Urges FHFA to Use Buyback Programs and Principal Reductions to Keep People in Their Homes

Saying in a letter today that the use of buyback programs and principal reductions are “key to helping homeowners recover from this foreclosure crisis,” Attorney General Martha Coakley urged the new director of the Federal Housing Finance Agency (FHFA) to use buybacks or face legal action.

“We believe that buyback programs implemented by credible not-for-profit institutions, and loan modification programs that permit principal reductions for distressed borrowers, are key to helping homeowners recover from this foreclosure crisis and restoring a healthy economy,” AG Coakley said in the letter to Melvin Watt, the new director of FHFA.

AG Coakley states that her office is reviewing all legal options as the mortgage giants Fannie Mae and Freddie Mac, currently under FHFA conservatorship, refuse to comply with the August 2012 Massachusetts law An Act to Prevent Unnecessary and Unreasonable Foreclosures.

The groundbreaking law requires that creditors not prohibit sales to non-profits like Boston Community Capital’s “Stabilizing Urban Neighborhoods” program (SUN). Through this initiative, BCC purchases a home that is typically owned by a lending bank at its current market value and finances its immediate resale to the former homeowner. Fannie Mae and Freddie Mac have continued to block buybacks even though they lose money in the process.

NEW HAMPSHIRE

May 13, 2014

Attorney General Joseph Foster Warns of Employment Scam Targeting New Hampshire Job Seekers

Attorney General Joseph Foster and Employment Security Commissioner George Copadis have opened an investigation of a potential employment scam involving various companies contacting job seekers and offering fake job opportunities in an effort to obtain confidential information from these individuals. It appears the perpetrators of these fraud schemes are utilizing the names of legitimate companies here in New Hampshire.

These companies have sent e-mails to several New Hampshire job seekers over the past few days claiming to be interested in hiring them for current job openings. The e-mail is designed to obtain confidential information from the job seeker and to steal money or the identity of these unsuspecting individuals under the guise of providing the job seeker a long awaited job opportunity. The companies often require job seekers to provide personal bank account information so that the "employer" can then send them funds to purchase certain software or equipment they will need in order to perform the job. Skeptical job seekers promptly and appropriately contacted New Hampshire Employment Security to report these incidents.


NEW JERSEY

May 9, 2014

New Jersey Attorney General, Department of Community Affairs Warn Sandy Recovery Participants of Potential Scams

Acting Attorney General John J. Hoffman and Department of Community Affairs Commissioner Richard E. Constable III today warned Sandy recovery program participants to be cautious when contacted by home visit, email, or phone from individuals purporting to represent the programs – especially if those individuals ask for money transfers or personal financial data.
“Our Statewide Sandy Fraud Working Group is pursuing aggressive criminal and civil actions against those who allegedly sought illegal profits in the wake of this national disaster. But the best protection against fraud is the vigilance and awareness of our citizens. Never give money or personal information to someone who claims to represent the State’s Sandy recovery programs. If someone seeks to access your home for an inspection, do not let them in without first verifying their legitimacy,” Acting Attorney General John J. Hoffman said.

http://nj.gov/oag/newsreleases14/pr20140509b.html

NEW YORK

May 15, 2014

A.G. Schneiderman Warns Against Price Gouging In Aftermath Of Yates County Flooding

In response to the Yates County state of emergency declared by Governor Andrew M. Cuomo, Attorney General Eric T. Schneiderman today issued an open letter to vendors warning against price gouging, the inflation of the price of necessary goods and services. General Business Law prohibits such increases in costs of essential items like food, water, gas, generators, batteries and flashlights, and services like tree trimming/removal, ground transportation, or emergency structure repairs during natural disasters or other events that disrupt the market.


NORTH DAKOTA

May 29, 2014

Attorney General Wayne Stenehjem Warns Scam Artists Posing As Burleigh County Sheriff To Extract Money For Bogus Jury Duty Claims

Attorney General Wayne Stenehjem is warning area residents of a jury duty scam. The area is seeing a rash of con artists calling Bismarck area residents,
claiming they are with the Burleigh County Sheriff’s Office, and threatening people with false accusations that they did not appear in court for jury duty and now will go to jail, if they don’t pay fines. The victims typically are told to obtain two separate Green Dot Money Pak cards from CVS Pharmacies in amounts less than $500 each.

The Burleigh County Sheriff and the Attorney General’s Office have received many calls from concerned citizens. According to Stenehjem, there has been at least one elderly victim who paid $1,000.

“The Burleigh County Sheriff or any other law enforcement agency would never call our citizens and threaten them with arrest for missing jury duty, or attempt to extract fines from them,” Stenehjem said. “While the individuals contacted have not missed jury duty, even if they did the Court would always allow an opportunity to explain any missed jury date and would never use these heavy-handed tactics of claims of jail and fines.”

According to Parrell Grossman, Director of the Consumer Protection Division, consumers should not focus on calls from the Burleigh County Sheriff. “This is a common scam and while today the calls reference Burleigh County, next week the fraudulent calls just as likely will claim to come from Cass, Grand Forks, Ward, or any other county.


OHIO

May 8, 2014

Attorney General DeWine Urges Consumers to Research Home Improvement Contractors

Ohio Attorney General Mike DeWine today warned consumers about spring home improvement scams, while stressing the importance of researching contractors to help ensure their reliability. "Warmer weather brings more door-to-door home improvement sales, and consumers should remain cautious," Attorney General DeWine said. "Don’t be pressured into a decision on the spot. It’s best for you to research both the reputation of the business and the individual contractor first. Too often we see an individual contractor who is operating under different company names.”
OKLAHOMA

May 9, 2014

Victims of Auto Investment Scam sought by the FBI and the Oklahoma Attorney General’s Office

The Federal Bureau of Investigation (FBI) and the Office of the Oklahoma Attorney General would like to speak to people who believe they may be victims of an investment scam that involves the purchase of automobiles.

The scheme: You are told you can get a new car for free and not make any payments if you agree to give the subject your rebate money. The subject states he will invest your rebate in a trust or a co-op and the profits will be used to make your car payments. The subject also asks you to make referrals of other persons who want new cars. The rebate money from the referrals has allegedly been used to make some car payments.

May 7, 2014

Attorney General Pruitt Warns of Potential Scam Calls to Oklahomans

Attorney General Scott Pruitt Wednesday issued a scam warning after concerns were raised that someone may be calling consumers claiming to be with the Oklahoma Health Care Authority.

The AG’s Public Protection Unit received a complaint Wednesday from a consumer who was contacted by someone from what appeared to be an Oklahoma telephone number asking for their Social Security number and other personal information.

“Oklahomans need to be alert and never give personal information over the telephone unless they initiate the call,” Attorney General Pruitt said. “We
encourage consumers to contact our office if they feel they have been victims of a scam or have questions about suspicious calls or e-mails.”

http://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=14168

PENNSYLVANIA

May 28, 2014

Attorney General Kane Warns Recent Grads, Jobseekers About Scams

Attorney General Kathleen G. Kane today cautioned recent graduates and others in the job market to be wary of scammers that target people using online forums to find employment.

Employment schemes are among the most common and oldest forms of consumer fraud, so job seekers should approach the search and interview process cautiously, being alert for signs of a potential scam.

Often the scammers are able to collect contact information through online job boards where the consumer has posted his or her resume. In some cases, the job hunter replies to a fake posting on the online job boards and, in the process, provides contact information to the scammer.


RHODE ISLAND

May 20, 2014

AG Kilmartin Warns Rhode Islanders of Latest Debit Card Scam

After receiving multiple reports of "robo calls" targeting Rhode Island debit card holders, Attorney General Peter F. Kilmartin is warning consumers of the latest scam attempting to steal debit card and bank account information.

The scam works like this: consumers receive an automated call, or "robo call," claiming that their debit card has been compromised, suspended or even deactivated. The call then prompts the consumer to be put through to a live
operator, or, in some cases, contact a callback number. Once the consumer speaks to an operator, they are asked to confirm sensitive information, such as debit card numbers, pin codes, and bank account numbers.

"Over the past few days, our office has seen an uptick in complaints about this latest scam. Technology has made it cheap and easy for thieves to blanket unsuspecting consumers with fraudulent calls, often originating outside the state and even possibly outside the country," said Attorney General Kilmartin. "Fortunately, none of the consumers who have contacted our office have fallen prey to this scam, which shows that education really is the best way to protect oneself from these criminal outfits."

http://www.ri.gov/press/view/21982

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**TENNESSEE**

**Attorney General Robert Cooper Issues Consumer Protection Guide for Consumer Affairs Counselors and United States Military Members**

http://www.tn.gov/attorneygeneral/cpro/militaryguide/militaryguide.html

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**VERMONT**

*May 23, 2014*

**Attorney General Sorrell Warns About Out Of State Business Soliciting Money On Behalf Of Local School**

The Vermont Attorney General’s Office is warning Vermont businesses about a phone call or email from an out-of-state business asking the local business to donate money to support the area school by paying for an advertisement that they will place on a full-color homework folder that will be provided to students free of charge. The out of state business is trying to collect money from local businesses far in excess of the cost of the “folders” that it may actually deliver to the school. Businesses are advised to be wary about contributing to this type of promotional scheme.
WASHINGTON

May 27, 2014

**Attorney General Bob Ferguson Announces Stevens County Internet Company Lawsuit Leads To Consumer Refunds**

1880 Western Wear to refund approximately 117 consumers nationwide, at least 5 from Washington state

The Attorney General’s Office has resolved a lawsuit against an Internet based company in Colville, Wash. for violations of the Consumer Protection Act.

The resolution involves refunds to approximately 117 consumers across the nation including at least 5 in Washington state. The Eastern Washington, North Idaho and Western Montana Better Business Bureau (BBB) were very involved in the AGO investigation that led to this Consent Decree.

The defendant, Western By Design, LLC, went by the name of “1880 Western Wear,” before recently closing the business. The company was an online retailer that sold western clothing wear and apparel.

There are 117 known complaints against 1880 Western Wear through the AGO, BBB and Ripoff Reports. This company has an F rating from the BBB.

WEST VIRGINIA

May 15, 2014

**Attorney General Patrick Morrisey Warns Consumers to Beware of Scammers Posing as Door-to-Door Salesmen**

Attorney General Patrick Morrisey today urged consumers to beware of scammers traveling door-to-door to sell fake magazine subscriptions.
Morrisey’s warning comes after the Attorney General’s Office received a number of calls about teens and young adults going to homes in Wood County and asking consumers to purchase magazine subscriptions, often claiming they are selling magazines to earn college scholarships or tuition, or raising money for a class field trip. These door-to-door sales operations frequently use misleading and high-pressure sales tactics.

“With the weather warming up, consumers may come in contact with more door-to-door salesmen who show up on their doorsteps offering goods or services,” Attorney General Morrisey said. “We have received calls about this potential scam from residents in Wood County, but it can happen anywhere in the state. Consumers should never enter into a contract or make a purchase solely based on a doorstep sales pitch. Always take the time to do your homework before making a purchase.”

http://www.wvago.gov/press.cfm?ID=820&fx=more

May 4, 2014

Attorney General Patrick Morrisey Encourages Homeowners to Be Careful When Hiring Landscapers, Yard Workers

West Virginia Attorney General Patrick Morrisey is encouraging homeowners to be mindful when selecting a company to help with landscaping, yard work and tree trimming.

“With spring here and summer fast approaching, many people will start to tackle those outside projects that have been waiting for better weather,” Attorney General Morrisey said. “It’s important that people really take just a little extra time to make sure the company they hire to help with these projects is one they can trust.”

One of the most important things a homeowner can do before selecting a landscaping, general yard work or tree trimming contractor is to determine what needs to be done and research companies that can perform those services. Consumers should ask the landscapers or yard service companies for references and then call those references. Homeowners also may research the company on trusted review sites.

http://www.wvago.gov/press.cfm?ID=815&fx=more