NATIONAL STATE ATTORNEYS
GENERAL PROGRAM:
CONSUMER PROTECTION
REPORT

June 2014
CONSUMER PROTECTION REPORT:
June 1 – 30, 2014

This newsletter is the eighth 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.

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For more information about the National State Attorneys General Program and resources, please visit our website www.stateag.org.
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Arizona Attorney General Tom Horne Files Consumer Fraud Action Against Mortgage Loan Modification Provider

Arizona Attorney General Tom Horne is today announcing a recently obtained consent judgment against Maricopa County resident Maria Elena Alvarez that prohibits her from providing mortgage or other consumer loan modification services to Arizona consumers.

The judgment arose after the Attorney General’s Office filed a consumer fraud action against Ms. Alvarez in November, 2013, alleging that she falsely represented to homeowners that she would help them obtain lower mortgage payments on their homes. She represented that, as part of the mortgage modification process, the homeowners needed to send their mortgage payments to her instead of to their lenders and that she – Alvarez – would forward the payments to the lenders.

Attorney General Horne alleged that rather than forwarding her clients’ mortgage payments to their lenders as she promised, Alvarez instead kept the funds for her own use. The lawsuit alleged that Ms. Alvarez’s actions violated the Arizona Consumer Fraud Act, negatively affected her clients’ credit ratings and, in at least one case, caused her client to nearly lose his home after it became scheduled for a Trustee’s Sale. In addition to prohibiting Ms. Alvarez from providing mortgage modifications, the judgment also requires her to pay consumer restitution as well as the costs and fees expended by the Attorney General’s Office in investigating her activities and bringing its enforcement action against her.

ARKANSAS

June 23, 2014

Attorney General McDaniel Files Suit Against Chiropractic “Runners”

Attorney General Dustin McDaniel filed a consumer-protection lawsuit today against a Pulaski County man, the businesses he owns and his employees for deceptively marketing chiropractic services to consumers involved in automobile accidents.

McDaniel announced at a news conference this morning that he had filed the lawsuit against Roger D. Pleasant, his employees Rogerick Pleasant, James “Jimmy” Hinton and Brian Hinton, and the entities Information and Discovery Inc., PSG and Investigation LLC, Accident Claim Service LLC, Physician First Marketing Group LLC and Network Collision Group LLC.

The defendants are accused of using deception and harassing tactics in their attempts to convince accident victims to visit a chiropractor. Roger Pleasant and his employees are known as chiropractic “runners.” They collect consumer information from accident reports, and then solicit business on behalf of the chiropractors who pay them if the consumer seeks treatment from the chiropractor.

Pleasant and his employees are accused of lying to consumers, repeatedly calling the consumers on the phone and showing up at consumers’ home or workplace in efforts to coerce consumers into visiting the chiropractor for whom they were working.


June 09, 2014

McDaniel Files Suit Against Online Payday Lenders

Attorney General Dustin McDaniel filed a consumer-protection lawsuit today against three online payday lending companies and their owners accused of illegally providing loans with interest as high as 782 percent to Arkansas consumers.
Defendants in the lawsuit are brothers Chris Kamberis of Leawood, Kan., and John Kamberis of Olathe, Kan., and companies King Marketing, LLC, Prestige Group Marketing, LLC and SLR Ridge LLC.

(Click here to view the complaint.)

According to the lawsuit, the Kamberis brothers market illegal payday loans from entities purported to be based in the Caribbean island nation of Nevis in a deliberate attempt to avoid U.S. enforcement action. However, the Nevis-based entities serve no substantive role in marketing, processing or collecting loans issued to Arkansas consumers. Almost all of the companies’ business is conducted by employees or agents located in the Kansas City area.


CALIFORNIA

June 27, 2014

Attorney General Kamala D. Harris Seeks Immediate Halt to Corinthian Colleges’ False Advertising to California Students

Attorney General Kamala D. Harris took steps to file additional charges against Corinthian Colleges, Inc. (CCI) alleging that the company is currently violating California false advertising and unfair competition laws and is requesting that a court immediately force CCI to tell prospective students the truth about the company’s dire financial situation and its agreement with the federal government to sell or close all of its schools.


June 23, 2014

Attorney General Kamala D. Harris Announces 20 Year Prison Sentence for Perpetrator of $17 Million Ponzi Scheme

Attorney General Kamala D. Harris and Sonoma County District Attorney Jill Ravitch today announced that defendant Aldo Joseph Baccala, who ran a
Ponzi scheme that defrauded victims more than $17 million, was sentenced to 20 years in state prison and ordered to pay a fine of $6.4 million at a hearing today in Sonoma County.


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**DELAWARE**

*June 2, 2014*

**Attorney General Beau Biden’s Office Arrests Millsboro Man In Home Improvement Scam**

Attorney General Beau Biden’s General’s Consumer Protection Unit has secured the arrest of 42 year-old Eric Lepkowski on multiple charges in a scheme to defraud a 68 year-old Sussex County homeowner. Lepkowski turned himself in on Friday, May 30 at DSP Troop #4 and was booked on one count of Home Improvement Fraud, one count of Theft of a Senior, three counts of Unlawful Use of a Credit Card, and three counts of Identity Theft. He was arraigned via videophone by JP Court #2, and was released after posting $10,000 secured bond.

Earlier this year Biden’s Consumer Protection Unit initiated an investigation of Lepkowski, of Windy Acres Lane in Millsboro, after receiving a complaint that that he had defrauded a Rehoboth Beach homeowner in a home improvement scheme between February and August of 2013. The investigation revealed that Lepkowski, who markets himself as a contractor doing business as First State Home Services, convinced the victim to pay him $1,600 up-front for labor and materials costs, secured permission to charge the victim’s credit card $5,000 to cover all future labor costs, and convinced the victim to place $600 in an account at Lowes in Lepkowski’s name to purchase materials for projects for the home renovation project. Lepkowski secured verbal permission to use the victim’s credit card number for additional material purchases at Home Depot and Lowes, and continued to demand additional payment for labor. In total, the victim ultimately paid Lepkowski more than $10,000.

Attorney General Bondi’s Office Reaches Agreement with Kaplan Higher Education, Kaplan Higher Education Campuses, and Kaplan University

Attorney General Pam Bondi today announced that her office has entered an Assurance of Voluntary Compliance (AVC) with Kaplan Higher Education, Kaplan Higher Education Campuses, and Kaplan University. The agreement follows the office’s investigation, with which Kaplan cooperated, into the school’s enrollment and marketing practices and allegations that students were misled by marketing claims. Under the agreement, the school must clearly and conspicuously disclose true and accurate information relating to the school’s accreditation, program costs (including the cost of taking any licensing or certification exams required to practice in Florida), financial aid and the scope and nature of employment services they provide.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/89E733424AECF53985257CFA00690F74

Attorney General Bondi’s Office Obtains $425,000 in Consumer Restitution from Penny Auction Website

Attorney General Pam Bondi’s Office obtained $425,000 for consumer restitution through a settlement with Arrow Outlet, LLC, a penny auction website, resolving allegations that Arrow used programming code to deceive consumers throughout the country, and eligible consumers have until Aug. 16 to file a claim. ArrowOutlet.com allowed users to purchase and place bids on various consumer goods. The complaint filed in Leon County alleged that Arrow engineered an "auto-bid script" that artificially inflated the number of bids required to win a given auction. Allegedly, the auto-bid script was designed to place bids at certain intervals, thereby prolonging the auction, increasing the number of bids purchased and used, and preventing actual users from winning the items.
IDAHO

June 12, 2014

Settlement Requires a Boise Auto Dealer to Change its Business Practices

Today, Idaho Attorney General Lawrence Wasden filed an agreement with Western Auto Sales, LLC, to address issues involving the Boise auto dealer's business practices.

Attorney General Wasden inquired into Western Auto Sales' business practices after his Consumer Protection Division received consumer complaints about the auto dealer. A mentally-impaired consumer alleged that Western Auto Sales misled him during the sale of a car, while another consumer claimed deception in Western Auto Sales' transfer of a motor vehicle service contract. A third consumer complained that, during the repossession of his car, Western Auto Sales' agent threatened to arrest him and harassed his wife at her workplace.


INDIANA

June 16, 2014

Attorney General Greg Zoeller Announces State Reaches Agreement With National Deed Service

Under an agreement reached with the Indiana Attorney General’s Office, consumers who were misled by deed offers are set to receive restitution.

Barry Isaacson, individually, and Illinois Deed Provider, Inc., doing business as National Record Service, Inc. and National Deed Services, Inc. reached a settlement with Indiana Attorney General Greg Zoeller’s office after offering homeowners copies of property deeds for a fee.
June 6, 2014

**Attorney General Tom Miller Announces Buying Club Company Agrees to Refund Iowa Consumers for Monthly “Membership” Charges**

Hundreds of MyBuyClub and MyTripSavers consumers likely unaware of enrollments

A Reno, Nevada online buying club will pay the state nearly $14,000 for refunds to Iowa consumers charged for membership programs they likely weren’t aware of, under an agreement with Attorney General Tom Miller.

The agreement, called an Assurance of Voluntary Compliance, requires Aragon Interactive, also known as A.I. Interactive Inc., and company owner Adam Levinter, to pay for refunds to Iowans charged for “MyBuyClub” and “MyTripSavers” memberships. MyBuyClub claims to save its members money on retail purchases, while MyTripSavers claims to save its members on travel costs.

Investigation: Hundreds of Iowans Charged, Likely Only a Fraction Used Memberships A Consumer Protection Division investigation found that Aragon repeatedly charged hundreds of Iowans for memberships, and some consumers’ credit card charges totaled several hundred dollars. Miller said that only a fraction of Aragon’s paying members are believed to have used the memberships, which indicates that they had probably been unknowingly enrolled.

**KANSAS**

*June 11, 2014*

**Attorney General Derek Schmidt Sues Asphalt Pavers Operating In Rawlins County**

Kansas Attorney General Derek Schmidt today announced that his office has filed a lawsuit against a door-to-door paving group operating in Rawlins County. Schmidt is asking consumers who have interacted with the company for assistance in the investigation.

Will J. Harrison, Jr., doing business as Wester Construction and Will Harrison Paving, is being investigated for alleged violations of the Kansas Consumer Protection Act in a door-to-door driveway paving operation.

The Attorney General’s Consumer Protection Division received a complaint from a consumer in Rawlins County regarding the practices of these individuals.


**KENTUCKY**

*June 25, 2014*

**Attorney General Conway Announces Judge Affirms Sanctions on National College for Failing to Respond to Attorney General's Subpoena**

Attorney General Jack Conway today announced that the Franklin Circuit Court affirmed its previous order requiring National College to pay civil penalties for its failure to comply with a subpoena issued by the Office of the Attorney General.

The court fined National College $1,000 per day from Aug. 5, 2013, to Dec. 23, 2013, and $500 per day from Jan. 31, 2014, to Feb. 11, 2014, the date when National College finally complied with the subpoena. The total fine imposed by the court is $147,000. The court also affirmed the $10,000 fine it
levied on National College’s attorneys for their role in delaying the Office of the Attorney General’s investigation.

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

June 24, 2014

Attorney General Conway Announces Indictment of Online Computer Store Owner

Attorney General Jack Conway and his Office of Consumer Protection today announced that the owner of an online computer and electronics store has been indicted on four counts of theft by deception less than $10,000, three counts of theft by deception less than $500, and a persistent felony offender charge. A Russell County grand jury returned the indictment on 32-year-old Jonas L. Snow Monday morning.

Snow is the owner of AllAboutComputersKy.com. From 2009 through 2014, Snow is alleged to have taken money from multiple victims who placed orders for computers and other electronics over the Internet; however, Snow never delivered any of the items purchased. The amount of money taken from the victims totals approximately $36,000.

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

June 12, 2014

AG Conway Announces Guilty Plea by Fraudulent Contractor

Attorney General Jack Conway and his Office of Consumer Protection today announced that a contractor accused of failing to perform repair services for a Louisville resident, despite being paid to do so, has pleaded guilty to one count of theft by deception over $10,000, a class C felony. Danny Smith, 50, entered the plea this morning in Jefferson Circuit Court. Prosecutors recommended a five-year probated prison sentence on the condition that Smith repays $12,000 in restitution to the victim. Formal sentencing for Smith is scheduled for Aug. 26.

In October 2012, Smith entered into a contract with the victim to replace the roof and brick on the victim’s Louisville home. Smith advised the victim that
he needed money upfront to buy materials to complete the work. However, after the victim paid, Smith never returned to complete the work.

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

MARYLAND

June 16, 2014

AG Gansler Secures Settlement From Jones Junction Auto Group
Consumers' Lost Right To Defend Themselves, Had Cars Improperly Repossessed

Attorney General Douglas F. Gansler announced today that his Consumer Protection Division has secured a settlement from the operators and management companies of six Harford County vehicle dealerships over allegations that they forced consumers to waive their right to a legal defense if they defaulted on their financing agreements.

http://www.oag.state.md.us/Press/2014/061614.html

June 12, 2014

Attorney General Gansler Secures Settlement from Snapchat, Inc.

Attorney General Douglas F. Gansler announced today that he has secured a settlement from Snapchat, Inc., over alleged deceptive trade practices and violations of federal laws intended to protect children's privacy online. The mobile application by the same name, which is popular among teens and pre-teens, is used on smartphones, tablet computers and other mobile devices to send photograph and video messages called "snaps."

http://www.oag.state.md.us/Press/2014/061214.html
June 11, 2014

Attorney General Douglas Gansler Files Suit Against Anne Arundel Co. Sports Uniform Company

Attorney General Douglas F. Gansler announced today that his Consumer Protection Division has filed suit against Anne Arundel County-based sports uniform manufacturers, Sports55, Inc., Teamuniforms123, LLC, and Dyesubsports, LLC, and the companies' two owners, Kelly Burke and John Eberl (collectively referred to as "Sports55"). The charges allege that Sports55 either failed to deliver the custom sports uniforms consumers ordered or failed to deliver them in a timely manner, and refused to refund consumers' payments.

The charges filed by the Consumer Protection Division accuse Sports55 of taking advance payments from consumers for athletic uniforms that Sports55 either failed to provide, provided significantly later than promised, or that did not conform to what the consumer ordered. Consumers who were dissatisfied with their orders could not get their money back due to the companies' previously undisclosed policy of not offering refunds, even for orders that were unfulfilled, unreasonably late, incomplete or incorrect.

http://www.oag.state.md.us/Press/2014/061114.html

MASSACHUSETTS

June 18, 2014

Attorney General Martha Coakley Announces Western Massachusetts Car Dealerships to Pay $175,000 Over Allegations of Deceptive Advertising

Four affiliated car dealerships in Western Massachusetts have agreed to pay a total of $175,000 to resolve allegations that they regularly published misleading advertising, and failed to follow through on sale prices and promotions, Attorney General Martha Coakley announced today.

An assurance of discontinuance, filed Tuesday in Suffolk Superior Court, alleges that Country Nissan in Hadley, Country Hyundai in Northampton, Northampton Volkswagen, and Patriot Buick GMC in Charlton, regularly ran
deceptive advertising campaigns on television, radio, dealership websites, Facebook, and Twitter.

The settlement resolves allegations against the dealerships’ owners and operators Carla Cosenzi of Longmeadow and Thomas Cosenzi of West Springfield, along with their affiliated companies, Tommy-Car Management Corp., Tommy-Car Corp., Tommy Car Advertising Inc., T & C Auto Corp., Country Hyundai, Inc., and Patriot Buick GMC, Inc.


June 17, 2014

**Attorney General Martha Coakley Announces Western Massachusetts Landlords Agree to Pay $23,000 to Resolve Housing Discrimination Claims, Credit Reporting Violations**

*Settlement Provides Victim with Restitution and Future Rental Opportunity; Requires Landlords to Implement New Credit Screening Policy*

Two Western Massachusetts property owners have agreed to pay $23,000 to resolve allegations that they discriminated against a 59-year-old man due to his mental disability and receipt of rental assistance, and failed to provide notice to prospective tenants after denying rental applications because of poor credit, Attorney General Martha Coakley announced today.

According to the complaint, filed with the consent judgment in Franklin Superior Court, Adam Zaykoski and Jessalyn Zaykoski, of Gill, allegedly refused to rent to a prospective tenant because of his disability, and because he received a rental assistance subsidy from the Mental Health Association (MHA). In addition, the Zaykoskis allegedly violated consumer protection laws by failing to provide the prospective tenant, as well as other applicants, with an “adverse action notice” that would have alerted them to the fact that their rental applications were denied because of poor credit histories.

June 13, 2014

**Attorney General Martha Coakley Announces Boston Brothers Found Guilty of Conspiring to Defraud One Fund Boston of $2 Million, Steal From Real Victims of Bombing**

A pair of brothers from Boston have been found guilty for attempting to defraud The One Fund Boston of $2 million by submitting a false claim on behalf of their dead aunt, Attorney General Martha Coakley announced today.

“These two defendants orchestrated a callous scheme to steal more than $2 million from the real victims of the Boston marathon bombings,” said AG Coakley. “We are pleased that a jury has now held them both accountable.”

Following a four-day trial, a Suffolk Superior Court jury today found Branden Mattier, 23, of the South End, guilty of Conspiracy to Commit Larceny over $250, Attempt to Commit Larceny over $250, and Identity Fraud. The jury also found his brother, Domunique Grice, 28, also of the South End, guilty of Conspiracy to Commit Larceny over $250 and Attempt to Commit Larceny over $250.


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June 02, 2014

**AG Coakley Sues Fannie Mae and Freddie Mac Over Their Refusal to Engage in Foreclosure Buyback Programs**

* Lawsuit Alleges Violation of State’s 2012 Anti-Foreclosure Law

Saying its refusal to engage in foreclosure buyback programs is unfairly and illegally causing Massachusetts families to lose their homes, Attorney General Martha Coakley has sued the Federal Housing Finance Agency (FHFA) and the mortgage giants Fannie Mae and Freddie Mac for violating the state’s 2012 foreclosure prevention law.

Filed today in Suffolk Superior Court, the [complaint](http://www.mass.gov/ago/news-and-updates/press-releases/2014/2014-06-02-coakley-sues-fannie-mae-and-freddie-mac.html) alleges that 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 first-in-the-nation law was proposed by AG Coakley and passed by the Legislature in response to the
foreclosure crisis in an effort to prevent unnecessary foreclosures. Among other provisions, it prohibits creditors from blocking home sales to non-profits simply because the non-profit intends to resell the property back to the former homeowner.

One example of a buyback program, as cited in the complaint, is Boston Community Capital’s (BCC) “Stabilizing Urban Neighborhoods” Initiative (SUN). As part of the program, the organization buys foreclosed, bank-owned homes at their present market value and sells the properties back to the original homeowners if they qualify for affordable financing. Buyback programs like SUN prevent needless displacement of families that through an arrangement with a non-profit can afford to stay in their homes. Fannie Mae and Freddie Mac have continued to block buybacks even though they lose money in the process.


MISSISSIPPI

June 11, 2014

Attorney General Jim Hood Announces Ebay & Craigslist Scam Investigation Leads to Arrest of Two Romanian Men

Two Romanian men alleged to be involved in a sophisticated on-line sales scam have been arrested in Mississippi, announced Attorney General Jim Hood today.

Paul Moraru-Rogoza, 37, and Gicu Oprea, 50, both of whose last known residence is in Lafayette, LA were arrested Sunday in Pearl following a joint investigation conducted by the Pearl Police Department and the Mississippi Attorney General’s Office Consumer Protection Division.

Moraru-Rogoza and Oprea are accused of participating in on-line sales scams where victims visit on-line shopping and auction websites such as Ebay and Craigslist, however are directed to spoofed sites or look-a-like sites to conduct transactions of the items they are interested in. The scam continues as the buyer communicates with the alleged seller, usually through email, and asked to wire payment to an alleged representative of the websites until the items
are delivered. Moraru-Rogoza and Oprea are charged with multiple counts of fraudulently using others identity, using fictitious ID’s and communications fraud.


MISSOURI

June 27, 2014

Attorney General Chris Koster Obtains Criminal Verdicts Against Contractor For Scamming Joplin Tornado Victims

Attorney General Chris Koster today announced that a Jasper County jury has found Jeffrey Wolfson of Osage Beach guilty of five felony and two misdemeanor counts for scamming three Joplin homeowners following the devastating May 2011 tornado. The Attorney General’s Office assisted Jasper County Prosecuting Attorney Dean Dankelson in the investigation and prosecution of the case.

According to Koster, Wolfson operated Insurexx, LLC, a Lebanon, Missouri-based company that offered insurance claim adjusting and home repair services to consumers with homes damaged by the Joplin tornado. Wolfson's company acted as an insurance adjuster without first obtaining a Missouri license from the Department of Insurance. He and his company then accepted insurance proceeds and personal checks from three Joplin homeowners, promising to begin repair work on their homes. Ultimately, Insurexx never completed the home repairs or returned the homeowners' payments.


June 12, 2014

AG Chris Koster Sues Retailers For Selling Deceptive Automobile Engine Products

Attorney General Chris Koster today announced that his office has joined the Missouri Department of Agriculture's Division of Weights and Measures in a crackdown on mislabeled and fake auto-engine products. Koster filed lawsuits against five St. Louis-area retailers for selling engine products knowing the
products either misrepresented their contents or could seriously damage consumers' cars.

http://ago.mo.gov/newsreleases/2014/AG_Koster_sues_retailers_selling_deceptive_products/

June 4, 2014

AG Koster Announces Walgreens Settlement

Attorney General Chris Koster today announced an agreement with Walgreens designed to prevent misleading advertising and overcharging consumers in its Missouri stores, resolving a lawsuit he filed against the company last summer.

http://ago.mo.gov/newsreleases/2014/AG_Koster_announces_Walgreens_settlement/

NEW JERSEY

June 30, 2014

Acting Attorney General John J. Hoffman Announces Bergen County Hotel Will Pay $110,000 to Settle State Allegations of Price Gouging Following Superstorm Sandy; Total Recoveries in Sandy Price-Gouging Cases Top $1 Million

Acting Attorney General John J. Hoffman and the New Jersey Division of Consumer Affairs today announced that Tapah LLC, d/b/a “Comfort Suites Mahwah,” has agreed to pay $110,000 to resolve the State’s lawsuit alleging that the hotel engaged in 473 instances of unlawful price gouging in the aftermath of Superstorm Sandy.

http://nj.gov/oag/newsreleases14/pr20140630a.html
June 26, 2014

**New Jersey Division of Consumer Affairs, Office of Weights and Measures, Announce Complaints Against 21 Jewelers Accused of Violating “Cash for Gold” Consumer Protection Laws**

The New Jersey Division of Consumer Affairs and its Office of Weights and Measures today announced the results of a crackdown on “cash-for-gold” shops resulting in 936 civil citations for alleged violations of State consumer protection laws at 21 jewelry stores across northern and central New Jersey.

The Essex County Prosecutor’s Office, Middlesex County Prosecutor’s Office, Edison Police Department, and Fairfield Police Department played important roles in the investigation, which included undercover visits to jewelry stores by officers who posed as consumers seeking to sell their jewelry.

[http://nj.gov/oag/newsreleases14/pr20140626a.html](http://nj.gov/oag/newsreleases14/pr20140626a.html)

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June 6, 2014

**Acting Attorney General John J. Announces Allegedly “Hedge Fund” Fraudsters Ordered to Pay $55 Million in Investor Restitution, Civil Penalties and Disgorgement**

The New Jersey Division of Consumer Affairs and the Bureau of Securities announced that the perpetrators behind a purported hedge fund based in Jersey City that operated a massive securities fraud scheme — including defendants Peter Zuck, 63, of Middletown, Michael J. Spak, 45, of Chesterfield, Joseph C. Spak, 71, of Milltown and John R. Najarian, 36, of Hillsdale, as well as others — have been held responsible for more than $55 million in investor restitution, civil penalties and disgorgement as a result of a lawsuit filed by the Bureau of Securities, represented by the Division of Law.

[http://nj.gov/oag/newsreleases14/pr20140606b.html](http://nj.gov/oag/newsreleases14/pr20140606b.html)
**June 5, 2014**

**Acting Attorney General John J. Announces Allegedly Fraudulent Sandy Charity’s Remaining $100,000 in Donations Distributed to Monmouth County-Based Organizations for New Jersey Sandy Victims, Following Action Filed by the Attorney General and Division of Consumer Affairs**

Acting Attorney General John J. Hoffman today announced that the remainder of the funds donated to an allegedly fraudulent Superstorm Sandy charity, the Hurricane Sandy Relief Foundation (HSRF), totaling $100,000, has been distributed to Habitat for Humanity of Monmouth County, Inc. and the Food Bank of Monmouth & Ocean Counties, to help individuals and families affected by the storm.

[http://nj.gov/oag/newsreleases14/pr20140605b.html](http://nj.gov/oag/newsreleases14/pr20140605b.html)

**June 4, 2014**

**New Jersey Attorney General, Division of Consumer Affairs, and Board of Public Utilities File Suit Against Three Third-Party Energy Suppliers That Allegedly Defrauded Hundreds of Consumers Through Misrepresentations of Monthly Bill Reductions**


“These three companies allegedly lured consumers with promised monthly savings that turned out to be fictional. Even worse, consumers who hoped to save money instead saw their bills increase to unconscionable levels,” Acting Attorney General John J. Hoffman said. “To be clear, our action relates to the specific practices of these three companies and is not an indication of wrong-doing by other third-party energy suppliers. Deception and misrepresentation of consumers has no place in any aspect of New Jersey’s marketplace.”

The State alleges that the three companies, among other things, deceived consumers through misrepresentations about “competitive” monthly pricing
and/or guarantees that consumers would see reductions in their monthly electric and/or natural gas bills if they switched from their utility providers. Rather than realize these savings, the consumers saw their energy bills skyrocket during this past winter when Palmco, HIKO, and Systrum charged far more per kilowatt or therm of energy than the consumers’ previous suppliers. The Complaints allege violations of the Electric Discount and Energy Competition Act, the Consumer Fraud Act, multiple regulations concerning energy licensing and registration, retail choice consumer protection, anti-slamming requirements, and advertising by energy suppliers, and/or the Plain Language Act.

http://nj.gov/oag/newsreleases14/pr20140604a.html

NEW MEXICO

June 6, 2014

Attorney General Gary King Obtains Restitution for NM Consumers

Attorney General Gary King says his office has settled a lawsuit over upfront fees charged to consumers seeking credit card debt relief services.

“This is a good result for affected customers who were trying to reduce their debts and instead were incurring even more debt in the form of high fees from businesses that promised to help them,” says Attorney General King.

“$160,000 will be available for restitution to New Mexico consumers.”

The AG’s Consumer Protection Division negotiated the Stipulated Settlement Agreement with CreditArbitrators, LLC and CreditAnswers, LLC, bringing the litigation to a successful close.

http://www.nmag.gov/News
NEW YORK

June 30, 2014

A.G. Schneiderman Announces Settlement With Reverse Mortgage Provider Over Misleading Advertising Targeting Seniors

Company Misrepresented Itself As A Government Entity, Misled Seniors About Benefits Of Reverse Mortgages

Attorney General Eric T. Schneiderman today announced a settlement with New View Mortgage Corp. arising from misleading direct mail solicitations sent to nearly 10,000 New York seniors. The solicitations, advertising reverse mortgages, were designed to look like official government notices from the Federal Housing Administration. Solicitations were mailed in envelopes that read, ‘Economic Stimulus Notice’ and ‘Government Lending Division,’ and the body of the solicitation identified the sender as ‘Federal Housing Administration Home Benefit HECM Program.’ As part of the settlement, the company must pay a penalty of $12,500 and may not misrepresent the features, benefits, and eligibility requirements of reverse mortgages in future solicitations.


June 26, 2014

A.G. Schneiderman Announces Arrest And Indictment Of Alleged Serial Fraudster

Court Papers Charge That Victims Paid Cash For A Wide Variety Of Services That Were Never Delivered

Attorney General Eric T. Schneiderman today announced the arrest and indictment of Sonia Vertucci, for operating a long-running scheme to steal from Queens residents. As alleged in the indictment, Vertucci falsely promised a wide range of services to her predominantly immigrant clients and collected more than $38,000 in upfront cash payments, but never delivered any services or refunded any money.
The indictment, filed in Supreme Court in Queens County, charges Vertucci, age 42 of New Rochelle, with two counts of Scheme to Defraud in the First Degree (a class “E” felony), three counts of Grand Larceny in the Third Degree (a class "D" felony), two counts of Grand Larceny in the Fourth Degree (a class “E” felony) and four counts of Petit Larceny (a misdemeanor). If convicted, Vertucci faces up to 7 years or more in prison.


June 25, 2014

A.G. Schneiderman Announces Suspension Of Legal Assistance Firm

Attorney General Eric T. Schneiderman today announced that, after reviewing extensive evidence produced by his office, Supreme Court Justice James McClusky this morning signed an order to show cause and issued a temporary restraining order, effectively suspending operations at two Legal Docs By Me locations in Watertown and Syracuse.


June 24, 2014

A.G. Schneiderman Files Suit Against WNY Mechanic For Defrauding Racing Enthusiasts

Attorney General Eric Schneiderman today announced a lawsuit against a Western New York mechanic for defrauding racing enthusiasts by accepting payments for work on high performance engines he never did.

According to the petition, William Leverentz, who does business as Billy Leverentz Racing Engines, has collected thousands of dollars from racing enthusiasts to repair and rebuild high performance engines but then never did the work. The petition also alleges that when Leverentz did do engine repairs, his work was shoddy.

June 19, 2014

**A.G. Schneiderman Announces Conviction Of Two For Operating Fake Nursing Schools In Brooklyn And Queens**

Attorney General Eric T. Schneiderman today announced the conviction after trial of defendants Rodye Paquiot and Nadege Auguste for their role in a massive scheme to defraud students, as part of his ongoing effort to prosecute fraud in the education industry. Over a period of almost 5 years, the defendants and their co-conspirators operated a network of fake nursing schools in New York City. More than 500 students collectively paid more than $5 million to attend programs that the defendants claimed would qualify them for careers in nursing. However, the certifications and transcripts the schools provided were fraudulent.

After an eight-week trial in Brooklyn Supreme Court, which included the testimony of more than 30 witnesses – 24 of them student-victims – and the admission of more than 300 documents in evidence, a jury found the defendants Rodye Paquiot and Nadege Auguste guilty on all counts. The third defendant in the trial, Jude Valles, was acquitted of all charges.


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June 17, 2014

**A.G. Schneiderman And Comptroller DiNapoli Announce Sentence Of Former Met Council Chief Financial Officer For Role In Stealing $9m In Kickback Scheme**

Attorney General Eric T. Schneiderman and Comptroller Thomas P. DiNapoli today announced the felony conviction and sentence of Herbert Friedman, former Chief Financial Officer of the Metropolitan Council on Jewish Poverty (Met Council). Herbert Friedman, together with other co-conspirators, stole approximately $9 million from the taxpayer-funded nonprofit organization in a 20-year grand larceny and kickback scheme.

June 12, 2014

**A.G. Schneiderman Secures Over $220,000 Settlement From Hobby Lobby Stores In An Investigation Of Misleading Advertising**

Attorney General Eric T. Schneiderman today announced that retail chain Hobby Lobby Stores, Inc. has agreed to enter into a settlement of his office’s investigation into alleged deceptive advertising practices. Hobby Lobby misled customers into thinking they were receiving steep discounts through deceptive advertising over a two-year period. As part of the settlement, the company will change its advertising practices over the next 60 days, contribute $138,600 in supplies to public schools near Hobby Lobby stores in Upstate New York, and pay $85,000 in civil penalties and other costs.


**NORTH CAROLINA**

June 18, 2014

**Attorney General Roy Cooper Files Suit Against Medrano Express For Failure To Deliver**

International shipping company Medrano Express should return consumers’ missing packages or reimburse them, Attorney General Roy Cooper said in a lawsuit filed this week.

“Businesses have a responsibility to complete their end of the deal with consumers,” Cooper said. “Packages should be delivered to their rightful owners or paid for.”

Cooper filed a [complaint](http://www.ag.ny.gov/press-release/ag-schneiderman-secures-over-220000-settlement-hobby-lobby-stores-investigation) in Wake County Superior Court Tuesday against Medrano Express and individual defendants Jorge Medrano, Telma Ayala and William Velasco. Cooper is asking the court to order the defendants to return all unshipped packages to consumers. If a package cannot be returned, Cooper is asking that Medrano Express reimburse consumers for the value of the package’s contents.
The Attorney General’s Consumer Protection Division filed the lawsuit and request for a temporary restraining order after 118 consumers complained that Medrano Express had never delivered packages as promised, provided false shipping date estimates and/or failed to return undelivered packages or provide refunds. Cooper is also seeking a permanent ban against the owners’ and managers’ deceptive practices, refunds of shipping costs for consumers and civil penalties.


June 3, 2014

**Attorney General Roy Cooper Announces Players In Scheme To Sell Overpriced Housing Barred From Business**

*Court issues orders against remaining Phoenix Housing Group, Starkey Mortgage defendants*

Recent court orders bring to an end the state’s long-running case against an elaborate scheme that deceived consumers into buying overpriced manufactured homes and agreeing to loans they couldn’t afford, Attorney General Roy Cooper said today.

In the case against Phoenix Housing Group and W.R. Starkey Mortgage, Cooper’s office previously obtained nearly $4.3 million in refunds for consumers and worked with federal authorities who brought criminal charges against several individual defendants.

**NORTH DAKOTA**

*June 26, 2014*

**Attorney General Wayne Stenehjem Warns Door-To-Door Salespeople About Misleading And Aggressive Sales Tactics - Dish One Satellite Ordered To Suspend Sales Activity**

After numerous complaints about groups of door-to-door sales people using aggressive and misleading tactics to gain entry into residences, the Attorney General’s consumer protection division has required Dish One Satellite, LLC., of Provo, Utah to suspend all sales and installations of satellite TV services in North Dakota, pending completion of its investigation. Dish One Satellite claims to be an authorized dealer for Dish Network.


*June 13, 2014*

**Attorney General Wayne Stenehjem Announces Asphalt Paving Company Fined - Oklahoma Company Did Not Complete Licensing Process Before Doing Work In North Dakota**

An Oklahoma paving company has been fined for doing work in the state before completing the process to obtain the required North Dakota contractor's license.

Sylvester Cooper of Spiro, Oklahoma, doing business as Cooper’s Sealcoating & Asphalt, had submitted a partial application for a contractor’s license to the Secretary of State’s office, but he had been notified the application was incomplete. He completed work and took payment even though he was not licensed.

June 10, 2014

Attorney General Wayne Stenehjem Announces Business Invoice Scams Surface Again

Cease & Desist Orders issued against Canadian Companies YAPB (aka YAPD), Yellow Book, and 411 YP List

Attorney General Wayne Stenehjem today issued Cease and Desist Orders against three Canadian companies that were engaging in deceptive business practices by operating “business invoice” scams. The companies and their principals, YAPB (aka YAPD) and Dany Villeneuve, Yellow Book and Mario Klemp, and 411 YP List, are banned from doing business in North Dakota.

According to Stenehjem the “business invoice” scams typically involve an initial phone call to the business to obtain key information about the business, or an invoice via mail. The scammers create fictitious invoices, websites and publications using the Yellow pages name and logo, and can be relentless, even threatening, when trying to collect payment. They often claim to have a recording that proves authorization for the listing.


OHIO

June 25, 2014

Attorney General DeWine Seeks Restitution from Home Improvement Contractor

Ohio Attorney General Mike DeWine today announced a lawsuit against the owner and operator of A1 Brick Work, a Columbus-area home-improvement contractor accused of violating the Consumer Sales Practices Act and the Home Solicitation Sales Act.

“My office is committed to protecting Ohio families, and we will take action against home-improvement contractors who fail to live up to their obligations to consumers,” Attorney General DeWine said. “Consumers who have encountered deceptive business practices should file a complaint with my office.”
June 20, 2014

**Attorney General DeWine Seeks Consumer Restitution from Online Clothing Seller**

Ohio Attorney General Mike DeWine today announced a lawsuit against the operator of Sludgefaktory, an online seller of post-apocalyptic gothic clothing, according to the business' website. The lawsuit accuses owner Chaunce A. Dawes of failing to deliver products to consumers.

June 18, 2014

**Attorney General DeWine Announces Lawsuit Against Deal Website**

Ohio Attorney General Mike DeWine today announced a lawsuit against Giviton, LLC, a now-defunct Columbus business that sold deal vouchers to consumers.

In the lawsuit, the Attorney General charges the business with failure to deliver and seeks restitution for consumers.

“Consumers paid in full for deals they were never able to redeem,” Attorney General DeWine said. “We attempted to resolve the issues out of court, but the business failed to comply with the agreed terms. We are taking action to try to recover money for consumers and to prevent this from happening again.”

Giviton sold vouchers on its website, Giviton.com, for deals such as paying $10 for $20 worth of services at a local business. To access the vouchers after purchase, consumers could immediately print the coupons or go back to the website to access the vouchers through their accounts.
June 5, 2014

Attorney General DeWine Seeks Restitution from Roofer

Ohio Attorney General Mike DeWine today announced a lawsuit against a Franklin County roofer accused of failing to deliver promised services to consumers.

The lawsuit charges Peak Restoration LLC and its owner, Adam Drzewiecki, with violations of Ohio’s consumer laws.

“This roofer encouraged consumers to make insurance claims for home repairs. Then he took the consumers’ money and never began the work,” Attorney General DeWine said. “These consumers deserve justice.”

Peak Restoration and Drzewiecki offered to repair roofs, siding, and other exterior parts of homes. Four consumers filed complaints alleging they paid thousands of dollars for work that was not completed as promised.


June 3, 2014

Attorney General DeWine Seeks Restitution from Butler County Contractor

Ohio Attorney General Mike DeWine today announced a lawsuit against a Butler County concrete contractor accused of failing to deliver promised services to consumers.

The lawsuit charges Jonathan R. Anderson, who did business as Anderson & Son Construction, with violations of Ohio’s consumer laws.

“Consumers gave this contractor thousands of dollars for work that was not performed as promised,” Attorney General DeWine said. “While we attempt to resolve these types of complaints out of court, when a contractor fails to respond to our efforts, we must seek justice through the court system.”

Anderson & Son Construction offered home improvement services, including concrete installation. A total of seven consumers filed complaints with the
Attorney General’s Office or the Better Business Bureau saying they paid for work that was not completed or shoddy. Reported losses total more than $20,000.


PENNSYLVANIA

June 20, 2014

Attorney General Kane Takes Legal Action To Protect Consumers From Deceptive Marketing Of Electric Rates

Attorney General Kathleen G. Kane today announced that the Bureau of Consumer Protection and the Office of Consumer Advocate have filed joint complaints against five out-of-state electric generation suppliers before the Public Utility Commission, after some consumers complained their electricity costs increased by as much as 300 percent.

The joint complaints seek to have the PUC suspend or revoke the licenses of the following suppliers and impose civil penalties, as well as provide appropriate restitution including any necessary refunds: Energy Services Providers Inc. d/b/a Pennsylvania Gas & Electric; IDT Energy Inc.; Respond Power LLC; Hiko Energy LLC; and Blue Pilot Energy LLC.


WASHINGTON

June 30, 2014

Attorney General Ferguson Sues Mandatory Poster Agency For $362,500

Roughly 2,900 small businesses may receive refunds

The Attorney General’s Office recently filed suit in King County Superior Court against Mandatory Poster Agency (MPA), doing business as Corporate Records Service, and its top corporate officers, for unfair and deceptive business practices in violation of Washington’s Consumer Protection Act.
The company duped more than 2,900 Washington businesses into paying $125 each to prepare unnecessary documents that Washington businesses are not required to file with the Secretary of State.

http://www.atg.wa.gov/pressrelease.aspx?id=32196#U7Rn1LGwXMU

June 27, 2014

Attorney General Ferguson’s Office Nets $36K In Snohomish Charity Scam Crackdown

The Attorney General’s Office will recover roughly $36,200 from a Snohomish couple who claimed to be collecting funds for charity but instead pocketed more than half of the money.

The Attorney General’s Office filed a consumer protection complaint against Knowledge for Kids (K4K), which also does business as “Kures for Kids,” and its owners/operators, a married couple, Michael and Amy Gannon, in December.

The complaint alleged the Gannons used numerous deceptive practices to entice consumers to donate money to their charity, including claiming that they would provide direct support for the families of kids with disabilities and dispense funds to other charities.

Although K4K raised roughly $70,000 from the public, only about $2,100 went to other charities, and K4K provided no direct support to families of children with disabilities. Instead, $36,200 went into the Gannons’ pockets, and the rest covered expenses such as paying commercial fundraisers.

http://www.atg.wa.gov/pressrelease.aspx?id=32195#U7RiILGwXMU

June 20, 2014

AG Ferguson Secures Full Restitution For Gill’s Furniture Customers

Attorney General Bob Ferguson has secured full restitution for consumers who lost money doing business with the now defunct Gill’s Furniture, a retail store formerly located in Tacoma, Washington.
Under an agreement filed Thursday in Pierce County Superior Court, Loren Gill, former owner of Gill’s Furniture, must pay full restitution to consumers who paid for furniture that Gill’s never delivered. His brother, Joeseph, who now owns MFC Furniture, a furniture store in the same location as Gill’s, also signed an agreement to follow the state’s consumer protection laws.

http://www.atg.wa.gov/pressrelease.aspx?id=32189#.U6xNLbGM8a8

WEST VIRGINIA

June 17, 2014

Attorney General Patrick Morrisey Announces $135,000 Settlement With Legal Helpers Debt Resolution LLC

Attorney General Patrick Morrisey today announced that the Office recently negotiated a settlement with Illinois-based Legal Helpers Debt Resolution LLC prohibiting the debt settlement company from engaging in future debt negotiating or modification services in West Virginia.

The settlement also stipulates that Legal Helpers will pay the State $135,000, $50,000 of which will be used for consumer restitution.

http://www.wvago.gov/press.cfm?ID=837&fx=more

June 6, 2014

West Virginia Supreme Court of Appeals Affirms $14 Million Judgment Against CashCall Inc.

Attorney General Patrick Morrisey today announced that the West Virginia Supreme Court of Appeals recently affirmed a $13.8 million judgment against California-based lender CashCall Inc. and upheld the awarding of more than $440,000 in attorneys’ fees and costs to the Attorney General’s Office.

The ruling by the Supreme Court came more than a year after CashCall and its President/CEO J. Paul Reddam appealed three orders entered by the Kanawha County Circuit Court that found the company engaged in abusive debt collection, violated state lending laws and had to reimburse the state for attorneys’ fees. The May 30 memorandum opinion by the Court said CashCall
violated debt collection laws in the state, that it was a true lender in a “rent-a-bank” scheme and that the civil penalties levied upon the company were appropriate.

http://www.wvago.gov/press.cfm?ID=831&fx=more

June 3, 2014

Attorney General Patrick Morrisey Announces $400,000 Settlement in JPMorgan Chase Case

Attorney General Patrick Morrisey today announced the Office of Attorney General has reached a $400,000 settlement with JPMorgan Chase & Co.

JPMorgan was one of 22 banks and financial companies sued by the Attorney General’s Office for allegedly violating the Sherman Antitrust Act and the West Virginia Antitrust Act by illegally rigging bids, fixing prices and manipulating the market for municipal derivatives. JPMorgan denied those allegations at the time of the lawsuit and denied that it did anything wrong in the settlement.

http://www.wvago.gov/press.cfm?ID=826&fx=more

WISCONSIN

June 3, 2014

Attorney General J.B. Van Hollen Announces Judgment Against Travel Services, Inc., William Bailey, Christy Spensberger and Others for Their Deceptive Marketing of Travel Club Memberships

Attorney General J.B. Van Hollen has announced that Outagamie County Circuit Judge Dee Dyer, in a consumer protection enforcement action brought by the Wisconsin Department of Justice, has ordered entry of a judgment totaling more than $4.8 million against a travel club business, Travel Services, Inc., located in Litchfield, Illinois, and its principals, William Bailey and Christy Spensberger, of Carlinville, Illinois. The judgment also will apply to the Wisconsin-based marketers of the memberships, Going Places Travel
Corporation and its owners and operators, Perry Ruiz and Lisa Ruiz, of West Allis, Wisconsin.

http://www.doj.state.wi.us/media-center/2014-news-releases/june-3-2014
MULTISTATE CASES AND SETTLEMENTS

June 24, 2014

Defendants Who Allegedly Took Millions from Consumers Trying to Launch or Succeed in Home-Based Businesses Settle Charges by the FTC and the Attorneys General of New York and Florida

The Federal Trade Commission halted the allegedly deceptive practices of two schemes that targeted consumers hoping to succeed through home-based businesses. The defendants behind both operations have agreed to settlements that will prohibit future misconduct, and in the Tax Club case, they will surrender assets valued at more than $15 million.

The FTC cases against The Tax Club and American Business Builders are part of a federal-state crackdown on scams that falsely promise jobs and opportunities to “be your own boss.” In the Tax Club case, brought by the FTC and the New York and Florida Attorneys General, operators sold services they allegedly falsely claimed would help consumers’ home-based businesses succeed. The operators of American Business Builders allegedly sold a home-based business opportunity where consumers could earn income offering payment processing services, credit card terminals, and merchant cash advances to small businesses.


June 17, 2014

Federal Government and State Attorneys General Reach Nearly $1 Billion Agreement with SunTrust to Address Mortgage Loan Origination as Well as Servicing and Foreclosure Abuses

Agreement Provides Homeowner Relief and New Protections, Stops Abuses

The Justice Department, Department of Housing and Urban Development (HUD), and the Consumer Financial Protection Bureau (CFPB), along with 49 state attorneys general and the District of Columbia’s attorney general have reached a $968 million agreement with SunTrust Mortgage Inc. (SunTrust) to address mortgage origination, servicing, and foreclosure abuses. The joint agreement is the result of extensive investigations by federal agencies, including the Department of Justice, HUD and the HUD Office of
the Inspector General (HUD-OIG), CFPB and state attorneys general across the country, and includes recoveries for both improper mortgage origination and servicing practices.


June 4, 2014

**Attorney General Tom Horne, 44 Other Attorneys General Reach $105 Million Settlement With GlaxoSmithKline Over Asthma Drug Advair**

Attorney General Tom Horne is today announcing a settlement that signals a major change in the way pharmaceutical sales teams are motivated and paid for the ultimate benefit of consumers. Arizona, along with 44 other states, reached a $105 million settlement with GlaxoSmithKline, LLC to resolve allegations that the company unlawfully promoted its asthma drug, Advair®, and antidepressant drugs, Paxil® and Wellbutrin®. For example, GSK encouraged false and misleading marketing tactics to promote Advair as a drug that should be prescribed to anyone with asthma, when in actuality it was meant for those with severe asthma only. Financial incentives were given to sales representatives who sold these drugs to physicians, using these misleading tactics.

MEDICAID FRAUD CASES AND SETTLEMENTS

ALABAMA

June 18, 2014

Attorney General Luther Strange Announces Arrest Of Southwest Alabama Dentist; Partner Pleaded Guilty To Similar Medicaid Fraud Charges

Attorney General Luther Strange announced the arrest today of a Southwest Alabama dentist on charges of Medicaid fraud for actions to which his partner pleaded guilty last week. Dr. William Britt Morris surrendered this morning to the Montgomery County Sheriff’s Office and was released on $30,000 bond. Dr. Jimmy C. White was convicted on June 11. The two dentists have offices in Butler and Grove Hill.

http://www.ago.state.al.us/News-495

FLORIDA

June 11, 2014

Attorney General Bondi’s Office Arrests Unlicensed Mental Health Counselor for Medicaid Fraud

Attorney General Pam Bondi’s Medicaid Fraud Control Unit arrested Palm Beach County man Richard Robert Day, 70, following allegations that he practiced mental health counseling without a valid license and defrauded the Medicaid program. According to the investigation, Day was employed by Brevard County nursing home MTS Health Services, LLC, where he forged a mental health counseling license to secure employment. As an unlicensed counselor, Day caused fraudulent billings of more than $9,000 to the Medicaid program.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/708C4F8E1C81BA8385257CF4006CFE79
June 3, 2014

**Attorney General Pam Bondi Announces Duval County Resident Arrested for Medicaid Fraud**

An investigation led by Attorney General Pam Bondi’s Medicaid Fraud Control Unit culminated late yesterday afternoon with the arrest of Ashley Vyktoria Tullon, 27, for Medicaid fraud, a third degree felony. The Jacksonville Sheriff's Office and the Medicaid Fraud Control Unit took Tullon into custody, following an investigation that revealed Tullon billed Medicaid for services never rendered.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/3191AAECFA86498985257CEC0049F6A9

GEORGIA

June 23, 2014

**Attorney General Sam Olens Announces Three More Defendants Sentenced in Cobb County Medicaid Fraud Scheme**

Lisa N. Hankerson and Pierre A. Hixon pleaded guilty to Racketeering (O.C.G.A. § 16-14-4(c)), Medicaid Fraud (O.C.G.A. § 49-4-146.1(b)(1)), and Conspiracy to Defraud the State (O.C.G.A. § 16-10-21(a)) today in Cobb County Superior Court. Hankerson, Hixon, and their co-defendants obtained over $622,000 through the fraudulent billing of Georgia Medicaid and the Amerigroup Corporation.

Between July 2005 and June 2010, Hankerson was the primary Medicaid biller for First Step Counseling Services, Inc. of Marietta, which provided Intensive Family Intervention counseling services, as well as Family and Individual counseling services, to troubled children in need of intensive therapy for behavioral issues. Children who qualify for these services under Medicaid typically do so because they are in danger of being removed from their homes. Hankerson is also the wife of First Step co-owner and co-defendant Garry Hankerson, who was sentenced on June 12, 2014, to serve seven years in prison and ordered to pay $622,125.43 in restitution. Hixon
was a co-owner of First Step Counseling Services and served as its head of clinical service.


June 13, 2014

Attorney General Sam Olens Announces Marietta Man Sentenced to Seven Years in Prison for Medicaid Fraud

On Thursday, June 12, 2014, Garry A. Hankerson, Jr. pleaded guilty to Racketeering (O.C.G.A. § 16-14-4(c)), Medicaid Fraud (O.C.G.A. § 49-4-146.1(b)(1)), and Conspiracy to Defraud the State (O.C.G.A. § 16-10-21(a)) in Cobb County Superior Court. Hankerson and his co-defendants obtained over $622,000 through the fraudulent billing of Georgia Medicaid and the Amerigroup Corporation.


KANSAS

June 10, 2014

Attorney General Derek Schmidt Announces Parsons woman ordered to repay nearly $20,000 for Medicaid fraud

A Parsons woman was ordered today to repay $19,704 to the Kansas Medicaid program after pleading no contest to eight charges of Medicaid fraud.

Ginger Wilson, 45, pleaded no contest in February to multiple charges of conspiracy to make false statements to the Medicaid program, making false statements to the Medicaid program and unlawful acts involving the Medicaid program. Judge Jeffry Jack today ordered Wilson to repay the unlawfully taken funds in addition to a suspended sentence of 21 months in prison. Wilson was also ordered to serve 24 months of probation.

June 6, 2014

**Attorney General Derek Schmidt Announces Lawrence woman to repay $11,000 for Medicaid fraud**

A Lawrence woman must repay more than $11,000 after being found guilty of Medicaid fraud, Kansas Attorney General Derek Schmidt said.

Penny Miller, 49, today pleaded no contest to one count of making a false claim to the Medicaid program. Douglas County District Judge Peggy Kittel accepted Miller’s plea, adjudged her guilty and scheduled sentencing for August 1. As part of the plea, Miller must pay restitution in the amount of $11,128.71 to the Kansas Medicaid program.


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**KENTUCKY**

June 13, 2014

**Attorney General Jack Conway Announces Former Owner of Caregiving Service Pleads Guilty to Medicaid Fraud**

Attorney General Jack Conway and his Office of Medicaid Fraud and Abuse Control today announced that the former owner and operator of an in-home caregiving service has pleaded guilty to engaging in or devising a scheme to defraud the Kentucky Medicaid program. Sheryl Bruner, 51, entered the plea this morning in Fayette Circuit Court. Bruner chose to waive her right to a grand jury indictment and was instead charged by a single-count criminal information.

Bruner was the owner and operator of Support Source, Inc., which had an office in Lexington and was also managed by Bruner from her Nicholasville home. Support Source purportedly provided in-home care to disabled patients via Medicaid-funded waiver services. After Support Source’s Medicaid funding was suspended by the Cabinet for Health and Family Services in 2011 following an investigation by the Office of the Inspector General, Bruner continued her scheme by retaining many of her patients and transferring them to a different company based in Lee County.

http://migration.kentucky.gov/Newsroom/ag/brunerplea.htm
June 10, 2014

Attorney General Jack Conway Announces Former Co-Owner of Barren County Treatment Center Pleads Guilty

Attorney General Jack Conway and his Medicaid Fraud and Abuse Control Unit today announced that a former co-owner of a Barren County mental health treatment center has pleaded guilty to charges involving theft and fraud.

In January, a Barren County grand jury charged Jeremy Catron, 36, with theft by unlawful taking over $10,000 and devising or engaging in a scheme to defraud the Kentucky Medicaid program. Catron pleaded guilty Monday afternoon to both charges. Prosecutors from General Conway’s Medicaid Fraud and Abuse Control Unit will recommend a five-year probated sentence on the condition that Catron pays $24,362.80 in restitution to the Kentucky Department for Medicaid Services.

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

June 04, 2014

Attorney General Jack Conway Announces Owners of Elizabethtown Hematology Oncology, PLC Agree to Pay $3.7 Million to Settle False Billings to Health Care Programs

Attorney General Jack Conway, along with David J. Hale, U.S. Attorney for the Western District of Kentucky, and the Office of Inspector General for the U.S. Dept. of Health and Human Services (OIG), announced Tuesday that Elizabethtown Hematology and Oncology, PLC (EHO) and its owners have agreed to pay more than $3.7 million to resolve allegations that they extended chemotherapy treatment times for their patients to maximize reimbursements and inappropriately billed office visits for infusion therapies.

This case was investigated by Attorney General Conway’s Medicaid Fraud and Abuse Control Unit and the OIG. It was prosecuted by the U.S. Attorney’s Office for the Western District of Kentucky.

http://migration.kentucky.gov/Newsroom/ag/ehosettlement.htm
June 12, 2014

Attorney General Caldwell Announces New Iberian Woman Arrested for Medicaid Fraud

A New Iberia woman was arrested today and charged with two counts of Medicaid fraud for causing the filing of false claims, announced the Louisiana Attorney General’s Medicaid Fraud Control Unit.

Theresa Clay Guy, 38, of 719 Westend Boulevard, surrendered to investigators from the Attorney General’s Medicaid Fraud Control Unit on Thursday. Guy was booked into the East Baton Rouge Parish Prison.

Guy, a direct service worker, is charged with submitting false timesheets to her employers claiming that she simultaneously provided personal care services to two Medicaid recipients at their homes. Guy submitted claims under the name “Theresa Clay” at one employer and “Theresa Guy” at the other. This overlap resulted in the Medicaid program being falsely billed. https://www.ag.state.la.us/Article.aspx?articleID=860&catID=2

June 9, 2014

Attorney General Caldwell Indicts Nine in Medicaid Fraud Scheme

Nine people have been indicted as part of a continued effort to crack down on Medicaid fraud, announced the Louisiana Attorney General’s Medicaid Fraud Control Unit (MFCU). The indictments, which occurred Thursday, include the owner of a Medicaid provider company, her employees, and Medicaid recipients. Seven people have been arrested, with additional arrests expected this week.

The MFCU launched an investigation into Zachary-based Medicaid provider, Empowering Care Services, LLC, (ECS) after a Department of Health and Hospitals audit revealed the company had improperly billed the Louisiana Medicaid program for numerous undocumented services and services rendered by caregivers with either no criminal background checks or by those with positive criminal background checks.

https://www.ag.state.la.us/Article.aspx?articleID=858&catID=2
June 6, 2014

Attorney General Caldwell Recovers $9.5 Million From Abbott Labs

Louisiana Attorney General James D. “Buddy” Caldwell has continued using Louisiana’s Medicaid Fraud laws to recover over $9.5 million from Abbott Laboratories based on allegations of Abbott’s fraudulent actions under the state’s Medicaid Program. The Attorney General’s office filed suit three years ago in Baton Rouge’s 19th Judicial District Court. The case was assigned to Judge Janice Clark.

In the suit against Abbott, the state alleged Abbott was guilty of misbranding Depakote, an anti-epileptic medication, by promoting the drug without FDA approval to control agitation and aggression in elderly dementia patients. Additionally, the state further alleged that Abbott misbranded Depakote by marketing the drug to treat schizophrenia, also without FDA approval.

https://www.ag.state.la.us/Article.aspx?articleID=857&catID=2

June 5, 2014

Attorney General Caldwell Announces 8 Arrested in Medicaid Fraud Conspiracy

Eight people have been arrested after it was discovered that a personal care services company conspired with its Medicaid recipients to steal Medicaid dollars, announced the Louisiana Attorney General’s Medicaid Fraud Control Unit.

The Donaldsonville-based licensed Medicaid provider, Majestic Home Care Services, LLC, owned by Latesha Taylor and operated jointly with her mother, Martha Taylor, repeatedly billed Louisiana’s Medicaid program for services not actually rendered to Medicaid recipients. Majestic employed supervisors and direct service workers, including other members of the Taylor family, who struck deals with Medicaid patients. Direct service workers provide in-home services to Medicaid recipients such as cooking, grooming, and bathing, but under the arrangements, recipients would allow the direct service workers to submit paperwork for services that were not performed, often claiming over 40 hours worked in a given week. Recipients would sign fraudulent time sheets and, in return, receive up to half the Medicaid reimbursement dollars via cash
payments and bank deposits. In one instance, the Medicaid program paid in excess of $100,000 over a three year period for services not rendered.

https://www.ag.state.la.us/Article.aspx?articleID=856&catID=2

MARYLAND

June 13, 2014

AG Gansler Secures $750,000 Medicaid Fraud Settlement From Nursing Home Operator Foundation Health Services Inc.

Attorney General Douglas F. Gansler announced today that Foundation Health Services, Inc. (FHS), its affiliated nursing facilities and its President and CEO Richard Daspit, Sr., have agreed to pay $750,000 to Maryland and the federal government to resolve allegations that they submitted false claims for payment to Medicaid and Medicare for materially substandard and/or worthless skilled nursing facility services. FHS is a Louisiana not-for-profit company that owns and manages nine nursing facilities in five states including Ravenwood HealthCare, Inc., in Baltimore. Under the settlement, Maryland will receive $173,000.

http://www.oag.state.md.us/Press/2014/061314.html

NEW JERSEY

June 6, 2014

Acting Attorney General John J. Hoffman Announces Former Ocean County Doctor Charged with Practicing Medicine without a License

Acting Attorney General John J. Hoffman announced that detectives with the Office of the Insurance Fraud Prosecutor, Medicaid Fraud Control Unit (MFCU) executed a search warrant at an Ocean County medical clinic this morning and charged a former doctor with practicing medicine without a license.

http://nj.gov/oag/newsreleases14/pr20140606d.html
June 2, 2014

Acting Attorney General John J. Hoffman Announces Two Former Home Health Aides Charged With Causing Bills to Be Submitted to Medicaid for Services That Were Never Rendered

Acting Attorney General John J. Hoffman announced that two former employees of a home health agency were charged today in separate indictments for allegedly causing bills to be submitted to the Medicaid program for services that were never provided.

Both of the defendants were certified homemaker home health aides at Confident Care Corporation, a company that is headquartered in Hackensack and has ten satellite offices throughout New Jersey, as well as offices in Florida.

http://nj.gov/oag/newsreleases14/pr20140602c.html

NEW YORK

June 27, 2014

A.G. Schneiderman Announces Lawsuit Against Continuum Health Partners, Beth Israel Medical Center And St. Luke’s-Roosevelt

Lawsuit Alleges False Claims Act Violations Against Continuum Health Partners, Beth Israel Medical Center And St. Luke’s Roosevelt

Attorney General Eric T. Schneiderman today announced that his office has filed a lawsuit alleging that Continuum Health Partners, Inc., Beth Israel Medical Center and St. Luke’s-Roosevelt Hospital Center, headquartered in New York, failed to return money to the New York State Medicaid Program that they knew they had no right to have received.

June 23, 2014

**A.G. Schneiderman Announces Sentencing of Buffalo Man Who Collected Over $100,000 Operating As An Unlicensed Optometrist In Rochester**

Attorney General Eric T. Schneiderman today announced the sentencing of Shamil Tadros, 45 years old, of Tonawanda, New York, on charges related to fraudulently operating as an optometrist and providing ophthalmic dispensing services without a license for either profession. Tadros, who attended optometry school but has not passed the state exams required to obtain licensure, runs Pittsford Optical in Pittsford, New York.


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**OHIO**

June 4, 2014

**Ohio Attorney General Mike DeWine Announces Husband, Wife Sentenced to Prison on Health Care Fraud Charges, Must Repay More than $800,000**

Ohio Attorney General Mike DeWine and U.S. Attorney for the Northern District of Ohio Steven M. Dettelbach announced today that the husband and wife owners of a Maple Heights ambulance company will each serve time in prison for fraudulently billing Medicaid for hundreds of thousands of dollars of transportation services that they did not actually provide.

This morning, United States District Court Northern District of Ohio Judge Patricia Gaughan sentenced Antwain Hamilton, 37, to serve 30 months in prison. He pleaded guilty to nine charges of health care fraud in March. Temeca Hamilton, 37, who pleaded guilty to the same charges, plus a charge of witness tampering, was sentenced to serve 33 months in prison.

The couple, owners of Star Medical Transportation, was also ordered to jointly and severally pay restitution to the Medicaid program in the amount of $823,283.

OKLAHOMA

June 20, 2014

Attorney General Scott Pruitt Announces Child Counselor Charged with Medicaid Fraud

Attorney General Scott Pruitt has filed charges in Oklahoma County District Court against a licensed professional counselor after investigators found false claims for Medicaid reimbursement.

Vincent Chukunenye Dike, 58, of Edmond, was charged Tuesday with one count of Medicaid fraud. His bail was set at $114,000 and he surrendered his passport. The AG’s Medicaid Fraud Control Unit also charged Dike with 10 counts of Medicaid fraud in December for claims that totaled more than $60,000.

http://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258&article_id=14324

TEXAS

June 4, 2014

Attorney General Greg Abbott Announces Houston Physician and Four Others Indicted for Health Care Fraud in State and Federal Case

The U.S. Attorney for the Southern District of Texas issued the following news release on June 3, 2014:

Local Doctor and Four Others Charged with Defrauding Medicare of Nearly $3 Million

Leonard Kibert M.D., 63, of Houston, has been charged in a 47-count indictment alleging a conspiracy to defraud Medicare of $2.9 million, announced United States Attorney Kenneth Magidson. Also charged in the indictment are Tsolak Gevorgyan, 28, Christopher O’Brien, 41, Gregorius Brown, 48, and Robert Manning, 58, all also of Houston.

VERMONT

June 26, 2014

Attorney General Sorrele Announces Personal Care Assistant Convicted For Submitting False Timesheets

Kammy McDonald, age 43, of Winooski, Vermont, was convicted on June 24, 2014, in the Windsor Criminal Division of the Vermont Superior Court, of five misdemeanor counts of False Pretenses. The convictions stemmed from Ms. McDonald’s submission of false timesheets in order to obtain payment for services that were not provided to an adult with physical disabilities enrolled in the Choices for Care program. Ms. McDonald claimed that she was providing personal care services in the disabled adult’s home when, in fact, she was working at a convenience store.


June 4, 2014

Attorney General Sorrele Announces Barre Woman Arraigned On Medicaid Fraud Charges

Hilary Leonard, age 30, of Barre, Vermont, was arraigned on two counts of Medicaid fraud on June 3, 2014, in the Windsor Criminal Division of the Vermont Superior Court. According to court documents, Ms. Leonard was the employer-of-record for a recipient of benefits under the Developmental Services program. She is alleged to have submitted ten timesheets purporting to document the delivery of care that was not actually provided. Ms. Leonard signed each of the timesheets, attesting to their accuracy. The Vermont Medicaid program paid more than $4,500 on the allegedly false timesheets.

ARIZONA

June 3, 2014

Consumer Alert: Tom Horne Alerts Consumers to IRS Phone Scam

Arizona Attorney General Tom Horne is warning Arizona residents to be cautious of telephone scam artists posing as IRS employees. They are calling consumers stating that a tax debt is owed and to pay immediately. The scam artists are also threatening jail time or arrest if payment is not made.


CONNECTICUT

June 9, 2014

Statement From AG Jepsen On Governor Signing HB 5337

"An Act Concerning Fees Charged for Services Provided at Hospital-based Facilities"

Attorney General George Jepsen today applauded the Governor for signing legislation the Attorney General authored seeking greater disclosure to patients of hospital facility fees. That bill, House Bill 5337, An Act Concerning Fees Charged for Services Provided at Hospital-based Facilities, will become effective on October 1, 2014 and will provide greater disclosure of potential facility fees to patients prior to treatment or service. Over the last several months, nearly 80 complaints have been filed with the Attorney General’s office by Connecticut patients who were surprised to learn that the medical services they received at a physician’s office had triggered a hospital facility fee. Patients reported that they often left their doctor’s office believing their payment at the time of service had settled their financial obligation only to later receive a bill including facility fees that ranged from hundreds to thousands of dollars.

**DELAWARE**

*June 30, 2014*

**Attorney General Beau Biden Announces Bill Protecting Delawareans Serving In The National Guard, U.S. Military Wins Final Approval In The General Assembly**

Legislation that will provide important consumer protections to members of the United States military and the Delaware National Guard passed the state House on Monday night and is one step from becoming law.

**Senate Bill 206**, developed by Attorney General Beau Biden’s office and sponsored by Sen. Bryan Townsend and Rep. Earl Jaques, creates a state-level version of the federal Servicemembers Civil Relief Act. Establishing a Delaware version of the federal SCRA gives Attorney General Biden’s office the authority to enforce the new law in state courts. Biden is an Iraq War veteran, Townsend, D-Newark is the chair of the Senate Banking Committee and a member of the Senate Veterans Affairs Committee, and Jaques, D-Glasgow is the chair of the House Veterans Affairs Committee and retired from the Delaware National Guard as a 1-star general after more than 36 years of service.

The federal SCRA dates back to the Civil War and protects members of the military from having to defend themselves against most civil proceedings, such as foreclosure, while they are serving their country on active duty or are forced to move because of their military service. The federal SCRA also protects servicemembers who have to break leases or contracts due to military deployment.


*June 26, 2014*

**Biden Warns Consumers To Be Wary Of Aggressive Door-To-Door Sales**

Attorney General Biden’s Consumer Protection Unit has learned of several incidents where Delaware homeowners have received unsolicited visits by
salespersons who attempt to convince them to switch utility providers. The salespersons claim the company they represent can guarantee lower prices, and have been described as being aggressive in convincing homeowners to change their energy provider by signing a contract on the spot. Consumers who resisted the sales pitch have reported being told that they would be contacted by additional sales representatives; some consumers have encountered these door-to-door solicitors on multiple occasions.


June 23, 2014

Biden Warns Consumers To Be Alert For Telephone Solicitation Scams

Attorney General Beau Biden today alerted Delawareans to be on the lookout for two telephone scams that have been reported to his office and appear to be on the rise in Delaware. The callers appear to be targeting the elderly, but Biden warned that all consumers may be at risk in these frauds.


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ILLINOIS

June 3, 2014

Attorney General Lisa Madigan: Email Scammers Posing As Attorney General’s Office To Collect Phony Debt

Attorney General Lisa Madigan today alerted Illinois residents about an email scam that uses her office’s name and falsely threatens prosecution to collect on supposed debts.

Madigan’s office is investigating the scam after Illinois residents reported receiving emails from accounts that fraudulently appear to be sent by a representative of the Attorney General’s office. The emails include an attached “final warning” letter stamped with an official-looking seal that alleges the recipient owes money on an outstanding loan and must pay off the balance or face prosecution by the office.

http://www.illinoisattorneygeneral.gov/pressroom/2014_06/20140603.html
KENTUCKY
June 23, 2014

Attorney General Jack Conway Warns Kentucky Consumers of IRS Phone Scam

Attorney General Jack Conway is warning Kentuckians to protect themselves from fraud and be vigilant of phone scams claiming to be associated with the Internal Revenue Service (IRS). Recently, Attorney General Conway’s Office of Consumer Protection has received calls from consumers who report that they have been contacted by scammers identifying themselves as IRS representatives or “officers.” The scammers are reportedly telling victims they owe money to the IRS. The scammers are also leaving voice messages stating that the victim must take care of a “time-sensitive matter” and return the call, or the IRS will take legal action against the victim. To date, the calls have originated from 415 and 202 area codes.

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

MASSACHUSETTS

June 25, 2014

AG Coakley Announces Finalization of New For-Profit and Occupational School Regulations

Regulations Designed to Curb Deceptive and Unfair Practices, Increase Protections for Prospective Students

BOSTON – Designed to address difficulties experienced by students when enrolling in certain Massachusetts schools, Attorney General Martha Coakley announced today a series of new regulations that enhance consumer protections governing the for-profit and occupational school industry.

The final regulations, published in the Massachusetts Register on June 20, will help ensure that all schools engage in legitimate and responsible business practices that both protect consumers from harm, and help them make well-informed decisions before taking on student debt.

“Our continued investigation of the for-profit school industry has clearly shown that stronger standards around consumer protection are necessary,”
AG Coakley said. “These new comprehensive regulations achieve that, and with the right protections in place, prospective students in Massachusetts can make sound and informed decisions before committing their time and money in pursuing a higher education.”


MICHIGAN

June 16, 2014

Attorney General Bill Schuette: "Proceed With Caution When Donating Online"

Attorney General Bill Schuette today issued a consumer alert encouraging donors to be cautious when donating online. The alert, which Schuette issued through his Consumer Protection Division, educates donors regarding a new form of online giving known as crowdfunding.

"Crowdfunding and other types of internet giving can be tools of tremendous good, but as with any type of giving, it can be abused, so it's important to proceed with caution when donating online," said Schuette. "I encourage all Michigan citizens to give—but give wisely."

Crowdfunding is defined as a collective effort of individuals who network and pool their money, usually via the Internet, to support efforts initiated by other people or organizations. Simply put, crowdfunding is another way of asking people for money.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-330840--,00.html
MONTANA

June 25, 2014

Attorney General Tim Fox Warns Consumers About Home Repair Scams

A recent bout of heavy storms and mountain snow may have pushed summer back a couple of weeks in parts of the state, but Attorney General Tim Fox's Office of Consumer Protection has already heard about door-to-door home repair scams that pop up in Montana every summer.


NEW YORK

June 26, 2014

A.G. Schneiderman Announces Program To Help Homeowners Avoid Foreclosure

New York State Mortgage Assistance Program (NYS MAP) Will Provide Loans to Families Struggling To Avoid Foreclosure

Attorney General Eric T. Schneiderman today announced the launch of the New York State Mortgage Assistance Program, or NYS MAP, which will provide small loans to families struggling to avoid foreclosure. The loans will assist families in securing mortgage modifications and result in more families staying in their homes. The program is an enhancement to the Attorney General’s Homeowner Protection Program (HOPP) which provides struggling borrowers with free legal and housing counseling services, and has served more than 28,000 homeowners across the state since the launch of the program in October of 2012. Today's announcement will be detailed at a Nassau County Town Hall in Hempstead and will outline the terms of the program including the decision to roll out NYS MAP in Long Island first; recognizing that the region has been particularly devastated by the foreclosure crisis. Applications from Long Island families will begin being processed on September 15. Borrowers in the rest of the state can apply beginning October 15.

June 19, 2014

**A.G. Schneiderman And D.A. Gascón Announce That Google And Microsoft Will Include A Smartphone Kill Switch In Next Operating Systems**

Attorney General Eric Schneiderman and San Francisco District Attorney George Gascón today announced that, for the first time, Google and Microsoft will incorporate a kill switch into the next version of their respective operating systems. Google’s operating system, Android, runs on more than half of all smartphones used in the United States. Microsoft’s operating system is on all Nokia smartphones. Today’s announcement means that a kill switch will be incorporated into the three dominant smartphone operating systems — Android, iOS, and Windows Phone — which currently encompass 97 percent of smartphones in the United States.


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June 17, 2014

**A.G. Schneiderman Announces Agreement With Nation’s Leading Retailers To Provide Unit Pricing Online**

Attorney General Eric T. Schneiderman today announced a first-ever initiative to bring unit pricing information to online supermarkets and drugstores nationwide, including top national and New York retailers. Within nine months, this information will be available on the websites and mobile apps of Walmart, Costco, Walgreens, FreshDirect, CVS and Drugstore.com. Amazon refused to participate in this consumer-oriented initiative.

Attorney General DeWine Warns of Storm-Chasing Contractors Following Severe Weather

Following the storms that affected parts of the state yesterday, Ohio Attorney General Mike DeWine is reminding consumers to research any contractors who offer to repair their homes.

“The summer months are a peak time for home improvement, and it's important to be especially cautious after a storm,” Attorney General DeWine said. “Following severe weather, fly-by-night contractors may descend on a community offering great deals but doing poor work or nothing at all.” Some contractors track storms, travel to affected communities, and knock on doors to offer their services to homeowners who experience damage. They may claim they can complete the work immediately and ask the consumer to make a large down payment or to sign over their insurance check, but they end up doing little or shoddy work.

http://www.ohioattorneygeneral.gov/Media/News-Releases/June-2014/Attorney-General-DeWine-Warns-of-Storm-Chasing-Con

Attorney General DeWine Applauds Signing of Military Identity Theft Legislation

Ohio Attorney General Mike DeWine today applauded the signing of legislation that establishes harsher penalties for those who commit identity fraud and theft against active-duty service members and their spouses.

House Bill 488, the veterans component of the mid-biennium budget review, includes amendments to the current identity fraud, theft, and securing writings by deception statutes to increase penalties for felons who target active-duty service members or their spouses. Currently, the felony enhancement is reserved only for victims who are over the age of 65 or disabled.

June 12, 2014

Ohio Attorney General Mike DeWine Today Warned Consumers Losing Money to Online Puppy Scams

Ohio Attorney General Mike DeWine today warned consumers to be skeptical of too-good-to-be-true offers for puppies or other pets for sale online. In the last two years, the Ohio Attorney General’s Office has received more than 25 complaints from consumers who said they paid for a dog, cat, or other pet they found online but never received. The average loss is more than $1,000.


June 2, 2014

Attorney General Mike DeWine Warn Ohioans Targeted by Tax Scams

Ohio Attorney General Mike DeWine today warned that Ohioans are being targeted by tax scams, even though tax season has ended.

Since April 15 (the 2014 tax-filing deadline), the Ohio Attorney General’s Office has received more than 50 reports of tax-related scams from consumers across the state. Most consumers do not report losing money, but a few consumers have reported losing $700 to $28,000 to the ploy.

SOUTH DAKOTA

June 26, 2014

Attorney General Marty Jackley Issues Warning: Utility Company Scam Targeting South Dakota Consumers

Attorney General Marty Jackley is warning South Dakota consumers to be cautious of callers claiming to be with local utility companies and threatening to turn off their electricity. The caller argues that these accounts are past due and without immediate action the utilities will be shut off.


VERMONT

June 23, 2014

Attorney General William Sorrell Issues Consumer Advisory Re Free Travel Offers And Discount Travel Clubs

The Vermont Attorney General’s Office is warning about a promotional flyer being mailed to many consumers in northeast Vermont offering free airline tickets and hotel accommodations. This type of advertisement – saying you will be receiving something for “free” when the advertisement is really intended to lure the consumer into a sales promotion – violates the Vermont Consumer Protection Rule on Bait Advertising. The same type of “free travel” advertising campaign happened in late 2013- early 2014 in northern Vermont. Consumers who contacted the number on the promotional flyer were required to attend a seminar in order to obtain the voucher for free airfare. The seminars are led by transient, out-of-state, high pressure sales teams in area hotel conference rooms. The sales agents persuade consumers that they can save money on discount airfare and accommodations by purchasing a membership in a discount travel club, or similar type of enterprise. The membership is expensive and consumers later learn that it does not provide what was promised.

The Vermont Attorney General’s Office, with the cooperation of Chittenden County hotels, was able to shut down these operations last year. Now,
Vermonters are receiving promotional flyers telling them the seminars are being held in Plattsburgh, NY.


WEST VIRGINIA

June 29, 2014

Attorney General Patrick Morrisey Warns Debit and Credit Card Holders of Phony Fix Scam

Attorney General Patrick Morrisey is warning West Virginia consumers to be careful when receiving calls regarding their credit or debit cards being canceled or deactivated.

The Attorney General’s Office is aware of a scam where callers target consumers with debit or credit cards and offer to fix “problems” with the card. The scammer’s phone number may not fully appear on a Caller ID, and the scammer may not state what bank or financial company he or she represents. However, the scammer will ask the consumer for his or her card account number and information in order to fix the alleged problem.

http://www.wvago.gov/press.cfm?ID=843&fx=more

June 27, 2014

Attorney General Patrick Morrisey Encourages Consumers To Carefully Evaluate Charities Before Donating

Attorney General Patrick Morrisey is encouraging West Virginia consumers who plan to make donations to charitable causes to evaluate exactly where those dollars will go, and how they will be used.

“With recent stories in the media of people generously donating to causes only to have those causes come into question, it’s important for people to take the time to fully research the charities to which they give,” Attorney General Morrisey said. “When disasters strike, good people will step forward to give donations, and sadly, scammers step up to take advantage of them.”
Often, after a natural disaster or other prominent event, charity scams and fraud go into full swing. Within hours, scammers can buy and build websites to make it appear as if your donation is going to a legitimate charity. In some cases, scammers will use fake websites to collect your personal information for identity theft.

http://www.wvago.gov/press.cfm?ID=841&fx=more

June 23, 2014

**Attorney General Patrick Morrisey Alerts Consumers About Counterfeit $10 Bills**

Attorney General Patrick Morrisey is alerting consumers about a series of counterfeit bills that are in circulation in Charleston and throughout the state.

A bank in Charleston recently made our office aware of a large number of $10 bills — all with the serial number IL 31448733B — being used throughout the area at various stores.


June 8, 2014

**Attorney General Patrick Morrisey Warns Consumers About Scammers 'Spoofing' Caller ID**

Attorney General Patrick Morrisey is warning West Virginia consumers about phone calls they may be receiving from telemarketers who are using Caller ID spoofing.

The Office has received several calls from consumers who report that when they receive the telemarketing solicitation, the phone number that shows up on the Caller ID is their own. This trend, known as “spoofing,” is used by many scammers to lead people to believe the incoming call is legitimate.

http://www.wvago.gov/press.cfm?ID=832&fx=more
June 5, 2014

Attorney General Patrick Morrisey Warns Eastern Panhandle Consumers About Phone Scammers Posing as Government Officials

Attorney General Patrick Morrisey today cautioned citizens about a phone scam occurring in West Virginia’s Eastern Panhandle in which a caller pretends to work for the Internal Revenue Service or other governmental agency and threatens residents with arrest or other punishment if they don’t pay a certain sum using a pre-paid debit card or money order.

http://www.wvago.gov/press.cfm?ID=829&fx=more

June 1, 2014

Attorney General Patrick Morrisey Cautions Residents About Phony DEA Calls

West Virginia Attorney General Patrick Morrisey is cautioning residents about a scam in which residents may receive threatening telephone calls from people who claim to be from the U.S. Drug Enforcement Administration.

The scammers will call the victim and identify themselves as DEA special agents or some other law enforcement agency. They tell the victim that a recent purchase he or she made is illegal, and immediate legal action will be taken unless the victim makes a payment via wire transfer or pre-paid debit card immediately. In some cases, the victim is threatened with a search warrant or told agents are on the way to their homes to arrest them immediately.

The scam seems to target specifically those consumers who have purchased prescription drugs via the internet or over the telephone. Some consumers have reported instances of fraudulent transactions on the same credit or debit card used to purchase the medication.