CONSUMER PROTECTION REPORT:  
September 1-30, 2015

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

For more information about the National State Attorneys General Program and resources, please visit our website www.stateag.org.
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ARIZONA
September 25, 2015

Attorney General Mark Brnovich Settles Lawsuit Against Foreclosure Attorney

Attorney General Mark Brnovich announced today a consent judgment obtained against Arizona-licensed Foreclosure Attorney Brent Randall Phillips. Phillips violated the Arizona Consumer Fraud Act by engaging in fraudulent and deceptive practices when offering loan modification services to struggling homeowners facing foreclosure. The judgment bars Phillips and his law firms, Phillips Law Center, P.L.C., d/b/a Randall Law Group, and Farmers Law Group from conducting mortgage loan modification services in the State of Arizona or on behalf of Arizona consumers and obtains restitution for victims.


September 21, 2015

Attorney General Mark Brnovich Announces Judgment Obtained Against Solar Installer Accused of Scamming Customers

Attorney General Mark Brnovich recently obtained a Consent Judgment against a fraudulent solar installation company who preyed on Arizona consumers. The settlement requires Phoenix-based Epcon Solar, LLC to pay $40,000 in restitution to customers who filed a valid consumer complaint with the Arizona Attorney General’s Office.

On September 9, 2015, the Attorney General’s Office filed a lawsuit against Phoenix-based P.I.C. Construction, Inc., Epcon Solar, LLC, and President Pablo Curiel (collectively “Epcon” or “Epcon Solar”). The lawsuit alleges Epcon Solar failed to register with the Arizona Secretary of State as a telephone
solicitor, made telephone calls to consumers on the Federal Trade Commission’s National Do Not Call Registry (“DNC Registry”) and violated the Arizona Consumer Fraud Act (“ACFA”) in the marketing, sale, and installation of solar products.


CALIFORNIA
September 17, 2015

Attorney General Kamala D. Harris Reaches $33 Million Settlement With Comcast Over Privacy Violations

Attorney General Kamala D. Harris today announced that the California Department of Justice, along with the California Public Utilities Commission, has reached a $33 million settlement with Comcast over allegations that Comcast posted online the names, phone numbers and addresses of tens of thousands of customers who had paid for unlisted voice over internet protocol (“VOIP”) phone service.

As part of the settlement, Comcast must pay $25 million in penalties and investigative costs to the California Department of Justice and the California Public Utilities Commission. Comcast will also pay approximately $8 million in additional restitution to customers whose numbers were improperly disclosed.

As part of the stipulated judgment filed today in Alameda Superior Court, Comcast has agreed to a permanent injunction that requires the company to improve how it handles customer complaints and to strengthen the restrictions it places on its vendors’ use of personal information about customers. The injunction will require Comcast to provide a simple and easy-to-read disclosure form to all customers that explains the ways in which it uses unlisted phone numbers and other personal information.

DISTRICT OF COLUMBIA

September 9, 2015

Attorney General Karl A. Racine Sues to Stop Debt-Purchasing Company from Collecting on Ultra-High-Interest Loans to District Consumers

Attorney General Karl A. Racine announced today that the Office of the Attorney General (OAG) has filed a consumer-protection lawsuit against California-based CashCall, a debt-purchasing company that collects on consumer loans with interest rates often exceeding 300 percent annually. That rate is more than 12 times the maximum interest rate allowed by District law.

The loans were made over the Internet by Western Sky Financial, LLC, a South Dakota company that is no longer in business. Western Sky used television and Internet advertising to reach District consumers, who executed loan agreements online. Before going out of business, Western Sky sold the loans to CashCall and its affiliates, which have continued to collect on the loans.


FLORIDA

September 25, 2015

Attorney General Pam Bondi Files Complaint to Thwart Locksmith Scheme

Attorney General Pam Bondi this week filed a complaint against an individual who used the names and reputations of legitimate Florida locksmith companies to divert customers and, in many instances, provide subpar services. Broward County resident, David Merkatz, previously pleaded guilty to six counts of petit theft for his role in a scheme that used the names, websites and logos of reputable Florida locksmith companies to funnel business to Merkatz’s, often under-qualified, locksmiths.

To siphon business from competitors, Merkatz placed deceptive ads on the internet and in telephone directories. In some instances, Merkatz copied locksmith companies’ advertising by simply adding a letter to a company’s internet domain name or duplicating a company’s online ad with his phone number.

GEORGIA
September 30, 2015

Attorney General Sam Olens Announces Judgment For Over $1.3 Million Entered In Lawsuit Against Monty G. White, Jr. And Mechanics Heating & Air Conditioning, LLC

Attorney General Sam Olens Announced That The Superior Court Of Cobb County Has Entered A Judgment For Over $1.3 Million And A Permanent Injunction Against Both Mechanics Heating & Air Conditioning, LLC ("Mechanics"), And Its Owner, Monty G. White, Jr.


INDIANA
September 1, 2015

Attorney General Greg Zoeller Announces Foreclosure Fraud Victims To Receive More Than $67K In Relief

Indiana Attorney General Greg Zoeller announced today that 29 victims of foreclosure-rescue fraud have started receiving payments from the state’s Consumer Protection Assistance Fund (CPAF).

Zoeller, whose office administers the fund, said these individuals will receive more than $67,200 in total payments with each person receiving an amount
equal to their loss, up to the statutory cap of $3,000. Victims are from Hamilton, Marion, Allen, Fountain, St. Joseph, Henry, Grant, Lake, Dearborn and Adams counties.


IOWA
September 22, 2015
Attorney General Tom Miller Files Consumer Fraud Lawsuit against New York Psychic Mailing Operation

Miller obtains injunction barring Direct Response Advertising Inc. from sending misleading psychic mail solicitations to Iowans

An Iowa judge today issued a temporary injunction against a New York-based psychic mailing operation after Attorney General Tom Miller filed a consumer fraud lawsuit against the company and its principals.

Polk County District Court Judge Karen A. Romano entered a temporary injunction against Direct Response Advertising Inc., of New York, New York, its owners, David Vogel and Michael Geisinger, and Lee Moorhead, the purported “psychic and mystic” featured in the mailings.

The injunction bans misleading mail solicitations to Iowans and forbids the defendants from sharing customer lists containing the names of Iowans with other marketers while the lawsuit is pending.

Miller filed the lawsuit after Iowans concerned that the company was preying upon the elderly forwarded the solicitations to the Consumer Protection Division.

IOWA CONT’D

September 4, 2015

Attorney General Tom Miller Announces South Dakota Door-to-Door Meat Seller Agrees to Change Practices, Pay State $30,000

Miller alleges Rancher’s Pride violated Consumer Fraud Act

A South Dakota-based door-to-door meat sales company agreed this week to change its sales practices and pay the state $30,000 in a settlement with Attorney General Tom Miller.

Following complaints that Iowa consumers filed with the Consumer Protection Division, Miller alleged that Rancher’s Pride LLC, of Harrisburg, violated Iowa’s Door-to-Door Sales Act by failing to provide consumers an oral and written notice of their right to cancel their purchase within three business days, and made false and deceptive statements about its products.

Through an agreement called an assurance of voluntary compliance, Rancher’s Pride agrees to follow Iowa’s Door-to-Door Sales Act. The agreement also forbids the company from making misrepresentations to consumers, including costs and fees. The company agrees to respond to future consumer complaints within ten days.


MASSACHUSETTS

September 24, 2015

Attorney General Maura Healey Announces Springfield Property Manager Pleads Guilty to Falsifying Lead Inspection Reports

A Springfield property manager has pleaded guilty and been sentenced to five years probation in connection with submitting two falsified lead inspection reports, Attorney General Maura Healey announced today.

Dwayne Johnson, 46, of Springfield, pleaded guilty in Hampden Superior Court to two counts of Uttering False or Forged Records. He was indicted by a Hampden County Grand Jury in November 2014 and arraigned in December 2014.
After the plea was entered, Judge Jeffrey Kinder sentenced Johnson to serve five years supervised probation. Under the conditions of his probation, Johnson is prohibited from managing any properties built before 1978 unless they have been certified as lead free; he is also required to pay restitution for any medical costs that may arise as a result of the exposure of a child who occupied one of the apartments for which he uttered a falsified lead inspection letter.


September 18, 2015

**General Maura Healey Announces Roslindale Grocery Store Cited $300,000 for Failing to Pay Overtime and Sunday Wages, Hindering Investigation**

*Baby Nat’s Pays Restitution and Penalties for Failing to Comply with Massachusetts Wage and Hour Laws*

Roslindale grocery store and its owners have agreed to pay more than $300,000 in citations for failing to properly pay their employees in violation of the state’s wage and hour laws, and for hindering an investigation, Attorney General Maura Healey announced today.

Baby Nat’s, Inc. has agreed to pay nearly $200,000 in restitution to workers and more than $100,000 in penalties for not paying proper overtime rates, Sunday premium pay rates, failing to keep accurate payroll records, and failing to issue suitable pay slips to employees. The penalties also include a $15,000 citation for hindering an investigation by trying to coerce employees to either lie to or refuse to communicate with the AG’s Office in connection with this investigation.

September 16, 2015

**Attorney General Maura Healey Announces Plumbing Contractors Indicted for Embezzlement and Prevailing Wage Law Violations**

Operators of Cheever & Rhodes Mechanical Took More Than $100,000 from Workers

Operators of a now defunct commercial plumbing business in Georgetown were indicted on a total of 29 counts of embezzlement and prevailing wage law violations, after taking more than $100,000 in deductions from their workers and never investing it in a retirement fund, Attorney General Maura Healey announced today.


September 15, 2015

**Attorney General Maura Healey Announces Insurance Company to Pay $430,000 Over Claims of Selling Unauthorized Health Insurance to Consumers and Failing to Cover Mandated Benefits**

The Insurance Company of the State of Pennsylvania (ICSOP), a subsidiary of AIG, has agreed to pay $430,000 to settle allegations that it sold unauthorized health insurance to Massachusetts consumers and failed to cover mandated benefits required by state law, Attorney General Maura Healey announced today.

According to the complaint, filed Monday along with the consent judgment in Suffolk Superior Court, ICSOP sold health insurance policies to consumers that were not authorized for sale. The complaint also alleges ICSOP violated the state’s consumer protection laws by excluding coverage of certain health services required by Massachusetts law, including behavioral health, “pap” test screening, mammography, contraception and preventive care for newborns and children up to age six.

Massachusetts Cont’d

September 04, 2015

Attorney General Maura Healey Sues Property Owner for Denying Housing to Individual Receiving Rental Assistance

A property owner and manager have been sued by Attorney General Maura Healey for violating state anti-discrimination and consumer protection laws when they denied an individual a rental unit on the basis of the source of his income.

The complaint was filed in Suffolk Superior Court against Matteo Gallo, as trustee of Ocean View Nominee Trust (OVNT), and IPM Management, Inc. The AG’s Office alleges that the defendants refused to rent an apartment in Woburn to the individual based on his receipt of assistance through the U.S. Department of Housing and Urban Development’s Section 8 Housing Choice Voucher Program and the requirements of the rental assistance program.


Michigan

September 23, 2015

Attorney General Bill Schuette, McPharlin Secure Over $24.7 Million for Michigan Consumers through Settlement with Western Sky/CashCall

Michigan Attorney General Bill Schuette and Michigan Department of Insurance and Financial Services (DIFS) Director Patrick McPharlin today announced the final claim and relief statistics from their May 6, 2015 settlement with South Dakota-based Western Sky Financial, LLC and California-based CashCall, Inc. Schuette and McPharlin also reminded Michigan consumers who filed valid, eligible claims that their refund checks will be mailed to them by no later than October 2, 2015

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-365499--,00.html
Michigan Cont’d

September 18, 2015

Attorney General Bill Schuette Reaches Settlement With Florida Company Scamming Michigan Residents

Michigan Attorney General Bill Schuette today announced that his Corporate Oversight Division has reached a settlement with Florida-based company, Division of Corporate Services Inc. (DCS), to resolve allegations of sending forms to customers designed to look like documents required for corporate representatives by the State of Michigan. Schuette negotiated the DCS settlement under the stipulation they reimburse $150 to all 105 Michigan businesses affected by their scam. Additionally, DCS will face restrictions on conducting future business in Michigan.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-365046--,00.html

September 16, 2015

Attorney General Bill Schuette Announces Guilty Plea in Fake Mortgage Assistance Scheme

Michigan Attorney General Bill Schuette today announced that his Homeowner Protection Unit has secured a guilty plea from Steven Barry Ruza, 52, of Orchard Lake, and his company, Home Legal Group, Inc., who were accused of stealing hundreds of thousands of dollars from Michigan residents that were facing mortgage foreclosures. As part of the plea, restitution will be paid to the victims, with the possibility of additional restitution at the judge’s determination.

Ruza and his company promised victims that they could obtain mortgage modifications and save their homes from foreclosure but then did nothing, or very little, to obtain mortgage modifications for the victims. In many cases, Ruza even filed false documents with the bank. The victims never received a modification through Ruza and Home Legal Group and most lost their homes to foreclosure.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-364830--,00.html
Attorney General Bill Schuette Puts New Jersey Organization on Notice for Violating Charitable Solicitation Laws

Attorney General Bill Schuette has ordered Childhood Leukemia Foundation Inc. (CLF), a New Jersey-based 501(c)(3) charity, to cease and desist its harassing phone calls to Michigan residents. Schuette also alleges that CLF has filed false and misleading financial statements that drastically overstate CLF’s charitable activities and masks that 80-90% of CLF’s donations go to fundraising costs, not children. Schuette intends to bring a civil action seeking fines of up to $10,000 for each of the alleged twenty-one violations of the state charitable solicitations law.

The Attorney General’s Charitable Trust Section, which registers and regulates charitable organizations that solicit in Michigan, began an investigation into CLF’s solicitation practices in February 2015. A Michigan resident had complained of receiving 27 calls that month from CLF, 12 of which were received after requesting to be placed on CLF’s do-not-call list. Michigan law requires soliciting charitable organizations to honor requests to be removed from an organization’s call list.

The Attorney General’s office informed CLF of the complaint; CLF responded that it had placed complainant on its do-not-call list and ceased calling. However, a few months later, in July, complainant again complained to the Attorney General that CLF had contacted him. CLF admitted, leading to the present action.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-364191--,00.html
MISSISSIPPI
September 29, 2015

Attorney General Jim Hood Advises Mississippi Consumers of the Issuance of 500,000 Checks following the AT&T Mobility Settlement

The Consumer Protection Division of the Mississippi Attorney General’s Office has received inquiries about checks received in the mail recently by 500,000 Mississippi consumers. The checks are being sent following a 2011 settlement directed at taxes, fees and surcharges that AT&T placed on users. AT&T admitted no wrongdoing in the 2011 settlement, but the company did agree to pay benefits to affected consumers. Consumers were not required to take any action to receive the benefits.

http://www.ago.state.ms.us/releases/attorney-general-jim-hood-advises-mississippi-consumers-of-the-issuance-of-500000-checks-following-the-att-mobility-settlement/

MISSOURI
September 22, 2015

Attorney General Chris Koster Asks Court To Hold Walgreens In Contempt - New Investigation Finds Walgreens Has Not Fixed Problems Despite Court Order

Attorney General Chris Koster announced today that he has filed a motion for contempt against Walgreen Co. of Illinois, after a new Attorney General’s Office investigation found stores are routinely deceiving customers with expired tags displayed in stores.

According to Koster, his office visited 50 Walgreens stores across the state July 26th through September 1st and found over 1,300 expired sales tags in 49 of the stores, despite a court order in which Walgreens promised to remove tags within 12 hours of their expiration. Hundreds of these tags were weeks past their expiration date, with two that had expired in 2013. The court order was entered following an agreement between Walgreens and the Attorney General’s office to resolve Koster’s August 2013 lawsuit for expired and incorrect tags.

MISSOURI CONT’D

September 4, 2015

**Attorney General Chris Koster Halts Sale Of Fake Motor Products**

Attorney General Chris Koster today announced a settlement with M & N Missouri L.L.C., doing business as Unique Mart, of St. Louis County, and the company’s owner, Mohammed Qasem, for offering harmful and mislabeled automotive products for sale. The agreement requires Qasem and his business to cease carrying products the Missouri Department of Agriculture has found to be harmful and to pay the state $2,000 in civil penalties, $4,000 in suspended penalties, and future penalties of $5,000 per violation if he again violates the Missouri Merchandising Practices Act or another Stop Sale Notice.


September 2, 2015

**Attorney General Chris Koster Settles Dispute With Home-Security Company Over Misleading Sales Tactics**

Attorney General Chris Koster today announced that Vivint, Inc. (“Vivint”), a Utah-based home-security company formerly known as APX Alarm Security Solutions, Inc., has agreed to pay $50,000 in restitution to 50 Missouri consumers who were harmed by the company’s deceptive business practices. The company will also pay $15,000 in costs.

Consumers complained to the Attorney General’s Office that Vivint’s door-to-door sales people had misrepresented the company they worked for and exaggerated the length of the rescission period as well as the local crime rates. Also, some consumers said they were misled about the consequences of changing their existing home-security contracts. Moreover, Vivint had a policy of automatically extending consumers’ contracts for a year following the expiration of the contract term they initially agreed on.

MISSOURI CONT’D

September 1, 2015

Attorney General Chris Koster Takes Action Against Florida Telemarketer Making Robocalls To Missouri Residents

Attorney General Chris Koster today announced his office has filed suit against Florida-based MSB Consultants, Inc., and its president, Michael Bendett, for violations of Missouri’s No-Call law. The lawsuit alleges that MSB Consultants illegally made automated telephone calls, or “robo-calls,” to Missouri residents who were on the state’s No-Call list.

According to the suit, MSB Consultants called Missouri consumers with a recorded message, attempting to sell them health insurance. The Attorney General’s Office received 20 complaints about the company from consumers who are on the No-Call list and received these unwanted calls. The suit follows a recent Federal Communications Commission Order, supported by Koster, which allows phone companies to utilize call-blocking technologies to better protect their customers from robocalls and scams.


NEVADA

September 22, 2015

Attorney General Laxalt Announces Indictment of American Equity Foundation For Mortgage Lending Fraud And Racketeering

Nevada Attorney General Adam Paul Laxalt announced that Christopher Nelson, 46, of Henderson and Niket Kulkarni, 38, of Los Angeles, CA were indicted by the Clark County Grand Jury on charges of pattern of mortgage lending fraud and racketeering, among others. The defendants operated their business, the American Equity Foundation, between July 2012 and May 2013.

According to the indictment, the defendants are accused of soliciting customers to participate in a short sale program associated with the federal government called the Neighborhood Stabilization Plan. Defendants falsely represented to their clients that their business could facilitate the short sales of customers’ homes to investors. Clients were also told that they could then
lease their homes from the investors for a period of time, before having the opportunity to repurchase those homes at a cost of 90-100% of the home’s market value. Through these representations, the defendants are alleged to have unlawfully obtained more than $133,000 from their clients.

http://ag.nv.gov/News/PR/2015/Attorney_General_Laxalt_Announces_Indictment_of_American_Equity_Foundation_for_Mortgage_Lending_Fraud_and_Racketeering/

NEW HAMPSHIRE

September 29, 2015

Attorney General Joseph A. Foster to Investigate Pharmaceutical Companies for Opioid Marketing Practices

Attorney General Joseph A. Foster announces that his office has launched an investigation into the manner in which several pharmaceutical companies have marketed prescription opioids in New Hampshire.

The investigation was started after review of preliminary information indicated that drug companies may have deceptively minimized the risk of addiction from long-term use of narcotic painkillers and exaggerated their benefits for treating chronic pain. If supported, allegations of such fraudulent marketing could have misled doctors and patients and prevented them from making informed decisions about whether, when, and how to use these powerful drugs and might have caused the State to pay for potentially dangerous and unnecessary opioid prescriptions.

NEW HAMPSHIRE CONT’D

September 22, 2015

**Attorney General Joseph A. Foster Resolves Allegations of Consumer Protection Violations Against Merchants' Choice Payment Solutions and Merchants' Choice Payment Solutions of Florida, LLC Related to Their Deceptive Payment Processing Services Solicitations to New Hampshire Companies.**

Attorney General Joseph A. Foster announces that his Consumer Protection and Antitrust Bureau has entered into an Assurance of Discontinuance with Merchants' Choice Payment Solutions and Merchants' Choice Payment Solutions of Florida, LLC to resolve allegations that both companies engaged in unfair or deceptive business practices in violation of the Consumer Protection Act, NH RSA 358-A.

Merchants' Choice Payment Solutions is located in The Woodlands, Texas. Merchants' Choice Payment Solutions of Florida, LLC is located in Largo, Florida.

These companies initiated thousands of solicitations calls, both in-person and through telephone contacts, to New Hampshire businesses who accept credit card payments from their own customers, attempting to solicit the businesses to enroll in payment processing services, merchant account monitoring and other ancillary services. Both companies were unable to quantify the exact number of these calls made to New Hampshire businesses.


September 16, 2015

**Attorney General Joseph A. Foster Announces Lebanon, NH Health Club Enters Into Agreement with Attorney General to Resolve Allegations of Unfair or Deceptive Business Practices**

Attorney General Joseph A. Foster announces that his office has entered into an Assurance of Discontinuance with David and Lisa Terreri d/b/a Upper Valley Underground, Inc, a cross fit health club formerly located in Lebanon, NH. The Assurance resolves allegations that the health club failed to register with the Attorney General’s Consumer Protection and Antitrust Bureau since
that health club opened in April, 2011 and offered lifetime memberships in violation of the Health Club Statute, NH RSA 358-I.

Upper Valley Underground closed to its members on May 31, 2015. At the time of closing, the health club owed refunds totaling $5,303.00.


NEW JERSEY
September 29, 2015

Acting Attorney General John J. Hoffman Announces New Jersey Bureau of Securities Obtains $6.7 Million in Full Restitution for Investors Defrauded by Former Monmouth County Fire Chief; $800,000 Civil Monetary Penalty Also Assessed

Vincent P. Falci (“Falci”) of Middletown, his wife, Donna Falci, also of Middletown, and their son, Vincent N. Falci, of Wall Township, and various investment companies that Falci created and operated, must collectively disgorge and pay $6.7 million in full restitution to defrauded investors as the result of legal action brought by the New Jersey Bureau of Securities. Falci also was assessed $800,000 in civil penalties and permanently barred from working in the securities industry in New Jersey.

Falci, a former fire chief with Monmouth County, and his companies committed multiple violations of the State’s Uniform Securities Law. Among other things, Falci – an unregistered agent – and his companies made false and misleading statements to 182 investors in connection with the sale of unregistered securities. Specifically, Falci created and provided investors with annual updates that purported to show that their money had primarily been invested in tax certificates as promised. In reality, the majority of money raised from investors was not invested in tax lien certificates, but was used toward the purchase of, among other things, seven homes by Falci and his wife, Donna. Only 3% of investors’ funds were actually invested in tax lien certificates.

http://nj.gov/oag/newsreleases15/pr20150929c.html
NEW JERSEY CONT’D

September 22, 2015

**Acting Attorney General John J. Hoffman and New Jersey Division of Consumer Affairs Obtain $644,000 Settlement Against Former Bloomfield-Based Travel Services Companies and their Principals**

Approximately 250 consumers who paid for but did not receive all or part of the all-inclusive travel packages they purchased from Crown Travel Service Inc. of Bloomfield are eligible for restitution, under terms of a Final Consent Judgment that resolves the action brought by the Office of the Attorney General and the New Jersey Division of Consumer Affairs.

Crown Travel Service Inc., also known as “Club ABC Tours,” and an affiliated company ABC Destinations LLC, abruptly ceased operations on October 1, 2012. When this occurred, approximately 52 customers who were part of the “Super Tuscany” or “Unbelievable Italy” tours were stranded in Italy. Further, approximately 200 other customers paid thousands of dollars for all or a part of travel packages which were to occur after October 1, 2012.

[http://nj.gov/oag/newsreleases15/pr20150922a.html](http://nj.gov/oag/newsreleases15/pr20150922a.html)

September 18, 2015

**Acting Attorney General John J. Hoffman Announces Ocean County Investment Advisor and Father Sentenced for Stealing $175,000 from Elderly Widow**

Acting Attorney General John J. Hoffman and the Office of the Insurance Fraud Prosecutor (OIFP) announced today that a Toms River investment advisor and his father were sentenced today for stealing $175,000 from a widow, who had entrusted the son with power of attorney.

Andrew M. Lesnak, 54, of Toms River, was sentenced today by Superior Court Judge Frances McGrogan in Bergen County to five years in state prison. His father Andrew G. Lesnak, 84, of Hampton Bays, NY, was sentenced to two years of probation. Both men pleaded guilty on June 29. Andrew M. Lesnak pleaded guilty to second-degree Conspiracy and second-degree Theft by Deception. Andrew G. Lesnak (Sr.) pleaded guilty to third-degree Theft by Receiving Stolen Property. At the time of their pleas, the defendants provided checks totaling $175,000, which covers the full amount of restitution.

[http://nj.gov/oag/newsreleases15/pr20150918a.html](http://nj.gov/oag/newsreleases15/pr20150918a.html)
Acting Attorney General John J. Hoffman Announces Union County-Based Mover Ordered to Pay $114,127.50 and Cease Business, Under Final Judgment Resulting from Action Brought By the New Jersey Division of Consumer Affairs

A Superior Court Judge has ordered that Just in Time Moving & Delivery Service, Inc., Just in Time Moving and Storage, Inc., and their principal, Haliru Gusau, be permanently enjoined from operating as a public mover and/or warehouseman in New Jersey, under terms of a Final Judgment and Order obtained in a summary action brought by the Division of Consumer Affairs.

Judge Thomas J. Walsh also ordered Gusau and his companies to pay $61,390 in civil penalties, restitution, attorneys’ fees and investigative costs after finding that they committed 23 violations of the Public Movers Licensing Act, Public Movers Regulations, Consumer Fraud Act and Advertising Regulations. Gusau, a resident of Roselle, and his companies also must pay $31,187.44 in civil penalties and $21,550.00 in consumer restitution, under terms of a March 29, 2005 Consent Order that he failed to honor. Further, Gusau and his companies continued to advertise, offer for sale, sell and/or perform mover’s services and/or storage services in New Jersey in violation of the Division’s March 30, 2007 Final Order of Discipline.

http://nj.gov/oag/newsreleases15/pr20150911a.html

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Obtains Settlement with Mobile App Developer That Allegedly Collected Consumer Information without Notice and Consent in Violation of State Law

The New Jersey Division of Consumer Affairs and Piscataway-based DealerApp Vantage, LLC (“DealerApp”), which develops mobile device applications (“apps”) for hundreds of motor vehicle dealerships internationally, have reached a settlement after the Division’s investigation of
NEW JERSEY CONT’D

the alleged collection and dissemination of personal information from mobile app users without their knowledge or permission.

DealerApp develops apps that are customized for each auto dealership by applying the branding of that specific dealership. The apps enable dealerships to market their vehicles and other services to customers and potential customers who download these apps onto their mobile device, such as a smart phone or tablet device. These apps are made available for download through the specific dealership’s website, along with various online app stores.

http://nj.gov/oag/newsreleases15/pr20150909b.html

September 8, 2015

Acting Attorney General John J. Hoffman Announces Six Arrested on First-Degree Conspiracy, Racketeering and Money Laundering Charges for Allegedly Defrauding Investors of $3 Million

Last year, George Bussanich Sr. and his son agreed to pay $5.5 million to settle a lawsuit filed by the Bureau of Securities addressing a similar scam, but they allegedly continued to commit investment fraud

Acting Attorney General John J. Hoffman announced that six people have been arrested on first-degree charges of conspiracy, racketeering and money laundering for allegedly defrauding 15 investors of approximately $3 million through the sale of bogus investments. Last year, two of the defendants – George Bussanich Sr. and his son, George Bussanich Jr. – agreed to pay $5.5 million, including $4 million in full investor restitution, to settle a civil action filed by the New Jersey Bureau of Securities, which investigated a similar investment scheme that victimized 26 investors.

http://nj.gov/oag/newsreleases15/pr20150908b.html
NEW JERSEY CONT’D

September 3, 2015

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Obtains $693,000 Judgment Against Morris County Used Car Dealership Accused of Multiple Consumer Fraud Violations

A Superior Court Judge has ordered RLMB, Inc., a used car dealership located in Ledgewood, to pay $693,645.91 after finding that it violated the State’s consumer protection laws and regulations a total of 640 times, following legal action brought by the Attorney General’s Office and the State Division of Consumer Affairs.

The state’s ten-count complaint, filed this March in State Superior Court in Morris County, alleged that RLMB and its manager, Michael L. Bloom, Sr., violated the Consumer Fraud Act, the Motor Vehicle Advertising Regulations, the Automotive Sales Regulations, the Used Car Lemon Law (UCLL) and UCLL regulations by, among other things, advertising used motor vehicles for sale without disclosing to consumers the vehicle’s prior damage or prior use; selling vehicles “as is” when they qualified for a warranty; and permitting third parties to advertise, offer for sale and/or sell used motor vehicles on Craigslist that were titled to RLMB.

http://nj.gov/oag/newsreleases15/pr20150903a.html

NEW YORK

September 29, 2015

A.G. Schneiderman Obtains Order Barring Snow Removal Service Owner From Operating Any Business Requiring Customers To Pre-Pay; Issues Tips For Consumers To Avoid Getting Scammed

Thomas Zackoski Took Thousands from Consumers for Snow Removal Services Never Provided; Restitution Recovered for Victims Who Pre-Paid Zackoski for 2014-2015 Snow Removal Services

Attorney General Eric T. Schneiderman today announced that a consent order and judgment has been obtained against Thomas J. Zackoski for taking thousands of dollars from consumers in five New York counties for seasonal snow removal services that he failed to provide in the 2014-2015 winter
NEW YORK CONT’D

season. Mr. Zackoski purported to do business under various different names, including Zackoski’s Snow Removal Services, SR & LM Specialists, Cortland Lawn & Landscaping, Z’s Snow Removal Services, Z’s Plowing Services, Plowscapes and Ryder Plowscapes.


September 27, 2015

A.G. Schneiderman Shuts Down Brooklyn Fake Attorney Law Practice

Mikhail Perlov Ordered To Cease Unlicensed Practice Of Law And Refund His Victims

Attorney General Eric T. Schneiderman announced today that his office reached an agreement with Mikhail Perlov to resolve an investigation that revealed Perlov was engaged in the unauthorized practice of law. A consent order, signed by Supreme Court Justice Peter P. Sweeney, ordered Mikhail Perlov to stop illegally operating as an unlicensed attorney and to pay at least $52,000 to refund his customers and to pay the State of New York a civil penalty as well as the cost of the investigation.

By the fall of 2014, the Attorney General’s office began to receive complaints from consumers who had paid Perlov to be their lawyer. Based on Perlov’s incompetence and inactivity on their cases, the consumers suspected he was not an actual attorney. Their suspicions were entirely justified; Perlov was not licensed to practice in any jurisdiction and he had no legal training of any type.

NEW YORK CONT’D

September 18, 2015

**A.G. Schneiderman Reaches $400,000 Settlement With Alleged Participants In Mortgage Rescue Scam That Stole Deeds From Long Island Homeowners**

_Sale-Leaseback Fraud, Perpetrated At Height of Housing Crash on Long Island, Cheated 14 Families Out Of Their Homes’ Deeds and Equity_

Settlements Will Return $400,000 To Families Cheated By Scam; Office of the Attorney General Also Working To Return Stolen Deeds To Homeowners

Attorney General Eric T. Schneiderman today announced that he had reached settlement agreements with a disbarred attorney, an attorney, and a mortgage broker, who along with others allegedly operated a mortgage foreclosure rescue scam on Long Island that robbed 14 Long Island homeowners out of their homes’ deeds and equity. The mortgage foreclosure rescue scam involved multiple alleged partners: Empire Property Solutions and its principals, John Rutigliano and Kenneth Kiefer, located in Medford and Bethpage, NY; Zornberg & Hirsch law firm and its married principals, disbarred attorney Barry Zornberg and Nanci Hirsch, located in Hauppauge, NY; H&Z Abstract, a title company owned by Hirsch, located in Hauppauge, NY; Cory Covert, an attorney licensed to practice in New York, located in Hauppauge, NY; and mortgage broker Leonie Neufville (d/b/a Neufville Mortgage, located in Baldwin, NY).


September 10, 2015

**A.G. Schneiderman Secures Agreement With Evans Bank Ending Discriminatory Mortgage Redlining In Buffalo**

_Evans Bank To Create $825,000 Settlement Fund To Promote Homeownership And Affordable Housing In Buffalo; Stop Using Lending Area Map That Included Most Of Buffalo Metro Area But Excluded African-American Neighborhoods On The City’s East Side_

Attorney General Eric T. Schneiderman today announced a settlement that requires Evans Bank, N.A. and Evans Bancorp, Inc. (together, “Evans”) to end unlawful discriminatory mortgage practices, known as “redlining.” The
practices denied access to mortgage loans to borrowers in predominantly African-American neighborhoods in the city of Buffalo because of the racial composition of those communities. The settlement agreement requires that Evans revise its lending area to include the East Side neighborhoods and other areas previously excluded from the bank’s lending area. It also requires Evans to establish an $825,000 settlement fund designed to promote homeownership and affordable housing in Buffalo and to encourage lending activity in the East Side and other previously excluded areas.


September 10, 2015

A.G. Schneiderman Issues Cease-And-Desist Letters To 13 Makers Of Devil’s Claw Supplements Marketed To Arthritis Sufferers

New York Botanical Garden Study Found "Devil's Claw" Supplements From 14 U.S. Manufacturers Contained Wrong Plant


Attorney General Eric T. Schneiderman announced today that his office issued letters demanding that 13 dietary supplement manufacturers cease and desist from the sale, distribution, or marketing of adulterated or misbranded "devil's claw" supplements. The letters, sent Wednesday, are based on a study from the New York Botanical Garden that used an advanced DNA barcoding technique to conclude that the devil’s claw supplements from these manufacturers contained a cheaper related species that is considered less desirable. Attorney General Schneiderman requested that the companies furnish proposals, where appropriate, for recalling any adulterated devil’s claw supplements, compensating consumers who purchased the mislabeled products, and reforming their approach to quality control.

NEW YORK CONT’D

September 8, 2015

**A.G. Schneiderman Announces Agreement That Permanently Shuts Down Entertainment Visa Consultants For The Unauthorized Practice Of Law And Failure To Comply With Immigration Services Provider Laws**

Attorney General Eric T. Schneiderman announced today that his office reached an agreement with Entertainment Visa Consultant Company (EVC) and its CEO, David King. This agreement will resolve the Attorney General’s investigation of EVC and King which revealed that King engaged in the unauthorized practice of law while providing immigration-related services, and failed to comply with New York City and New York State laws that require immigration service providers to comply with certain advertising guidelines, signage, contract and surety requirements.


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September 2, 2015

**A.G. Schneiderman Announces Comprehensive Reform Package To Resolve Cooper Union Investigation And Lawsuit**

*Cooper Union Agrees to Board Restructuring, Financial Monitoring, and Transparency Measures; New Committee Will Develop Plan Aimed At Returning School To Its Traditional Free-Tuition Policy; Court Still Must Approve The Plan*

Attorney General Eric T. Schneiderman, the Committee to Save Cooper Union ("CSCU"), and The Cooper Union for the Advancement of Science and Art ("Cooper Union") today announced a settlement agreement that will resolve the Attorney General’s investigation into Cooper Union’s financial troubles and end the litigation filed by CSCU seeking to reinstate the school’s historic free-tuition policy.

The agreement follows a year-long investigation by the Attorney General’s office and calls for reforms and monitoring of Cooper Union’s oversight and management, while also establishing a committee aimed at returning Cooper Union to its traditional free-tuition policy. The Attorney General, joined by Cooper Union and CSCU, today filed a motion in New York State Supreme Court...
NEW YORK CONT’D

Court seeking approval of the plan from Justice Nancy Bannon, who is assigned to the CSCU lawsuit.


September 2, 2015

A.G. Schneiderman Announces $4.3 Million Settlement With Former Leaders Of New York City-Based Charity Over Misuse Of Funds

Investigation Concludes Homeland Foundation, Inc.’s Former President and Trustees Misused Funds, Gave Away Millions Of Dollars To Organizations Closely Connected To Trustees

Ex-President Elizabeth Wyckoff Admits Taking Over $700,000 For Personal Benefit

Attorney General Eric T. Schneiderman today announced that the former trustees of the Homeland Foundation, Inc. (“Homeland”) have agreed to the findings of the Attorney General’s investigation into the trustees’ repeated failures to properly administer millions of dollars of charitable assets entrusted to their care. The Attorney General determined that, among other breaches of their fiduciary duties, the former trustees issued at least $4.25 million dollars in grants, beyond what they were authorized to spend. In issuing the improper $4.25 million in grants, the trustees failed to follow their obligation to make grants in any one year not to exceed 5% of the total value of Homeland’s cash and investments, as required by the organization’s charter.

A.G. Schneiderman Announces $1 Million Settlement With Online Marketer That Deceptively Enrolled Consumers Into High Cost Pimsleur Language Courses

Settlement Requires Internet Order LLC to Reform its ‘Negative Option’ Marketing Practices And Receive Express Informed Consent Before Charging Credit Cards

Attorney General Eric T. Schneiderman today announced that New York has entered into a $1 million multi-state settlement with Internet Order LLC, doing business as Pimsleurapproach.com, over its use of ‘negative option’ marketing in the sale of Pimsleur-branded language audio courses over the Internet. The agreement resolves an investigation concerning the company’s, and owner Dan Roitman’s, failure to clearly disclose that the purchase of a language course advertised as “only $9.95” included the shipment of additional language courses that, if not returned, could cost the consumer more than $1000.


Attorney General Roy Cooper: Apply Now For Ritz-Carlton Refunds, AG Cooper Encourages Consumers

Customers who paid extra charge have until October 4 to seek money back

Consumers who paid an unexpected service charge at the Ritz-Carlton in Charlotte during the CIAA Basketball Tournament still have time to get their money back, Attorney General Roy Cooper said Monday.

The Ritz-Carlton agreed to pay refunds to consumers, fund college scholarships and clearly notify customers about any future special service fees under an agreement announced July 6 between the Ritz, the Central Intercollegiate Athletic Association and the Office of Attorney General Roy Cooper.
September 1, 2015

**Attorney General Roy Cooper Announces Western Sky/Cashcall Barred From Making, Collecting On Loans In NC**

Court finds lender charged excessive interest rates, cannot use tribal affiliation to evade law.

An online fast cash lender that charged North Carolinians oppressive interest rates is now barred by court order from making or collecting on loans in North Carolina, Attorney General Roy Cooper said today.

Cooper and the North Carolina Office of the Commissioner of Banks filed suit in December 2013 against Western Sky Financial, CashCall, and related companies for violating North Carolina laws that ban excessive interest rates on small consumer loans. As alleged in the complaint, financially strapped North Carolina consumers who took out personal loans of $850 to $10,000 from the defendants faced annual interest rates from 89.68 percent to 342.86 percent, far in excess of what is allowed under state law.


**NORTH DAKOTA**

September 29, 2015

**Attorney General Wayne Stenehjem Announces Contractor Bradly Timian, D/B/A BT Roofing & Remodeling, Banned From Doing Business In North Dakota.**

Attorney General Wayne Stenehjem has issued a cease and desist order permanently banning Bradly Timian, d/b/a BT Roofing & Remodeling, from conducting business in North Dakota. Timian appears to be a transient contractor who did work in Stanley, North Dakota and had mailing addresses in Stanley as well as living at a hotel in Grand Forks, North Dakota.
The Attorney General’s Consumer Protection division initiated an investigation after receiving complaints from consumers who made advance payments of $4,500 and $3,000 for Timian to purchase materials to shingle their homes. Timian failed to deliver any materials, and has not provided any refunds. Additionally, Timian was operating without a contractor’s license.


September 29, 2015

**Attorney General Wayne Stenehjem Announces Contractor Scott Ashby, D/B/A Western Waterworks, Banned From Doing Business In North Dakota.**

Attorney General Wayne Stenehjem has issued a cease and desist order permanently banning Scott Ashby of Everett, Washington, d/b/a Western Waterworks, from conducting business in North Dakota.

The Attorney General’s Consumer Protection Division initiated an investigation after receiving a complaint from a consumer who made paid $1,750 of a $3,500 contract to install a sprinkler system. Ashby completed some of the work, and then never returned.

The Attorney General previously fined Ashby in July 2013 and, again, in July 2014 for operating without a contractor’s license. Ashby has a history of failing to finish projects.


September 4, 2015

**Attorney General Wayne Stenehjem Announces Door To Door Magazine Sales Company Banned - Cease & Desist Order Issued Against Crystal Clark Dba Young People Working, LLC.**

Attorney General Wayne Stenehjem issued a Cease & Desist Order against Crystal Clark and her business, Young People Working LLC., for violations of North Dakota’s home solicitations sales law, consumer fraud laws and Do Not Call laws.
Clark, who lists addresses in Arizona, Delaware and Colorado, used groups of young people to sell magazines door-to-door. Neither the business nor any of the individuals who conducted the sales hold the required licenses.


OHIO
September 23, 2015

Attorney General Mike DeWine Seeks Refunds for Prepaid Customers of Now-Closed Funeral Home

Ohio Attorney General Mike DeWine today announced a lawsuit against a now-defunct Columbus funeral home for failing to provide refunds for the pre-need services it sold consumers before it closed.

The lawsuit accuses McNabb Funeral Home and its owner Ronald McNabb of violating Ohio’s Consumer Sales Practices.


September 22, 2015

Attorney General Mike DeWine Announces Lawsuit Against Home Improvement Sellers Accused of Failing to Deliver Promised Services to Ohio Consumers

Ohio Attorney General Mike DeWine today announced a lawsuit against the operators of a home improvement outfit accused of failing to deliver promised services to consumers across the state.


September 21, 2015

**Attorney General Kathleen G. Kane Announces Legal Actions Filed Against Central PA. Home Improvement Contractors Accused Of Failing To Complete Work**

Attorney General Kathleen G. Kane today announced legal actions filed against two central Pennsylvania home improvement contractors accused of failing to complete services for which they were paid.

The legal action against Daniel C. Fry, who did business under the company name Fry Asphalt, was filed in the York County Court of Common Pleas by the Office of Attorney General’s Bureau of Consumer Protection.

The Bureau of Consumer Protection filed a separate legal action in the Lancaster County Court of Common Pleas against Kelly Waters Lazrovitch, Peter Thomas Lazrovitch and William Lazrovitch, all of whom did business under the fictitious name “All County Asphalt & Seal Coating.”

[https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2094](https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2094)

September 11, 2015

**Attorney General Kane Announces Settlement With Philadelphia Furniture Stores And Their Owners**

Attorney General Kathleen G. Kane today announced a settlement with several business entities which all operated a Philadelphia furniture store known by the name “Furniture Sir-Plus.”

This settlement resolves a lawsuit filed July 20 by the Attorney General’s Bureau of Consumer Protection. The lawsuit, which also named individuals Charles Lederman, Mark Finkelstein and Daniel Roberts as defendants, alleged that these businesses took money from certain consumers for furniture and failed to deliver their purchases.

The settlement requires Furniture Sir-Plus to pay $75,000 to fund restitution owed to consumers who paid and did not receive furniture. It also prohibits
September 2, 2015

**Attorney General Kane Announces Settlement With Central PA Automobile Business**

Attorney General Kathleen G. Kane today announced a settlement agreement with a central Pennsylvania automobile business that allegedly leased vehicles that needed considerable amounts of repair work and used a lease agreement that did not comply with federal law.

The business, Credit Connection Auto Sales, Inc., offers vehicles on a lease-to-own basis at its locations in Harrisburg, York and Carlisle. The Carlisle location also operates a motor vehicle repair shop.

The settlement, filed in the form of an assurance of voluntary compliance, requires the company to pay a $12,500 civil penalty for alleged violations of the Consumer Protection Law, the Pennsylvania Auto Regulations, the Truth in Lending Act, and the Federal Trade Commission’s Used Car Rule.

September 1, 2015

**Attorney General Kathleen Kane announces $1 million settlement with online marketing company accused of deceiving consumers**

Attorney General Kathleen G. Kane today announced her office has reached a $1 million settlement with an online marketing company accused of deceiving consumers through its marketing of language audio courses.

The settlement with Internet Order LLC is the result of a lawsuit that was filed last September by the Office of Attorney General’s Bureau of Consumer Protection. This settlement was made in conjunction with the Attorney
Generals of Washington and New York, who also received complaints about the company.

Internet Order was accused of using "negative option" marketing in the sale of Pimsleur-branded language audio courses, meaning consumers' failure to cancel the transaction after an initial purchase left them at risk for potentially being charged hundreds of additional dollars. In addition to the $1 million that will go toward restitution for consumers, Internet Order also agreed to change its business practices as part of the settlement.

https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2072

**TEXAS**
September 29, 2015

**Attorney General Paxton Takes Legal Action to Stop Former Immigration Attorney and Associates’ Unlawful and Deceptive Practices**

Texas Attorney General Ken Paxton announced today that a lawsuit has been filed against Paul A. Esquivel, Paul A. Esquivel, PLLC, Paul Esquivel, PC, JCP Law Firm and Associates, PLLC, JCP Law Office, PC, its owner Olvia Martinez, and attorney Juan Carlos Penaflor for engaging in misleading and deceptive acts by routinely making misrepresentations and failing to make disclosures to consumers seeking immigration services. The State’s petition, filed in Bexar County District Court on September 21, 2015, charges Defendants with violations of the Texas Deceptive Trade and Practices Act (DTPA) and the Texas Business Organizations Code.

The State’s allegations in the lawsuit are that Paul A. Esquivel, a recently disbarred immigration attorney, with offices in San Antonio, Dallas and Austin, and those employed under his direction, had been misleading consumers to believe they were eligible to apply for asylum relief to induce consumers to pay Esquivel thousands of dollars. In reality, the consumers were not eligible under U.S. asylum laws. Esquivel failed to explain or disclose risks associated with asylum, causing irreparable harm to consumers’ immigration cases. Furthermore, unbeknownst to the consumers, Esquivel submitted immigration applications to the U.S. government which contained false information.
VERMONT
September 23, 2015

Attorney General William Sorrell settles with vehicle title lender

Manor Resources, LLC (also known as “Turbo Title Loans”), an Illinois company that provides high-interest loans over the internet by requiring borrowers to assign their vehicle titles, will pay over $16,000 to five Vermont consumers and pay the State of Vermont $12,000 to settle claims that the company violated Vermont consumer protection and lending laws. “Vehicle title loans are a particularly harmful form of predatory lending,” said Attorney General William H. Sorrell. “These loans threaten an essential asset of consumers—their vehicles. We will continue to protect Vermonters from unlicensed lenders doing business over the internet.” More information on the Attorney General’s crackdown on illegal lending can be found here.


September 3, 2015

Attorney General William Sorrell announces East Corinth woman convicted on charges of financial exploitation of a vulnerable adult

Carmen Gross, age 40, of East Corinth, Vermont, was convicted yesterday on two misdemeanor counts of Financial Exploitation of a Vulnerable Adult in Vermont Superior Court, Orange Criminal Division, in Chelsea. The convictions stemmed from Ms. Gross’ abuse of her authority as power of attorney for a vulnerable adult, spending more than $40,000 of the vulnerable adult’s income and savings for her own personal benefit.

VIRGINIA
September 9, 2015

Attorney General Herring Announces Settlement To Protect Businesses From False Advertising

Annual Business Services LLC allegedly engaged in false advertising; AG Herring secures refunds for affected businesses and an injunction against future violations

Attorney General Mark R. Herring today announced a settlement with Annual Business Services LLC (ABS), a Florida limited liability company that used targeted mailings to obtain approximately $15,800 in the aggregate from more than 150 Virginia businesses. ABS, sometimes identified as ABS Business Compliance Division or Business Compliance Division, solicited potential customers through targeted mailings that purported to provide record preparation services for businesses. The lawsuit filed against ABS alleged violations of the criminal false advertising statute, as well as failure to obtain a certificate of registration from the State Corporation Commission to transact business in the Commonwealth.


WASHINGTON
September 29, 2015

Attorney General Bob Ferguson Announces Agreement To Protect Haggen’s Workers

Attorney General Bob Ferguson today announced an agreement with the owner of the Haggen grocery store chain that ensures laid-off workers will receive their pay on time.

The company, Haggen Holdings, LLC, is currently in bankruptcy proceedings in the United States District Court for the District of Delaware. As part of those proceedings, on Thursday the company filed a motion seeking relief from “Fast Pay” laws in the states in which it plans to close stores.

WASHINGTON CONT’D

September 22, 2015

Attorney General Bob Ferguson Wins $300K Judgment Against Wedding Venue Operators Who Jilted Customers

At least 59 consumers due $50,000

Attorney General Bob Ferguson today announced a $304,994.51 default judgment against the former operators of a Seattle venue who booked events, including many weddings, knowing the space would be unavailable.

The Cranes’ business, EM Fine Art, had hosted events at a South Lake Union gallery.

In two mass emails in June 2014, the Cranes informed their customers they would not provide use of the venue for already scheduled events and would not be refunding down payments. The first email falsely claimed the gallery had been destroyed by an electrical fire.

Those emails were the last their customers heard from the Cranes. At least 59 consumers lost approximately $50,000 in deposits and other payments.


September 14, 2015

Attorney General Bob Ferguson Shuts Down Repeat Offenders Offering Unauthorized Immigration Assistance

Court awards $234K in penalties and restitution

Attorney General Bob Ferguson announced a Friday court order against EC New Horizons and EC Horizons requiring repeat offenders Edwin Cruz and Maurice Terry to pay $234,000. Cruz and Terry provided unlawful immigration assistance to over 400 Washington victims. The resolution includes $149,000 in money back for victims.

This is part of Ferguson’s continued effort to combat illegal immigration services and crack down on “notario” fraud.
September 1, 2015

**Attorney General Bob Ferguson Halts Deceptive Practices By Internet Order, Seller Of “Pimsleur Approach” Audio Language Courses**

*Internet Order to pay back over $1 million to consumers; Consumers encouraged to file a claim*

Washington State Attorney General Bob Ferguson announced resolution of a consumer protection enforcement action today against the company Internet Order and its CEO Daniel Roitman for unfair and deceptive practices. The Philadelphia-based online company was accused of using deceptive “negative option” marketing tactics to lure consumers into purchasing language instruction courses in violation of the federal Restore Online Shoppers’ Confidence Act (ROSCA) and the state’s Consumer Protection Act (CPA).


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**WEST VIRGINIA**

September 21, 2015

**Attorney General Patrick Morrisey Files Petition To Enforce An Agreement Against Advanced Services Group, LLC**

Attorney General Patrick Morrisey announced today that his Office filed a petition to enforce a settlement agreement against Advanced Services Group, LLC, a Wyoming County company that installs security systems.

The petition, which was filed in Kanawha County Circuit Court, alleges that Advanced Services Group and its owner, Stephen C. Johnston, failed to comply with a settlement agreement requiring payment of a refund to a consumer for a defective security system that it sold and installed.

http://www.ago.wv.gov/pressroom/Pages/Attorney-General-Patrick-Morrisey-Files-Petition-To-Enforce-An-Agreement-Against-Advanced-Services-Group,-LLC.aspx
ATTORNEY GENERAL PATRICK MORRISEY FILES COMPLAINT AGAINST GATENS-HARDING FUNERAL HOME

Attorney General Patrick Morrisey today announced his Office filed a complaint for injunction and related relief against a Putnam County funeral home and its owners alleging that they violated the West Virginia Consumer Credit and Protection Act and the state’s Preneed Funeral Contracts Act.

The complaint alleges that Gatens-Harding Funeral home and its owners Chad and Billie Harding, of Poca, misappropriated money from consumers who were trying to prepay their funeral costs and did not register some preneed funeral contracts with the State. The complaint alleges the defendants engaged in continuous violations of the Preneed Funeral Contracts Act and Consumer Credit and Protection Act from at least 2012 until the present.


ATTORNEY GENERAL PATRICK MORRISEY ANNOUNCES SECOND AGREEMENT WITH 100 LLC TO REIMBURSE DIRTY GIRL MUD RUN REGISTRANTS STILL AWAITING REFUNDS

Attorney General Patrick Morrisey today announced that his Office has secured the necessary funds from 100 LLC to provide repayment to registrants who have not yet received a refund for registration fees associated with the cancelled 2014 Charleston Dirty Girl Mud Run.

The aim of the original agreement, made in August 2014, was to compensate all registrants who had paid the entrance fee for an event cancelled days before it was scheduled to take place. The race was not cancelled due to weather or circumstances beyond the organizer’s control, therefore participants were entitled to be reimbursed.
September 9, 2015

**Attorney General Patrick Morrisey Files Complaint Against Morgantown Rental Company Copper Beech**

Attorney General Patrick Morrisey today announced his Office has filed a complaint against a company that owns and manages residential rental properties in Morgantown, alleging the company charged tenants excessive fees in violation of the state’s consumer protection laws.

The lawsuit was filed Wednesday in Kanawha County Circuit Court against Copper Beech Townhomes, a company headquartered in Pennsylvania that has offered and managed housing for thousands of West Virginia University students in Morgantown.

The complaint alleges that Copper Beech required students to sign written leases that contain several fees and charges that violate the West Virginia Consumer Credit and Protection Act. Most notable was a “non-refundable redecoration fee,” sometimes as high as $800, which was separate from a security deposit and allegedly used to cover the landlord’s cost of preparing the unit for the next tenants.
Virginia Joins 28 other States in Multistate Investigation Into Volkswagen

Today, Attorney General Mark R. Herring announced that Virginia has joined the executive committee of a multistate investigation into Volkswagen for altering emissions software to produce favorable test results. This collaboration is part of Attorney General Herring’s commitment to seeking justice for Virginia consumers who have been victims of fraud and deception.

Virginia is joining 28 other Attorneys General from states across the country to investigate Volkswagen's conduct on behalf on consumers. The multistate investigation will examine misrepresentations and deceptions regarding the 11 million diesel vehicles which were allegedly equipped with software that could be used to cheat on emissions tests. Attorney General Herring will be coordinating with other states to investigate the conduct recently disclosed by the company for potential state consumer protection law violations.

MEDICAID FRAUD CASES AND SETTLEMENTS

ARIZONA
September 11, 2015

Attorney General Mark Brnovich Announces Prison Sentence For Valley Doctor Accused Of Scamming Taxpayers, Conspiring With Drug Dealers, And Forging Patient Medical Records

Arizona Attorney General Mark Brnovich announced a Phoenix doctor will spend 4-years in prison for scamming taxpayers, conspiring with drug dealers, and forging patient medical records. 43-year-old Dr. Edward Jack Sayegh was also ordered to surrender his medical license during his sentencing this afternoon. Upon his release from prison, Dr. Sayegh will serve 5-years supervised probation.

Dr. Sayegh was also In August 2015, Dr. Sayegh plead guilty to Fraudulent Schemes and Artifices, Conspiracy, Forgery, Administration of Narcotic Drugs, and Administration of Dangerous Drugs for billing AHCCCS for phantom medical services, prescribing pills for drug diversion purposes, and falsification of his patient medical records.


ARKANSAS
September 18, 2015

Attorney General Leslie Rutledge Announces Arrest of Pulaski County Woman For Falsifying Medical Authorizations on Medical Equipment That Was Not Needed

Arkansas Attorney General Leslie Rutledge announced the arrest of a Pulaski County woman by the Attorney General’s Medicaid Fraud Control Unit.

Karen D. Johnson, 56, of Little Rock was arrested on one count of Medicaid fraud. Johnson was booked into the Pulaski County Jail where she is being held on a $2,500 bond. She is accused of falsifying medical authorizations supporting more than $17,000 in Medicaid payments for medical equipment that was not needed, a Class B felony.
Medicaid fraud occurs when Medicaid providers use the Medicaid program to obtain money to which they are not entitled.


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**FLORIDA**

September 24, 2015

**Attorney General Pam Bondi Announces Orange County Dentist Arrested for Defrauding Medicaid Out of More Than $5,500**

Attorney General Pam Bondi’s Medicaid Fraud Control Unit and the Altamonte Springs Police Department today arrested an Orange County dentist for allegedly defrauding the Florida Medicaid program. According to the investigation, Dr. Merys Downer-Garnette billed for services that were never rendered, not rendered as billed or double-billed, causing more than $5,500 in fraudulent claims to the state’s Medicaid program.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/492CA2CC3666D45685257ECA004FD6D7

September 23, 2015

**Attorney General Pam Bondi Announces $3.5 Million Settlement Reached with Adventist Health System**

Attorney General Pam Bondi today announced a $3.5 million settlement with Adventist Health System Sunbelt Healthcare Corporation and Adventist Health System/Sunbelt, Inc. to resolve civil allegations of violations of the Physician Self-Referral Law and the Florida False Claims Act.

According to two whistleblower lawsuits, Adventist maintained improper financial relationships with physicians and submitted claims to Florida Medicaid for services and items the physicians referred. The settlement resolves claims that Adventist submitted false Medicaid claims and awarded referring doctors based on the number of tests and procedures the doctors ordered. When this type of fraud is suspected, the False Claims Act allows for civil actions to recover taxpayer money.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/28897D3EACFC6D9785257EC9006D28F0
GEORGIA
September 26, 2015

Attorney General Sam Olens Announces Two Plead Guilty To Submitting False Claims To Medicaid

Steven Platt, a North Carolina resident, entered a plea of guilty to two counts of Medicaid Fraud today in DeKalb County Superior Court. The Court sentenced Mr. Platt to serve 2 years in prison, followed by 12 years of probation, and restitution in the amount of $400,000.00.

Platt’s co-defendant, Maria Didier, entered her plea of guilty to one count of Medicaid Fraud on August 18, 2015, and was sentenced to 2 years probation and a $10,000.00 fine.

Platt obtained and used the special provider number assigned to his co-defendant, Maria Didier, which identified her as an authorized Medicaid provider in Georgia to provide behavioral health therapy to disadvantaged children. Platt also obtained recipient identification numbers of over 300 children. This enabled Platt to access and electronically bill claims through the Medicaid web portal. He submitted false claims to Wellcare and Amerigroup, Care Management Organizations contracted with the State to administer the Medicaid program.


September 18, 2015

Attorney General Sam Olens Announces Ringgold Psychologist Accused Of Billing Medicaid For Services That Were Not Rendered

On September 16, 2015, the Georgia Attorney General’s Office filed a one count accusation in DeKalb County Superior Court against Dolcelyn Imperio-Smith on charges of Medicaid Fraud, O.C.G.A. § 49-4-146.1(b).

During the time period detailed in the accusation, Dr. Smith was a practicing psychologist enrolled in Georgia Medicaid’s Psychological Services program. The Psychological Services program is designed to provide counseling and therapy services to Medicaid members under the age of 21.
September 11, 2015

**Attorney General Sam Olens Announces Two Plead Guilty To Billing Medicaid For Services That Were Not Rendered**

On September 10th, 2015, Derrell Jackson and Shayla Darrington Jackson pled guilty to one count of Medicaid Fraud each. Gwinnett County Superior Court sentenced Derrell Jackson to ten years in jail which he is to serve three and the balance on probation. Shayla Jackson was sentenced to ten years but to serve two under a work release program. The court also ordered $605,000.00 in restitution.

September 4, 2015

**Attorney General Sam Olens Announces 8 Indicted on Felony Medicaid Fraud**

On Tuesday, September 1, 2015, a Richmond County Grand Jury charged Carl Anthony Wardlaw, Stephanie Ann Wardlaw, Sarah Wardlaw, Stephanie Denise McCloud, Eric Johnson, Janelle Lambert and Bryan Holmes with 15 felony counts of Medicaid Fraud (O.G.G.A. § 49-4-146.1(b)) and one felony count of Conspiracy to Commit Medicaid Fraud (O.C.G.A. § 16-4-8). Additionally Derrick Kimble was charged with one count of Conspiracy to Commit Medicaid Fraud (O.C.G.A. § 16-4-8).
GEORGIA CONT'D

September 4, 2015

Attorney General Olens Announces Settlement With Columbus Regional Hospital System To Resolve Overbilling And Kickback Allegations

Attorney General Sam Olens announced today that Georgia has reached a civil settlement agreement resolving allegations of Georgia False Medicaid Claims Act violations with Columbus Regional Hospital System (CHRS), The Medical Center (TMC), including TMC d/b/a John B. Amos Cancer Center (JBACC), Columbus Regional Oncology Treatment Center (CROTC), and Regional Oncology, LLC. CRHS, a non-profit health care system, owns and operates TMC, an acute care hospital in Columbus, Georgia, and TMC’s cancer center JBACC. Regional Oncology is a medical partnership employing all of the medical oncologists providing services of JBACC.

The defendants have agreed to pay Georgia and the United States $25,000,000, and will pay an additional $10,000,000 if certain financial conditions are met. The settlement resolves allegations that the defendants submitted claims to the State of Georgia for evaluation and management services billed at higher levels than supported by documentation, for radiation therapy that did not qualify as such, and for claims submitted in violation of Medicaid rules prohibiting the payment of remuneration in return for referral of Medicaid patients.


KANSAS

September 11, 2015

Attorney General Derek Schmidt Announces Kansas City Man Ordered To Repay $5,000 for Medicaid Fraud

A Kansas City man was ordered today to repay more than $5,000 to the Kansas Medicaid program after pleading guilty to Medicaid fraud-related charges, Kansas Attorney General Derek Schmidt said.

Courtney Jamar Anderson, 28, pleaded guilty in June in Wyandotte County District Court to one count of making a false claim to the Medicaid program. Judge Bill L. Klapper today ordered Anderson to repay $5,173 to the Kansas
Medicaid Program. Judge Klapper also sentenced Anderson to 12 months probation and 12 months post release supervision. Convictions such as this one also result in a period during which the defendant is prohibited from being paid wages through a government health care program.


LOUISIANA
September 22, 2015


Attorney General James D. “Buddy” Caldwell announced today that five Kentwood women have been arrested for their roles in a scheme to defraud the Louisiana Medicaid program.

Bonnie Simmons, 64, of 22434 Highway 1056, was arrested Monday evening by the Attorney General’s Medicaid Fraud Control Unit and charged with two counts of felony Medicaid fraud. Simmons, a Medicaid recipient who was receiving in-home services from a Hammond personal care agency, conspired with two direct care service workers to bill the Medicaid program for services not rendered. She agreed to sign false time sheets and service logs indicating that the workers provided care seven days a week and, in return, the workers agreed to share their paychecks with Simmons.

https://www.ag.state.la.us/Article.aspx?articleID=1105&catID=2
LOUISIANA CONT’D

September 4, 2015

**Attorney General James D. “Buddy” Caldwell Announces Three Arrested for Defrauding Louisiana Medicaid**

Attorney General James D. “Buddy” Caldwell announced today that three individuals have been arrested this week and charged with defrauding the state’s Medicaid program.

As a result of an investigation at a New Iberia personal care agency, agents with the Louisiana Attorney General’s Medicaid Fraud Control Unit arrested Quenitta Butts and Kaisha Pitre. Both women are accused of submitting fraudulent time sheets for payment to the Louisiana Medicaid program for direct care services.

[https://www.ag.state.la.us/Article.aspx?articleID=1095&catID=2](https://www.ag.state.la.us/Article.aspx?articleID=1095&catID=2)

MARYLAND

September 22, 2015

**Attorney General Brian E. Frosh Announces Silver Spring Man Convicted of Felony Medicaid Fraud and Ordered to Pay $26,405 in Fines and Restitution**

Attorney General Brian E. Frosh announced today that a Silver Spring man was convicted of Medicaid fraud after submitting invoices for personal care when the recipient of the services had moved out of state.

Joseph Peet, 47, pleaded guilty to Medicaid fraud this week in Montgomery County Circuit Court. Mr. Peet was an authorized personal care provider in the Medicaid Home and Community-Based Services Waiver Program, and had been providing personal care for an individual in Silver Spring. Even though the recipient moved from her residence, and eventually to California, Mr. Peet continued to sign and submit invoices for services he did not provide. He was accused of submitting $17,603 in false claims in 2013 and 2014.

[http://www.oag.state.md.us/Press/2015/092215.html](http://www.oag.state.md.us/Press/2015/092215.html)
MISSISSIPPI
September 22, 2015

Attorney General Jim Hood Announces Indianola Resident Faces Embezzlement Charges

Bobbie Fleming, 66, of Indianola, has been indicted by the Sunflower County Grand Jury on two counts of embezzlement, announced Attorney General Jim Hood today.

Fleming turned herself into Sunflower County authorities Thursday, September 17, following an investigation by the Attorney General’s Medicaid Fraud Control Unit. Fleming owned an unlicensed care facility in Inverness, Mississippi. The investigation revealed that Fleming allegedly embezzled $5,342.11 from one resident, and $1,143.38 from a different resident. Both victims were residents of the same care facility.

http://www.ago.state.ms.us/releases/indianola-resident-faces-embezzlement-charges/

NEW JERSEY
September 29, 2015

Acting Attorney General John J. Hoffman Announces Neurologist from Atlantic County Indicted for Taking $195,000 in Bribes in Exchange for Referring Patients to Medical Imaging Centers

Acting Attorney General John J. Hoffman and the Office of the Insurance Fraud Prosecutor (OIFP) announced today that an Egg Harbor Township neurologist was named in a four-count state grand jury indictment for accepting kickbacks in exchange for patient referrals, worth several thousand dollars, from six MRI facilities operated by a South Jersey medical imaging center services company.

Syed Jaffery, 54, of Egg Harbor Township, part-owner of Premier Neurology and Mask Realities corporation, was charged with second-degree health care claims fraud, second-degree commercial bribery, second-degree financial facilitation of criminal activity (money laundering) and third-degree running.

http://nj.gov/oag/newsreleases15/pr20150929b.html
September 29, 2015

**Acting Attorney General John J. Hoffman Announces Licensed Therapist Indicted for Allegedly Billing Medicaid for Non-Existent and Incomplete Child Counseling Sessions**

*Counselor Allegedly Billed for, Received Approximately $9,000*

Acting Attorney General John J. Hoffman and the Office of the Insurance Fraud Prosecutor (OIFP) announced that a licensed professional counselor who worked with children with autism was indicted today on more than 40 criminal counts related to her alleged submission of reimbursement claims to Medicaid for in-home counseling and therapy services she did not provide.

Stephanie Fleming, 38, of Lyndhurst, Bergen County, was named in a 43-count state grand jury indictment. The indictment charges multiple counts of second-degree health care claims fraud, third-degree Medicaid fraud, and fourth degree forgery. It also charges a single count of second-degree theft by deception because Fleming received actual Medicaid reimbursement totaling more than $9,000.

[http://nj.gov/oag/newsreleases15/pr20150929a.html](http://nj.gov/oag/newsreleases15/pr20150929a.html)

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**NEW YORK**

September 28, 2015

**A.G. Schneiderman Announces Guilty Plea of Rochester Nurse For Defrauding Medicaid Of Over One Thousands Dollars In One Month**

*Tera Poles Billed For Hours Of Care She Never Provided For a Special Needs Child; Will Pay Full Restitution For The Amount She Over-Billed*

Attorney General Eric T. Schneiderman announced the guilty plea of Licensed Practical Nurse (L.P.N.) Tera Poles, 33 of Rochester, for allegedly stealing $1,355.07 from the Medicaid program by billing for numerous hours that she did not work. Poles was employed at a private facility to provide nursing services for a special needs child.

An investigation by the Attorney General’s office found that Poles, who was hired for a one month period of time, billed for hours of work when she did not actually provide care for the medically fragile child. As a result, she was able to accrue over one thousand dollars in false billings.
September 25, 2015

**A.G. Schneiderman Announces Arrest, Arraignment And Guilty Plea Of Chili Nurse For Allegedly Defrauding Medicaid Of Nearly $4K**

LPN Tara Chimino Allegedly Stole $3,841.40 From Medicaid By Billing For Hours She Didn't Work

Attorney General Eric T. Schneiderman today announced the arrest, arraignment and guilty plea of Tara Chimino, a licensed practical nurse who was employed to provide private nursing services to a special needs young adult. Chimino was charged with stealing $3,841.40 from the Medicaid program by billing for numerous hours that she did not work.


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September 9, 2015

**A.G. Schneiderman Announces Westchester Transportation Company Owner Sentenced To Jail For Stealing Over $200K From Medicaid**

Kurien Palliankal to Serve 6 Months in Jail, 5 Years Probation for Defrauding Medicaid; Carewell Ambulette to Pay $10k Fine, Stolen Funds Repaid to Medicaid

Kurien Palliankal, 48, of Yonkers, owner of Carewell Ambulette, Inc., was sentenced in Westchester County Court today to six months in jail for stealing from Medicaid, Attorney General Eric T. Schneiderman announced. He also was sentenced to five years probation after he serves his jail sentence. The corporation, formerly based in New Rochelle, was also sentenced to pay a fine of $10,000.

Both Palliankal and Carewell Ambulette, which provided transportation services to Medicaid recipients throughout Westchester and neighboring counties, pled guilty in March to stealing from the Medicaid program by billing Medicaid for more expensive transportation than was medically
necessary. Palliankal admitted at the time of his plea that between July 2006 and March 2010, he submitted false claims to Medicaid indicating that ambulette transportation was necessary for many Medicaid recipients transported by Carewell. In fact, the health care providers only authorized taxi transportation but their requests were altered by Carewell.


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**OKLAHOMA**

September 2, 2015

**Attorney General Scott Pruitt Charges OKC Counselor for Submitting False Claims to Medicaid**

Attorney General Scott Pruitt on Wednesday announced charges against an Oklahoma City man for Medicaid fraud and identity theft.

Toris Emanuel Louie, 27, worked as a behavioral health counselor. Louie submitted documents to his employer indicating that he provided counseling services to three different children. The caregivers of the children told agents with the Attorney General’s Office their children had never received services from Louie. Louie allegedly used the personal Medicaid identification numbers of all three children to fraudulently obtain payment from the Oklahoma Health Care Authority for the services that were never provided.

Louie is charged with two counts of Medicaid fraud and three counts of identity theft. If convicted, Louie faces up to three years in prison and fines up to $10,000 for the first two counts and up to 10 years in prison and fines of up to $5,000 for each of the three counts of identity theft.

http://www.ok.gov/triton/modules/newsroom/newsroom_article.php?id=258<article_id=16616
WASHINGTON  
September 10, 2015  

Attorney General Bob Ferguson Al­l­e­g­es Clark County Dentists Col­lected $1 Million In Fraudulent Medicaid Payments

Attorney General Bob Ferguson today announced a civil lawsuit against CareOne Dental Corporation, its owner, Dr. Liem Do, and his wife, Dr. Phuong-Oanh Tran, for alleged Medicaid fraud. CareOne is a dental services provider with four offices in Washington, including two located in Vancouver.

The lawsuit, filed in Clark County Superior Court, alleges the defendants systematically billed Medicaid for non-covered services which they misrepresented in their billings, “upcoded” services (more expensive versions of what they actually performed), and services they simply didn’t provide.

The Attorney General’s Office currently estimates at least 20 percent of the claims CareOne Dental presented to Medicaid from January 2011 to June of 2015 were fraudulent, which would amount to approximately $1 million in single damages.

ARIZONA
September 10, 2015

Attorney General Mark Brnovich Issues Consumer Alert: Unauthorized MVD Website

Arizona Attorney General Mark Brnovich is warning consumers to be cautious of misleading websites that falsely appear to be affiliated with the Arizona Department of Transportation’s Motor Vehicle Division (MVD) or the State of Arizona. Consumers who need to access online MVD services should do so at the government’s authorized website – www.servicearizona.com.

The Attorney General’s Office has received reports from consumers who meant to type “servicearizona.com” in their browser to access MVD’s online registration services but instead typed “serviceaz.com.” The “serviceaz.com” domain is not an authorized website of the Arizona Motor Vehicle Division – the website appears to be operated by private parties. Consumers may believe they are renewing their vehicle registration at the MVD, only to find out that they have accidentally purchased an unwanted item, such as a driver’s license manual.

CALIFORNIA
September 21, 2015

Attorney General Kamala D. Harris Applauds New Law to Increase Commercial Charitable Fundraiser Transparency and Accountability

Attorney General Kamala D. Harris released the following statement today in response to Governor Jerry Brown’s signing of Assembly Bill 556, legislation authored by Assemblymember Jacqui Irwin (D-Thousand Oaks) and sponsored by Attorney General Harris that will help increase consumer confidence in charitable giving.

AB 556 closes loopholes in disclosure laws for paid commercial fundraising campaigns by modifying the definition of “commercial fundraiser” to include fundraising counsel that use deceptive tricks to evade registration and fundraising transparency requirements. Fundraising campaigns involving these for-profit companies will now have to disclose whether a portion of donor contributions will be directed to the paid fundraiser. The bill also expands the existing 10-year statute of limitations for charitable enforcement cases to include for-profit fundraising firms and other third parties who engage in misconduct, extending the window of time to investigate and prosecute violations of charitable law by for-profit fundraisers.


September 17, 2015

Attorney General Kamala D. Harris Issues Consumer Alert Regarding Reports of Price Gouging During Wildfires

California Attorney General Kamala D. Harris today issued a consumer alert on reports of price gouging by businesses, namely hotels, during the devastating wildfires that have swept our state. The Attorney General also issued a warning that the California Department of Justice is prepared to investigate and prosecute those that attempt to wrongfully profit from the destructive fires that are driving Californians out of their homes.

California’s anti-price gouging statute, Penal Code Section 396, becomes effective immediately after the Governor or a local official declares a state of emergency. Governor Jerry Brown declared a state of emergency in Calaveras
and Amador counties on September 11, 2015, and in Lake and Napa counties on September 13, 2015.


CONNECTICUT
September 24, 2015

Attorney General Jepsen Questions Pharmaceutical Company on Dramatic Price Increase for Lifesaving Opioid Emergency Drug

In a letter sent this week to the head of Amphastar Pharmaceuticals, Inc. – a California-based drug manufacturer – Attorney General George Jepsen is seeking to understand why the price of Naloxone, also known as Narcan, has dramatically and unexpectedly increased and wants to explore options with the company to address concerns that the higher cost is creating a burden for state and municipal first responders who rely on the drug in emergency situations involving heroin overdoses.

Naloxone is a medication used to counter the effects of an opioid overdose. The price increase has come just as Connecticut has enacted and begun to implement new laws increasing the drug's availability to law enforcement, first responders and others in response to a nationwide epidemic of opioid abuse, including increased rates of heroin overdoses and prescription opioid drug abuse.

GEORGIA
September 30, 2015

Attorney General Sam Olens Announces Start of Georgia Military Consumer Protection Initiative

Yesterday, Attorney General Sam Olens, Director John Sours of the Consumer Protection Unit, Holly Petraeus, Director of Servicemember Affairs for the Consumer Financial Protection Bureau, and Georgia Watch announced the start of the Georgia Military Consumer Protection Initiative. At a press conference held at the Sloppy Floyd Veteran Memorial Building, speakers outlined the importance of empowering service men and women in Georgia to avoid predatory practices in the Georgia marketplace.


HAWAII
September 25, 2015

Attorney General Douglas S. Chin Launches Professional Fundraiser Registration and Financial Reporting System For Charity Solicitors And Fundraisers

Attorney General Douglas S. Chin announced that the Department of the Attorney General has launched the Professional Fundraiser Registration System for paid professional solicitors and professional fundraising counsels (“Fundraisers”) that contract with charities. The online system allows these Fundraisers to register with the Department of the Attorney General and to annually renew their registrations. The Attorney General’s Tax and Charities division partnered with Hawaii Information Consortium to develop the system.

**INDIANA**  
September 16, 2015  

**Attorney General Greg Zoeller Is Encouraging Hoosiers To Explore Call-Blocking Options To Reduce Unwanted Calls**

Indiana Attorney General Greg Zoeller is encouraging Hoosiers who are still receiving unwanted, intrusive phone calls to explore available call-blocking options using a new call-blocking reference sheet offered by the Attorney General’s Office.

Though the state’s Do Not Call list is effective in preventing legitimate telemarketers from contacting people, Zoeller said, it does not stop illegal telemarketers and robocallers who disregard state and federal laws. Unwanted calls remain the top complaint received by the Indiana Attorney General’s Office, with 7,500 complaints filed in 2015.


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**LOUISIANA**  
September 30, 2015


Cash is tight, and the holidays will be here before you know it. Maybe the work-at-home opportunity you've heard about sounds like a winner, but Attorney General James D. “Buddy” Caldwell warns consumers to proceed with extreme caution before pursuing any work-at-home job or business offer.

[http://ladoj.ag.state.la.us/Article.aspx?articleID=1113&catID=2](http://ladoj.ag.state.la.us/Article.aspx?articleID=1113&catID=2)

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September 24, 2015  

**Attorney General James D. “Buddy” Caldwell Issues Consumer Alert: Don't Fall for Credit Repair Scams**

Consumers looking to get their credit back on track should steer clear of companies pitching the sale of Credit Profile Numbers, or CPNs, warns Attorney General James D. “Buddy” Caldwell. A CPN is a nine-digit number,
that appears to look like a Social Security number, illegally sold to consumers with the promise of erasing bad credit.

Attorney General Caldwell said credit repair scammers often tell consumers to apply for credit using the CPN, rather than their own Social Security number, and that the new number is totally legal, when in fact it’s a scam that could land consumers in prison.

https://www.ag.state.la.us/Article.aspx?articleID=1109&catID=2

September 16, 2015

Attorney General James D. “Buddy” Caldwell Issues Consumer Alert: Don’t Open That Suspicious Email Attachment

Attorney General James D. “Buddy” Caldwell is warning consumers to beware of phishing scams that direct you to open attachments. Phishing occurs when Internet scammers mimic a business in order to trick you into giving your personal information.

Caldwell said scammers send legitimate-looking, fake emails designed to trick recipients into installing malware or entering bank and credit card account numbers. Malware is short for “malicious software.” It includes viruses and spyware that get installed on consumers’ computers, phones, or mobile devices without their consent. These programs can cause devices to crash and can be used to monitor and control a person’s online activity. Criminals use malware to steal personal information, send spam, and commit fraud.

September 9, 2015

Attorney General James D. “Buddy” Caldwell Encourages Retailers to Play Fair When ‘Going Out of Business'

For some retailers, going-out-of-business advertisements are a great way to stir excitement and get the word out for a successful liquidation event. Before retailers send out notices about their big sale, Attorney General James D. “Buddy” Caldwell reminds business owners about fair business practices and Louisiana’s going-out-of-business law.

https://www.ag.state.la.us/Article.aspx?articleID=1097&catID=2
MARYLAND
September 9, 2015

Attorney General Brian E. Frosh Backs Consumer Rights To Challenge Flawed Data

Maryland joins Supreme Court argument in support of Virginia man suing data broker for errors

Attorney General Brian E. Frosh today joined a U.S. Supreme Court brief arguing that consumers suffer when data-mining companies collect and disseminate inaccurate personal information that is used to make decisions about credit, housing, insurance or employment.

Attorney General Frosh is supporting the case of Thomas Robins of Virginia, who is pursuing a lawsuit against the data-collecting search engine Spokeo, Inc. Mr. Robins claims that errors in his profile could be used against him by employers, banks and other companies that use Internet searches to do business.

http://www.oag.state.md.us/Press/2015/090915.html

MASSACHUSETTS
September 01, 2015

Attorney General Maura Healey and U.S. Senator Warren Seek Cancellation of Loans for Students Victimized by For-Profit School

AG’s Office Urges U.S. Department of Education to Discharge Federal Loans from For-Profit Schools that Broke State Law; Former Corinthian Students Offered Free Loan Assistance

Joined by former Corinthian students seeking relief from mounting debt burdens, Attorney General Maura Healey and U.S. Senator Elizabeth Warren tonight called on the U.S. Department of Education to help students in Massachusetts get rid of the unsustainable loan payments students incurred by attending the now-defunct for-profit school.

AG Healey and Senator Warren hosted an event at Boston University's Questrom School of Business to help students receive individualized assistance in enrolling in more affordable repayment plans and applying for cancellation of their federal school loans. The dozens of students taking part
in the event had attended the Everest Institute’s Brighton campus – a Corinthian Colleges, Inc. school. The AG’s Office alleges that the school misrepresented its medical programs and job placement rates and falsely promised students high-paying jobs that resulted in substantial debt, and at times, loan defaults.


MISSISSIPPI
September 26, 2015

Attorney General Jim Hood Reminds Consumers to Remain Vigilant Against Phishing Attacks

In an old scam that has resurfaced, Attorney General Jim Hood warns consumers not to respond to emails asking for personal information. Employees of the Attorney General’s Office have received emails claiming to be from PayPal. These emails say that the employee “recently had a transaction declined,” and requested that the employee update account information by following a link.

The email has many telltale signs that it is fraudulent. First, it creates a false sense of urgency by indicating a transaction has been declined. Second, it contains grammatical errors, which indicate that the email was crafted by a foreign scam artist. Third, it contains a link to a separate website, which in turn will ask for personal information. These types of scams are commonly referred to as “phishing.”

http://www.ago.state.ms.us/releases/attorney-general-jim-hood-reminds-consumers-to-remain-vigilant-against-phishing-attacks/
NEW JERSEY
September 23, 2015

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Continues Unannounced Inspections of Commercial Autobuses (“Jitneys”) for Compliance with “Angelie’s Law”

In August, New Jersey Division of Consumer Affairs investigators, working with the New Jersey State Police, the North Bergen Police Department, and the Hudson County Office of Consumer Affairs conducted unannounced inspections of commercial autobuses to check for public notices required under “Angelie’s Law.”

The agencies inspected 22 commercial autobuses along Bergenline Avenue near James J. Braddock/Hudson County Park. Fifteen of the vehicles were in compliance with Angelie’s Law. The owners of the seven non-compliant vehicles were issued Notices of Violation that carry civil fines.

http://nj.gov/oag/newsreleases15/pr20150923a.html
NEW YORK
September 4, 2015

A.G. Schneiderman Releases Labor Day Report Detailing Far-Reaching Achievements In Fight To Protect Workers Over Past Year

AG Schneiderman’s Leadership On Efforts To Raise Wages, Regulate Payroll Cards, And Rein In On-Call Scheduling Result In Major Progress For Workers

Since 2011, AG’s Investigations Into Cheating Employers Have Generated Over $21 Million In Restitution And Damages For More Than 17,000 Workers

On behalf of New York State’s workforce and in recognition of Labor Day, Attorney General Eric T. Schneiderman today issued a Labor Day report detailing the sweeping enforcement actions of his Labor Bureau, and the key policy initiatives his office has championed—and advanced—on behalf of working families this past year. The Labor Day report, Fighting for New York’s Workers, highlights recent successful efforts by the Attorney General’s office to raise the minimum wage, improve regulation of payroll cards, and end the widespread use of on-call scheduling by retailers. The report also details AG Schneiderman’s crack-down on wage theft across a diverse set of industries, including fast food. Since Attorney General Schneiderman took office in January 2011, his Labor Bureau has successfully brought cases against employers that cheated their workers out of wages and otherwise violated state labor laws, generating more than $21 million in restitution and damages for more than 17,000 workers.

OHIO

September 18, 2015

Attorney General Mike DeWine Report Surge in Tax-Related Phone Scams

Ohio Attorney General Mike DeWine today warned that his office has received more than 600 reports of tax-related scams since Sept. 1. The scams generally begin with a phone call telling consumers they are in trouble with the IRS and must call an out-of-state number for more information. Eventually consumers are asked for money.

In one recent variation of the scam, a consumer receives a call from a “Steve Martin,” who claims to work for the U.S. Treasury Department. He says the consumer is facing federal charges and must call a specific phone number, often one with a 757 or 540 area code (Virginia). In another variation, a recorded message warns the consumer that this is the “final notice from the IRS” before a lawsuit will be filed.


September 11, 2015

Attorney General Mike DeWine Warns Phone Scams Continue to Target Grandparents

Ohio Attorney General Mike DeWine today warned families to beware phone scams targeting grandparents as National Grandparents Day (Sunday, Sept.13) approaches.

The “grandparent scam” occurs when a con artist calls a grandparent and claims to be a grandchild who is away from home and in need of immediate financial help. Grandparents are asked to send thousands of dollars to help the grandchild return home safely.

http://www.ohioattorneygeneral.gov/Media/News-Releases/September-2015/Phone-Scams-Continue-to-Target-Grandparents
PENNSYLVANIA
September 30, 2015

Attorney General Kathleen G. Kane Announces Bureau of Consumer Protection Surpasses 100 Legal Actions In 2015

Under the leadership of Attorney General Kathleen G. Kane, the Office of Attorney General’s Bureau of Consumer Protection this year has filed 105 legal actions, meaning the Bureau has more than tripled the number of legal filings it made just two years ago.

Upon assuming office in 2013, Attorney General Kane made consumer protection a top priority and took steps to restructure, refocus and reinvigorate the office’s Bureau of Consumer Protection. Among its many duties, the Bureau is tasked with investigating and prosecuting businesses and individuals engaged in deceptive, misleading and illegal business practices.

https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2126

September 24, 2015

Attorney General Kathleen G. Kane Issues Scam Alert: Calls from United States Citizenship and Immigration Services


USCIS is the federal department that oversees lawful immigration to the United States.

In this latest telephone scam, a person pretends to be a representative from USCIS and tells an immigrant that there is a problem with their information or paperwork. The scammer asks the victim to verify personal information and then requests a money order or other form of payment to be sent in order to correct the information. Victims who send a money order not only lose their money, but are also at risk of identity theft.
RHODE ISLAND
Attorney General Peter F. Kilmartin Warns Persistent "IRS Scam" Continues to Target Rhode Islanders

Reports estimate that nationwide, this scam has cost taxpayers $20 million in losses; Consumers targeted report that scam artists are using "spoofed" phone numbers to appear to be from legitimate organizations

Attorney General Peter F. Kilmartin is warning consumers of a resurgence in reports of the persistent, aggressive "IRS scam." The Treasury Inspector General for Tax Administration reports that it has received approximately 600,000 complaints about this scam since October 2013, and is also aware of nearly 4,000 victims who have collectively reported over $20 million in financial losses as a result of tax scams.

According to consumers targeted in this latest version of the scam, callers are using "spoofed" phone numbers to appear on caller ID to be from legitimate organizations, including the local office of the FBI.

http://www.ri.gov/press/view/25740

SOUTH DAKOTA
September 18, 2015

Attorney General Marty Jackley Warns of Hailstorm Scams

Attorney General Marty Jackley is asking South Dakota consumers to proceed with caution when making home and auto repairs as a result of the recent hail storms that have plagued the state. Based on several inquiries, the Attorney General’s Consumer Protection Division is urging consumers to take the necessary steps to evaluate a business before agreeing to a repair job. Consumers who need repairs may be the target of unscrupulous business practices.


VIRGINIA
September 30, 2015
Attorney General Herring Highlights Price Gouging Protections Ahead Of Hurricane Joaquin

*Price gouging statute was activated upon declaration of state of emergency; covers items such as water, food, generators, and more*

As Virginia prepares for a potential hurricane event, Governor McAuliffe's declaration of a state of emergency has triggered Virginia's anti-price gouging statutes designed to protect consumers from paying exorbitant prices for necessities during an emergency. Enacted in 2004, Virginia's Anti-Price Gouging Act prohibits a supplier from charging "unconscionable prices" for "necessary goods and services" during the thirty day period following a declared state of emergency. Items and services covered by these protections include but are not limited to: water, ice, food, generators, batteries, home repair materials and services, and tree removal services. A price is considered "unconscionable" if the post-disaster price grossly exceeds the price charged for the same or similar item or services during the ten days prior to the state of emergency.

Attorney General Patrick Morrisey Warns Consumers To Beware Of Rental Property Scam

Attorney General Patrick Morrisey today warned consumers about a rental property scam that is recirculating throughout West Virginia.

In the scam, fake rental advertisements are posted on websites like Craigslist and other classified sites. When potential renters contact the supposed landlords, they are provided information about properties that might not exist, are not available or are owned by someone else. The landlords often ask for rent up front with a promise that keys or a lease will be mailed upon receipt of payment.

http://www.ago.wv.gov/pressroom/2015/Pages/Attorney-General-Patrick-Morrisey-Warns-Consumers-To-Beware-Of-Rental-Property-Scam.aspx

Attorney General Patrick Morrisey Warns IRS Scam Continues To Persist Across The State

West Virginia Attorney General Patrick Morrisey today again warned residents to be on guard against scammers posing as Internal Revenue Service representatives.

The Attorney General’s Consumer Protection Division continues to be contacted daily by residents who believe they’ve been contacted as part of this scam, which claims a person has an unpaid tax bill that must be paid off immediately. These IRS scam complaints have recently made up a significant percentage of the Office’s Consumer Protection Hotline daily call volume.