CONSUMER PROTECTION REPORT:
OCTOBER 1-31, 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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TABLE OF CONTENTS

CONSUMER PROTECTION CASES, SETTLEMENTS AND ADVOCACY STATEMENTS.................................................................................. 5

ALABAMA...................................................................................................................................................................................... 5
ARIZONA..................................................................................................................................................................................... 6
CALIFORNIA .............................................................................................................................................................................. 6
COLORADO ............................................................................................................................................................................... 7
FLORIDA ................................................................................................................................................................................... 7
IOWA ......................................................................................................................................................................................... 8
KANSAS .................................................................................................................................................................................. 10
MARYLAND ........................................................................................................................................................................... 10
MASSACHUSETTS .................................................................................................................................................................. 11
MINNESOTA ........................................................................................................................................................................ 14
MISSOURI ............................................................................................................................................................................... 15
NEVADA ................................................................................................................................................................................ 16
NEW HAMPSHIRE .................................................................................................................................................................. 18
NEW JERSEY ........................................................................................................................................................................ 19
NEW YORK ........................................................................................................................................................................... 21
NORTH CAROLINA ................................................................................................................................................................. 27
NORTH DAKOTA ..................................................................................................................................................................... 27
OHIO ....................................................................................................................................................................................... 28
OREGON ................................................................................................................................................................................ 30
PENNSYLVANIA ..................................................................................................................................................................... 30
SOUTH DAKOTA .................................................................................................................................................................. 31
VERMONT .................................................................................................................. 32

VIRGINIA .................................................................................................................. 32

WASHINGTON ......................................................................................................... 33

WEST VIRGINIA ....................................................................................................... 36

MULTISTATE CASES AND SETTLEMENTS .............................................................. 38

MEDICAID FRAUD CASES AND SETTLEMENTS ................................................. 41

ARKANSAS ................................................................................................................ 41

FLORIDA ...................................................................................................................... 42

LOUISIANA ................................................................................................................ 42

MARYLAND ............................................................................................................... 43

NEW YORK ............................................................................................................... 43

PENNSYLVANIA ....................................................................................................... 44

VERMONT .................................................................................................................. 44

CONSUMER ADVOCACY ......................................................................................... 47

ALABAMA ................................................................................................................... 47

ARIZONA .................................................................................................................... 47

CALIFORNIA ................................................................................................................ 48

CONNECTICUT .......................................................................................................... 51

DISTRICT OF COLUMBIA ......................................................................................... 52

FLORIDA ...................................................................................................................... 53

IDAHO ........................................................................................................................ 53

ILLINOIS ..................................................................................................................... 54

IOWA ........................................................................................................................... 55

KENTUCKY ................................................................................................................ 56
CONSUMER PROTECTION CASES, SETTLEMENTS AND ADVOCACY STATEMENTS

ALABAMA
October 2, 2015

Attorney General Luther Strange And Agriculture Commissioner Announce Settlement Of $987,000 To State Of Alabama, Refunds For Consumers

Attorney General Luther Strange and Agriculture and Industries Commissioner John McMillan today announced a major settlement that could refund more than half-a-million dollars to Alabama consumers and bring nearly $1 million to the State of Alabama. The agreement—with Guardian Pest Control Inc., doing business as Knox Pest Control; and J.J.S.K. Solutions Inc.—also requires reforms of the companies’ business practices.

A consent decree was filed in the Shelby County Circuit Court to resolve the State’s allegations that the companies sold termite protection agreements that violated the Alabama Deceptive Trade Practices Act and laws and regulations of the Alabama Department of Agriculture and Industries. The State alleges that the companies marketed and sold warranties that offered protection against structural pests, but failed to provide treatment or control measures to prevent those pests. As multiple current and former customers of the companies were prepared to testify, they had no idea that State laws and regulations deemed the protections in their existing contracts inadequate. Other allegations involved company advertisements the State believed to be misleading. In one example, the companies mailed an invoice to customers without termite coverage offering a termite bond “with no start up treatment cost” even though state regulations typically require substantial initial treatments when a termite bond is issued. In another mailer, the companies offered to “re-treat” properties that the companies had not previously treated.

http://www.ago.state.al.us/News-723
ARIZONA
October 5, 2015

Attorney General Mark Brnovich Announces Prison Sentence for Ponzi Scheme Defendant

A Phoenix man involved in a multi-million dollar Ponzi scheme will spend the next five years in prison announced Arizona Attorney General Mark Brnovich. On Friday, a judge sentenced Jeffrey Heady to five years in prison and seven years probation upon his release. Heady pled guilty to four counts of Fraudulent Schemes and Artifices, Class 2 felonies. An investigation by the Attorney General’s Office revealed the defendant stole more than $1,000,000 from 15 families.

In 2014, the Arizona Attorney General’s Office received complaints from investors regarding bridge loan investments that were sold to them by Heady through his company, Investment Acquisition Group. The investigation revealed that Heady, who was a former Phoenix Police Officer, was not registered to sell securities with the Arizona Corporation Commission. Investors were told orally and in writing that the defendant would use their money to purchase and resell commercial properties for profit. Once the investment properties were acquired and sold, the investors were told they would receive a return on their investment ranging from 11% to 19% per year.


CALIFORNIA
October 2, 2015

Attorney General Kamala D. Harris Announces Settlement with Houzz, Inc. Over Privacy Violations

Attorney General Kamala D. Harris today announced a settlement with Houzz Inc., an online platform for home remodeling and design, to resolve allegations that the company violated California privacy laws by recording incoming and outgoing telephone calls without notifying all parties on the call that they were being recorded.

From March 2013 to September 2013, Houzz’s Irvine office secretly recorded calls that were intended for training and quality-assurance purposes. Although most of the secretly recorded calls were with home
improvement and remodeling professionals, Houzz also recorded customer calls and employees’ personal calls. Houzz did not notify all parties or obtain consent, in violation of state laws against wiretapping and eavesdropping. The proposed settlement, filed in Santa Clara Superior Court today, resolves Attorney General Harris’s allegations.


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**COLORADO**

October 19, 2015

**Attorney General Cynthia H. Coffman Announces Largest Settlement Against Retailer of Dangerous Spice Products**

The Colorado Attorney General has reached the largest civil settlement in the U.S. against a store owner for selling spice. This settlement with Colorado retailer “O’s Pipes & Tobacco” is one of four spice-related cases that the Attorney General filed between September 2013 and May 2014. With this settlement, the Colorado Department of Law has successfully resolved all four cases.

Under the terms of the Consent Judgment, Mr. Orlando Martinez, the owner of “O’s Pipes & Tobacco” will pay a civil penalty of $160,000 as follows: (1) initial payment of $40,000; (2) a second payment of $40,000 within four months; and (3) monthly payments of approximately $2,222.23 for a period of three years.

http://www.coloradoattorneygeneral.gov/press/news/2015/10/19/colorado_attorney_general_cynthia_h_coffman_announces_largest_settlement_again

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**FLORIDA**

October 14, 2015

**Attorney General Pam Bondi Announces Promoter of an Alcoholism Cure Scam Found in Contempt of Court**

Attorney General Pam Bondi and the Federal Trade Commission today announced a federal court ruling against the promoter of an alcoholism cure scam. The U.S. District Court for the Middle District of Florida found Robert
Douglas Krotzer in contempt of court for violating a 2012 final order that required the defendant to turn over more than $730,000 to compensate victims of his alcoholism cure scam.

In its ruling against Krotzer, the owner of Alcoholism Cure Corporation, the Court found that Krotzer's claims that he is not able to comply with the payment requirements were not credible. The Court also found that Krotzer failed to disclose what happened to the company's ill-gotten gains and failed to comply with a range of other provisions in the order.

According to a complaint filed jointly by Attorney General Bondi and the FTC in 2010, the defendants lured consumers with deceptive claims on their websites, including claims that their program cures alcoholism while allowing alcoholics to drink socially and is scientifically proven to cure alcoholism. The ads also falsely claimed that the program was virtually free, the company had a team of doctors with expertise in addictive diseases and that members' personal information and health details would be kept private.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/EB0CE7B02F171C5185257EDE005414B0

IOWA
October 15, 2015

Attorney General Tom Miller Announces Financial Aid Resource Company Required to Stop Iowa Marketing, Make Refunds to Iowans, and Pay $25,000

A San Diego company that sends Iowa students official-looking mailings and charges for services that they can largely receive for free will cease marketing to Iowa residents, pay refunds to Iowans who request them, and pay the state $25,000, through an agreement with Attorney General Tom Miller.

The agreement, called an Assurance of Voluntary Compliance, with Global Financial Support Inc., doing business as Student Financial Resource Center (SFRC), and its owner, Armond Aria, follows an Iowa school teacher's complaint that an SFRC solicitation mailing “fooled” her into thinking that it was an official communication about student aid for college-bound students.
October 9, 2015

**Attorney General Tom Miller Announces Iowa Lead List Broker Agrees to Change its Practices Following Consumer Protection Division Sting**

*List seller offered to provide lists of older Iowans for “blatantly fraudulent mailing”*

An Iowa City-based sales lead list provider will better screen its clients and pay the state $2,500 in a settlement with Attorney General Tom Miller over concerns the company’s lead lists could have helped facilitate consumer fraud aimed at Iowans.

In a [settlement](https://www.iowaattorneygeneral.gov/newsroom/iowa-lead-list-broker-agrees-to-change-its-practices-following-consumer-protection-division-sting/) reached September 30 with the Iowa Attorney General’s Consumer Protection Division, called an Assurance of Voluntary Compliance, TMone LLC agreed to change its practices by reviewing its clients’ intended use of lead lists and refusing to provide them if the intended use appears to involve consumer fraud. TMone sells consumer lists, or “lead lists,” to direct mail marketers as a part of its business.

The Consumer Protection Division began looking at the role played by list brokers last year, after a 91-year-old eastern Iowa woman was discovered to have been the target of an onslaught of fraudulent mailings. The mailings, from a variety of different operations, included prize schemes and personalized appeals from supposed psychics. The woman’s family reported that she was going broke from responding to the mailings.

KANSAS  
October 23, 2015  

Attorney General Derek Schmidt Sues Topeka Lawn Service for Deceptive Practices  

Kansas Attorney General Derek Schmidt today announced that his office has filed a lawsuit against two individuals for violating Kansas consumer protection laws while engaging in door-to-door sales of home improvement services in Topeka.

The attorney general filed suit in Shawnee County District Court against Travis D. Kaiser, doing business as T’s Lawn Service, and Darrell Oliver, both of Topeka. The two are accused of soliciting at least four Topeka senior citizens for home improvement services, including lawn care, fence installation and repairs, carpet installation, tile installation and tree trimming. The attorney general alleges the defendants did not present the consumers with a contract or invoice detailing the agreed charges for the services and failed to provide the consumers with written and oral notice of their three-day right to cancel the transaction. The defendants also allegedly cashed checks received from consumers before waiting the required five business days.


MARYLAND  
October 7, 2015  

Attorney General Brian Frosh Secures Settlement with Providers of Loan Modification Services that Charged Illegal Advance Fees  

Consumers who did not get mortgage loan modifications will get refunds

Attorney General Brian E. Frosh today announced that the Consumer Protection Division entered into a settlement with the Towson-based Law Office of Daniel M. Radebaugh, LLC, and its owner, Daniel M. Radebaugh. The agreement resolves allegations that between 2010 and 2013, Radebaugh and his firm misrepresented their mortgage loan modification services to at least 400 consumers, charged them illegal advance fees of up to $2,495 apiece,
were not properly licensed and failed to pay promised refunds when loan modifications were not obtained.

The settlement restricts the method by which Radebaugh and his law office may conduct foreclosure defense and mortgage loan modification business and places limitations on their marketing and promotional activities, such as direct mail solicitations. The business must also not imply that services will be performed by an attorney if they are not.

http://www.oag.state.md.us/Press/2015/100715.html

MASSACHUSETTS

October 29, 2015

Attorney General Maura Healey Announces Unlicensed Lenders to Refund Millions to Consumers Over Illegal Online Lending Scheme

AG Healey and Division of Banks Reach Settlement with Western Sky and CashCall; Entities Barred from Doing Business in Massachusetts

Attorney General Maura Healey and the Division of Banks have reached a settlement agreement with small installment loan lenders, their affiliated companies, and owners, following allegations that these businesses made illegal, high-interest loans over the internet to thousands of consumers without proper license or registration to conduct business in Massachusetts.

The consent judgment file size 1MB, entered Monday in Suffolk Superior Court against Western Sky Financial, LLC, WS Funding, LLC, CashCall, Inc., Delbert Services Corporation, and their owners, Martin Webb and J. Paul Reddam, permanently enjoins them from doing any business in Massachusetts or collecting exorbitant interest on outstanding loan balances, and requires the lenders to refund all interest charges above the statutory rate and fees paid by consumers beyond their principal loan amount.

October 23, 2015

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

Operators of Cheever & Rhodes Mechanical Ordered to Pay Restitution

Operators of a now defunct commercial plumbing business in Georgetown have pled guilty to charges 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.

Roy Cheever, age 67, of Topsfield, and Keith Rhodes, age 54, of Swampscott pled guilty today in Essex Superior Court on charges of Larceny by Embezzlement over $250 (7 counts each) and Failure to Pay Prevailing Wages (7 counts each). Cheever also pleaded guilty to one count of Failure to Submit True and Accurate Certified Payroll Records. The plumbing business, Cheever & Rhodes Mechanical, LLC, was shut down in December 2013.


October 20, 2015

**Attorney General Maura Healey Announces Former Corporate Officer of Cape Code Disabled Veterans Organization Found Guilty of Larceny, Sentenced to Jail**

*Diverted More Than $100,000 in Funds from the Organization for Personal Use*

A former corporate officer of the Hyannis chapter of Disabled American Veterans, Inc. has been found guilty on larceny charges in connection with stealing more than $100,000 from the charitable organization, Attorney General Maura Healey announced today. He was sentenced to two years in jail with 18 months to serve.

After a four day trial, Richard Trott, Sr. age 65, of East Sandwich, was found guilty by a Barnstable Superior Court jury on Monday on charges of Larceny over $250 (4 counts). After the verdict, Judge Robert Rufo sentenced Trott to
two years in the House of Correction with 18 months to serve and the balance suspended for a probationary period of 10 years upon his release. A restitution hearing will be held on Nov. 19.


October 20, 2015

**Attorney General Maura Healey, DOER Secure $5 Million in Benefits for Berkshire Gas Customers**

Customers to Receive Approximately $100 in Direct Bill Credits Over Two Winter Heating Seasons; Company Prohibited From Increasing Rates before June, 2018

Attorney General Maura Healey and the Department of Energy Resources (DOER) have negotiated an agreement with UIL Holdings Corporation (UIL), the parent company of The Berkshire Gas Company (Berkshire), and Iberdrola, S.A., an international energy company based in Spain, that will provide customer credits totaling $4 million.

Under the agreement, each of Berkshire’s 39,000 customers will receive approximately $100 in bill credits over two winter heating seasons, beginning in 2016. The agreement also prohibits Berkshire from raising distribution rates for at least two and a half years (until June 2018).

The agreement relates to UIL’s and Iberdrola’s request for state regulatory approval of their planned merger. The agreement ensures that the merger serves the public interest by requiring that economic benefits from the merger are shared with Berkshire’s customers. Under the agreement, both residents and business customers will receive rate credits of approximately $8 on their monthly bills during the 2016-17 and 2017-18 winter seasons (November through April).

October 19, 2015

**Attorney General Maura Healey Announces Online Broker to Pay More Than $160,000 for Misleading Massachusetts Investors in Mutual Fund Promotion**

*TD Ameritrade Failed to Supervise Representatives in Sale of Reserve Yield Plus Fund*

An online broker of financial products has agreed to pay more than $160,000 after its representatives misled Massachusetts investors, Attorney General Maura Healey announced today.

In an assurance of discontinuance, filed in Suffolk Superior Court, AG Healey alleged that representatives of Omaha-based TD Ameritrade, Inc. (TDA) deceived investors by wrongfully claiming that its Reserve Yield Plus Fund was a money market mutual fund. Representatives described the investment as “safe as cash” and as an investment with guaranteed liquidity. However, in reality, the fund possessed neither of those characteristics, and when it lost value during the financial crisis, its investors lost liquidity and value in their investments.


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October 14, 2015

**Attorney General Swanson Issues Compliance Report on Nation’s Largest Car Donation Charity, Based in Minnesota**

*From 2011-2014, nearly $36 million was paid to for-profit vendors owned by the charity’s two founders and co-managers*

Minnesota Attorney General Lori Swanson today issued a Compliance Report questioning the payments and solicitation tactics of the nation’s largest car donation charity—Car Donation Foundation—which solicits charitable vehicle donations nationwide under promotional agreements with local chapters of Make-A-Wish Foundation. From 2011 to 2014, the Car Donation Foundation paid almost $36 million to two for-profit corporations owned by the executives...
who founded and manage the charity. Approximately 80 percent of the revenue that Car Donation Foundation received from charitable vehicle donations was spent on these payments and other fundraising and administrative costs during these years, with only about 20 percent going to charity.


**MISSOURI**  
October 29, 2015

**Attorney General Chris Koster Files Federal Lawsuit Against Professional Fundraisers Over No-Call And Other Violations**

telemarketers claimed to raise money for firefighters, breast cancer survivors and veterans

Attorney General Chris Koster today announced his office has filed a federal lawsuit against Illinois-based Automated Professional Marketing, LLC; Safety Publications, Inc.; and co-owners Adam Herdman and Arthur Olivera, for violations of federal and state telemarketing and No-Call laws, as well as state merchandising practice laws.

The lawsuit, filed in the U.S. District Court, Eastern District of Missouri, describes calls made to Missouri residents on the No-Call list to solicit charitable donations for Firefighters and Paramedics, Inc., Breast Cancer Survivors Foundation, and VietNow National Headquarters. Despite telling consumers that the donations would go directly to the charity, the telemarketing company retained 80-86% of the donations.


October 19, 2015

**Attorney General Koster Files Lawsuit Against Charter Communications, Inc. Over No-Call Violations**

Attorney General Koster today announced his office has filed a lawsuit in federal court against Charter Communications for violating federal and state
telemarketing and No-Call laws. Unwanted telemarketing calls and harassing treatment by telemarketers annually rank highest on the list of complaints received by the Attorney General’s Office.

The Attorney General’s Office received 350 No-Call complaints about harassing practices by Charter’s telemarketers. Many consumers complained about daily calls from Charter, and some consumers received up to three calls a day. The calls were an attempt to sell Charter’s cable, internet and phone services.

https://www.ago.mo.gov/home/ag-files-lawsuit-against-charter-communications-inc.-over-no-call-violations

October 19, 2015

**Attorney General Chris Koster Announces Landmark Settlement For violations Of Missouri's No-Call Law**

*Farmers Insurance to pay the state of Missouri $575,000*

Attorney General Chris Koster today announced he has settled a lawsuit filed against California-based Farmers Insurance Exchange, Truck Insurance Exchange and Fire Insurance Exchange (“Farmers”) for violating state telemarketing and No-Call laws. Under the agreement, Farmers will pay $575,000 to the state of Missouri. This is the largest amount ever paid by a telemarketer for Missouri No-Call and telemarketing violations.


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**NEVADA**

October 29, 2015

**Attorney General Laxalt Announces Three Guilty Pleas in Complex Mortgage Lending Fraud Scam**

Nevada Attorney General Adam Paul Laxalt announced that Lynda Finch-Estrada, 56, of Las Vegas, William Chrissikopoulos, 44, of Henderson and Alan Dornhuber, 65, of Las Vegas, entered guilty pleas for their involvement
NEVADA CONT’D

in a complex mortgage fraud scam. Finch-Estrada and Chrissikopoulos each pleaded guilty to multiple transactions of fraud and deceit in the course of an enterprise or occupation, a category “B” felony, while Dornhuber pleaded guilty to theft by material misrepresentation, a category “C” felony. The crimes were committed between spring 2011 and spring 2013.

The defendants formed an elaborate mortgage assistance scheme, costing each of their victims between $6,000 and $13,000 by operating the fraudulent businesses of U.S. Foreclosure Prevention, Home Defense Fund, Home Defense Foundation, Home Defense Group, American Mortgage Rescue and American Home Rescue.


October 23, 2015

Attorney General Laxalt Announces Guilty Plea of Las Vegas man for Real Estate Scheme

Nevada Attorney General Adam Paul Laxalt announced that Rodney Taylor, 51, of Las Vegas, pleaded guilty to two counts of false representation concerning title, a category “C” felony. Taylor participated in a scheme to claim liens on real estate in Las Vegas by filing false documents. The fraudulent acts were committed between March and September 2012.

In addition to claiming non-existent liens on property, Taylor was also accused of filing false claims of ownership for real estate with the county recorder’s office. After filing these claims, Taylor applied for and received public funds from the Southern Nevada Housing Authority in exchange for renting to Section 8 tenants. The state is seeking restitution of over $45,000 for victimized individuals and state agencies.

http://ag.nv.gov/News/PR/2015/Attorney_General_Laxalt_Announces_Guilty_Plea_of_Las_Vegas_man_for_Real_Estate_Scheme/
NEVADA CONT’D

October 8, 2015

Attorney General Laxalt Announces Sentencing of Las Vegas Woman for Immigration Assistance Scam

Nevada Attorney General Adam Paul Laxalt announced that Norma Olga Benavidez, 60, of Las Vegas, was sentenced for theft, a category “B” felony. Benavidez orchestrated an immigration scam, stealing tens of thousands of dollars from multiple victims between March 2012 and March 2014.

As part of the immigration scam, Benavidez victimized those seeking legal status in the United States by falsely claiming to be a federal government employee who worked closely with a fictitious person she identified as the “Chief of Immigration.” She falsely promised victims that she could assist them with paperwork related to their lawful status in the United States in exchange for significant fees, totaling more than $50,000. In reality, Benavidez could not and did not perform the promised services.

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

NEW HAMPSHIRE

October 5, 2015

Attorney General Joseph A. Foster Announces Approval of Settlement with RadioShack over Unredeemed Gift Cards.

Consumers Could Receive Full Refunds.

Attorney General Joseph A. Foster announced today that the Delaware Bankruptcy Court approved a plan of reorganization that incorporates a settlement with the former electronics retailer that will allow consumers to obtain a refund for the full value of unredeemed gift cards purchased from RadioShack or other merchants who sold RadioShack Gift Cards. The settlement applies to consumers nationwide and does not impose a minimum dollar threshold for consumer claims. This settlement was supported by 23 other states.


A State Superior Court Judge has issued a judgment that orders the perpetrators of a Ponzi scheme to pay $8.6 million in full restitution for the benefit of defrauded elderly investors and $5.49 million in civil penalties.

Superior Court Judge Thomas M. Moore in Newark rendered a decision in favor of the Bureau of Securities granting its Motion for Summary Judgment and Final Judgment by Default against Michael William Kwasnik, Esq., a suspended New Jersey and Pennsylvania attorney now residing in Aventura, Florida; Joseph Michael Schifano of Brick, New Jersey, a former registered agent of a broker-dealer; and Daniel Francis McCorry, formerly from Ventnor, New Jersey now residing in Florida, also a former registered agent of a broker-dealer.

http://nj.gov/oag/newsreleases15/pr20151022b.html

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Suspends Registration, Imposes Fine on Essex County Healthcare Service Firm that Placed Uncertified Employees with Clients, Falsified Documents

The New Jersey Division of Consumer Affairs has suspended the registration of Precious Hands, LLC, a West Orange healthcare service firm that sent uncertified employees into the homes of patients who needed the services of Certified Homemaker-Home Health Aides (CHHA), and falsified documents it provided to the state, among other violations. The Final Order of Discipline, which takes effect October 15, 2015, follows an Administrative Hearing.

http://nj.gov/oag/newsreleases15/pr20151019a.html
October 15, 2015

**Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Reaches Settlements Totaling $300,000 with Four Businesses that Provided Unnecessary Services to Locate “Surplus Funds” from Property Foreclosure Sales**

Three companies and one individual that advertised, offered for sale and sold services to locate “surplus funds” or other property owed to consumers have entered into settlements with the New Jersey Division of Consumer Affairs.

According to the terms of the settlements, the Division of Consumer Affairs identified violations of the Consumer Fraud Act and/or the Advertising Regulations arising from the advertisement, offering for sale and/or sale of services to locate, deliver, recover or assist in the recovery of property by the following:

U.S. Financial Funding LLC and Jeffrey Richman, of Charlotte, North Carolina;

Capital Recovery III, LLC, Capital Recovery Inc. II, Charles Demes and Alan Dumond of Chicago, Illinois;

Jose A. Danoys d/b/a “JD Assets Recovery” of Old Bridge, New Jersey; and Hunterdon Legal Service LLC, d/b/a “Superior Court Services,” and Steven C. Searfoss, d/b/a “Steven C. Thomas,” of Flemington, New Jersey.

Under the terms of the settlements, these businesses were collectively assessed $309,673.33 in civil penalties, disgorgement to consumers, and reimbursement of attorneys’ fees and costs.

http://nj.gov/oag/newsreleases15/pr20151015b.html
NEW JERSEY CONT’D

October 1, 2015

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Issued Notices of Violation Against Four “Notarios Publicos” for Illegally Offering Immigration Assistance Services

The New Jersey Division of Consumer Affairs has issued Notices of Violation against four Passaic County businesses that allegedly defrauded consumers by offering immigration assistance services that they are not legally permitted to provide. The businesses cited are known as “Notarios Publicos” and such companies often use cultural confusion to exploit Spanish-speaking consumers in connection with the services they offer. In certain Latin American countries, Notarios Publicos may act as attorneys, prepare legal documents on behalf of clients, and provide legal advice. In the United States, public notaries cannot legally offer or perform these services.

http://nj.gov/oag/newsreleases15/pr20151001b.html

NEW YORK

October 30, 2015

A.G. Schneiderman Announces Agreement With Binghamton Business Over Delivery Of Accessibility & Mobility Equipment

Business Accused Of Collecting Up-Front Deposits, Failing To Provide Equipment In A Timely Manner, Agreement Will Improve Consumer Protections

Attorney General Eric T. Schneiderman today announced that his office reached an agreement with a Binghamton business to reform its practices in delivering accessibility equipment to consumers. Following the receipt of several consumer complaints, the Attorney General’s office looked into whether Access Unlimited and Craftsmen Mobility, owned and operated by Thomas Egan, had collected deposits for the purchase and installation of lift equipment while failing to deliver these products in a timely manner. As part of the agreement announced today, the business must improve disclosures to consumers, allow consumers to cancel certain orders for a full refund, and pay $10,000 in costs and penalties.

October 29, 2015

A.G. Schneiderman And DOI Commissioner Peters Announce The Conviction And Sentencing Of NYC Housing Authority Subcontractor For Underpayment Of Wages To Workers

Subcontractor On Affordable Housing Project Underpaid Workers $30,000 in Wage Kick-Back Scheme

As part of an ongoing widespread investigation into wage theft at public works projects in New York City, Attorney General Eric T. Schneiderman and New York City Department of Investigation Commissioner Mark G. Peters today announced the conviction and sentencing of Jagdish Singh and Navico B & S Construction Corp. (Navico) for underpaying wages and benefits to 5 workers at a publicly-funded New York City Housing Authority (NYCHA) construction project in Queens by requiring wage kickbacks from employees. Singh, 57, was sentenced on his plea of Failure to Pay Wages to a 1 year conditional discharge, 100 hours of community service and a $500 fine. Navico was sentenced on its plea of Falsifying Business Records in the First Degree to pay $31,106.61 in back wages to the 5 former employees.


October 29, 2015

A.G. Schneiderman Announces $700k Settlement with Operator of Clothing Donation Bin Charity Scam

For-profit Thrift Land USA Of Yonkers, Inc. Misled The Public Into Believing That Donated Clothing Would Benefit a Charity, Instead Sold The Clothing At A Huge Profit

Settlements Also Reached With Charities Whose Names and Logos Appeared On Thrift Land Bins

Attorney General Eric T. Schneiderman today announced that his office has reached a settlement with Thrift Land USA of Yonkers, Inc. (“Thrift Land”), a for-profit company which operates more than 1,100 clothing donation bins placed in shopping center parking lots, gas stations and other locations
NEW YORK CONT’D

throughout the New York metropolitan area. The settlement resolves allegations that Thrift Land used a charitable veneer to trick and mislead the public into believing that the clothing it collected would benefit the charity whose name and logo appeared on its bins. However, Thrift Land sold the clothing at a huge profit and the charities named on the bins – Big Brothers Big Sisters of Rockland County and I Love Our Youth, Inc. – received only a small, monthly fee for the use of their name and logo. The Attorney General also reached settlements with Big Brothers Big Sisters of Rockland County and I Love Our Youth, Inc. for entering into agreements with Thrift Land that enabled the company to use their name and logo to deceive the public.


October 28, 2015

A.G. Schneiderman Announces Conviction And Sentencing Of Long Island Landscaping Business And Its Owner For Failing To Pay Employees’ Wages

Landscaping Company Failed To Pay Overtime And Did Not Report Workers’ Wages To The State Unemployment Insurance System; Owner Will Pay

Attorney General Eric T. Schneiderman today announced the conviction and sentencing of Richard Orvieto and his company Double “O” Landscaping Inc for failing to pay full wages to employees and defrauding the state unemployment insurance system. Orvieto and the company had previously pleaded guilty to failing to pay his employees overtime, refusing to pay them owed wages after firing them, and defrauding the state unemployment insurance system by paying workers in cash and not reporting their wages on required quarterly tax filings. Orvieto was sentenced to pay restitution of $13,032 to three former employees and $19,856.64 to the New York State Department of Labor.

NEW YORK CONT’D

October 16, 2015

A.G. Schneiderman Announces Agreements With NYC & Long Island Urgent Care Centers To Improve Disclosure Of Accepted Insurance Plans

First Enforcement Action Of New York’s Recent ‘Surprise Bill Law’ Will Protect Consumers, Reduce Costs For Patients

Attorney General Eric T. Schneiderman today announced agreements with four urgent care centers to provide clear, detailed information to consumers about the centers’ participation with health plans. This move, the first enforcement action of New York’s recently adopted ‘Surprise Bill Law,’ will protect consumers from unexpected medical billings and help patients make informed choices when selecting a provider.

In July 2015, the Attorney General issued letters to 20 urgent care centers requesting information about the centers’ representations on websites that they participate in a certain health plan networks. The Attorney General was concerned that these centers’ website disclosures might have inaccurately disclosed their health plan network participation status. As a result, consumers could receive unexpected bills from urgent care centers, when they believed that they would be responsible solely for their in-network co-payment or co-insurance obligation.


October 15, 2015

A.G. Schneiderman Announces $1.75 Million Settlement With NYC Developer Over Improper Condo Conversion Tactics

Developer Disregarded Rights of Renters During Upper East Side Building Conversion; Settlements Ensures Market-Rate Tenants Get Renewal Leases And Legal Protections, Including Additional Protections For Senior And Disabled Tenants Developer To Pay $1.5 Million To New York City Affordable Housing Fund; Brings Total Funds From AG Settlements To More Than $7 Million

Attorney General Eric T. Schneiderman today announced that he has reached a settlement with 165 E Residences, LLC – the developer of a condominium
NEW YORK CONT’D

conversion at 165 East 66th Street on Manhattan’s Upper East Side – for improperly terminating leases for market-rate tenants. An investigation by the Attorney General’s Real Estate Finance Bureau found that the developer terminated 82 leases during the conversion and only allowed tenants to stay for an additional six months if they waived standard legal protections. The settlement, which offers new leases to the 82 residents and legal protections for the tenants, brings to a close the investigation.


October 15, 2015

A.G. Schneiderman and U.S. Department of Labor Announce Four Papa John’s Franchisees to Pay Back Workers for Wage Theft

Papa John’s Franchisees, Who Together Owned Total of Nine Restaurants, Must Pay Nearly $500,000 In Back Wages and Damages To Over 250 Workers

Attorney General Eric T. Schneiderman and the U.S. Department of Labor today announced four settlements totaling nearly $500,000 with three current Papa John’s Pizza franchisees and one former franchisee, who together owned a total of nine restaurants in Queens, The Bronx, and Brooklyn. The franchisees investigated by the Attorney General and the U.S. Department of Labor’s Wage and Hour Division admitted to a number of labor violations, including minimum wage, overtime and other basic labor law protections. The employees underpaid by franchises announced in today’s settlements worked in several neighborhoods across Queens, as well as in neighborhoods in Brooklyn and The Bronx.

NEW YORK CONT'D

October 14, 2015

**A.G. Schneiderman Announces Order To Dissolve Animal Hospice That Misused $3.1m In Donations**

*Angel’s Gate President and CEO Susan Marino Used Donations for Living Expenses, Failed to File Required Financial Reports*

Attorney General Eric T. Schneiderman today announced that his office has obtained an order dissolving a Delaware County animal hospice and rehabilitation charity and, further, directing that the charity’s real property be sold with the proceeds to be paid to another charity whose mission is the protection and care of animals. Acting Supreme Court Justice John F. Lambert ordered the appointment of a receiver to sell real property held in the names of Angel’s Gate, Inc. and its President and CEO, Susan Marino located in the Town of Meredith.


October 8, 2015

**A.G. Schneiderman Announces Restitution Funds Available For Consumers Deceived By Pimsleurapproach.Com**

*As Part Of Previous Settlement With Attorney General, Internet Order LLC Will Reform Its ‘Negative Option’ Marketing Practices*

*Company Has Agreed To Pay $1 Million In Restitution To Victims Through A Claims Process*

Attorney General Eric T. Schneiderman is reminding consumers to file complaints with his office to potentially receive restitution if they believe they were harmed by the online marketing company, Internet Order LLC, which operated the website PimsleurApproach.com and sold language audio courses over the Internet.

NORTH CAROLINA
October 26, 2015

Attorney General Roy Cooper Announces Failed International Shippers Permanently Banned From Operating In NC

_Medrano Express ordered by court to pay consumer refunds, civil penalties_

An international shipping company that failed to deliver packages is now permanently banned from operating in North Carolina and owes nearly $800,000 in refunds and penalties, Attorney General Roy Cooper said today.

Under a default judgment signed today by Wake County Superior Court Judge Donald Stephens, Medrano Express, Diamond Shipping, Inc., and individual defendant Jorge Medrano are permanently banned from the shipping business in North Carolina. The defendants cannot collect payment from North Carolina consumers for packages or shipping and cannot take advance payments for any type of business in the state.


NORTH DAKOTA
October 30, 2015

Attorney General Wayne Stenehjem Announces Massachusetts Man Ordered To Repay Over $100,000 To North Dakota Communities

A Massachusetts man who took advantage of small community movie theatres across North Dakota has been ordered to repay over $100,000, announced Attorney General Wayne Stenehjem.

On October 29, 2015, the Attorney General’s Consumer Protection division obtained a Judgment against Brian Vita of Peabody, Massachusetts, for engaging in violations of the North Dakota Consumer Fraud Law. Vita is the sole owner of Cinema Service and Supply, LLC, and sold digital equipment and parts to movie theatres.

Vita took advanced payments from the Save Our Strand Foundation in Grafton, the Lyric Theatre in Park River, and Meadowlark Art Council in Crosby, promising to supply digital movie equipment and projectors. Vita did
not disclose that he was experiencing financial difficulties, and continued to accept payments even after he filed bankruptcy under his business name and the IRS had frozen his business accounts. The Consumer Protection investigators attempted to work with Vita for months but he stalled them, refusing to issue refunds or agree to a repayment plan. The investigators ultimately determined that Vita had diverted the advance payments to pay for other business expenses and that he had no remaining business assets.


**OHIO**

October 29, 2015

**Attorney General DeWine Seeks Consumer Restitution from Youngstown-Area Plumber**

Ohio Attorney General Mike DeWine today announced a lawsuit against Mr. Rooter of Youngstown for unfairly upselling services and providing substandard work.

In the complaint, the Attorney General accuses the company of violating Ohio’s Consumer Sales Practices Act and seeks consumer restitution, injunctive relief, and civil penalties.

Mr. Rooter of Youngstown, which offers plumbing and drain-cleaning services, is located at 97 Karago Ave., Unit 1, in Boardman. It is a franchise of the Mr. Rooter Corporation.

Attorney General DeWine Announces Door-to-Door Home Improvement Contractor Accused of Failing to Provide Promised Services

Ohio Attorney General Mike DeWine today announced a lawsuit against a central Ohio home improvement contractor accused of failing to deliver promised services and performing shoddy work after soliciting consumers at their homes.


According to the lawsuit, Castaneda offered home remodeling and repairs, including flooring and tree trimming services, under the names AC’s Home Restoration or A&J Home Restoration, neither of which were registered with the Ohio Secretary of State.


Ohio Attorney General Mike DeWine Sues Central Ohio Concrete Contractor Accused of Failing to Deliver Promised Services to Consumers

Ohio Attorney General Mike DeWine today announced a lawsuit against a Galion home improvement contractor accused of providing incomplete or shoddy paving services to consumers.

The lawsuit accuses BL Concrete Construction LLC and its owner Lawrence (Larry) M. Hurst of violating Ohio’s Consumer Sales Practices Act and Home Solicitation Sales Act.

The Ohio Attorney General’s Office is aware of five unresolved complaints against the business with reported losses totaling more than $23,000.

http://www.ohioattorneygeneral.gov/Media/News-Releases/October-2015/Central-Ohio-Concrete-Contractor-Accused-of-Failing-to-Deliver-Promised-Services-to-Consumers
OREGON
October 22, 2015

Attorney General Ellen Rosenblum Files Lawsuit Against GNC for Selling Nutritional Supplements with Ingredients Not Approved in U.S.

Attorney General Ellen Rosenblum today filed a lawsuit against General Nutrition Corporation, GNC, for selling nutritional and dietary supplements containing the illegal ingredients picamilon and BMPEA. The lawsuit alleges that the company violated the Oregon Unlawful Trade Practices Act (UTPA) by misrepresenting certain products as lawful dietary supplements when they are actually unapproved drugs that may not be lawfully sold in the United States as a dietary supplement. The complaint also alleges that GNC sold products labeled as containing botanical acacia rigidula that had been spiked with unlabeled BMPEA.

The lawsuit, which was filed in Multnomah Circuit Court, also alleges that GNC sold thousands of units of products in Oregon that contained picamilon or BMPEA that were falsely labeled as a dietary supplement.

http://www.doj.state.or.us/releases/Pages/2015/rel102215.aspx

PENNSYLVANIA
October 30, 2015

Attorney General Kane Announces Settlement With Philadelphia-Area Car Dealership

Attorney General Kathleen G. Kane today announced a settlement with a Philadelphia-area car dealership and its president that will provide more than $43,000 in restitution for consumers.

The settlement with DTC Corp., which does business as Car Vision and Carvision.com, is the result of a lawsuit filed in March by the Office of Attorney General’s Bureau of Consumer Protection. The settlement resolves allegations that Car Vision and Carvision.com sold and leased used cars using deceptive business practices and sold vehicles that were not roadworthy.

The settlement provides 47 affected consumers with a total of $43,194 in restitution. The settlement also calls for injunctive relief and a payment toward the reimbursement of legal costs.
October 5, 2015

**Attorney General Kathleen Kane Announces Undercover Operation In Pittsburgh Area Targeting Unregistered Contractors**

Attorney General Kathleen G. Kane today announced the results of an undercover operation in the Pittsburgh area designed to ensure that home improvement contractors are in compliance with the Home Improvement Consumer Protection Act (HICPA).

The operation was the third phase in a statewide undercover investigation organized by the Office of Attorney General's Bureau of Consumer Protection. The operation resulted in eight settlements with businesses that were filed in the form of assurances of voluntary compliance (AVCs). Monetary relief resulting from the AVCs totaled $5,600. Of that total, $3,100 will go toward restitution.

*SOUTH DAKOTA*

October 21, 2015

**Attorney General Marty Jackley Announces Brandon Man Sentenced on Deceptive Business Transactions**

Attorney General Marty Jackley announced today that Joseph Matthew Stanford, 38, Brandon, was sentenced today on one count of selling a motor vehicle without the consent of lienholder. Stanford received 2 years of probation, 120 days jail time with 90 days suspended. In addition, Stanford is barred from selling vehicles or working as an automotive manager for 2 years.

*https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2176*

*https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2143*
VERMONT
October 23, 2015

**Attorney General William Sorrell Settles Consumer Protection Claims Against Suburban Propane For $711,000**

Suburban Propane, LP, one of America’s largest propane retailers, has agreed to pay $311,357 to Vermont consumers, $200,000 to the Low Income Home Energy Assistance Program (LIHEAP) and $200,000 in civil penalties to the State of Vermont, to settle claims that the company violated Vermont consumer protection laws. The Attorney General found that Suburban had a deficient system for complying with Vermont’s timeframes for removing propane storage tanks and issuing refund checks after consumers terminated propane service. Suburban also improperly billed and collected a gross receipts fuel tax, charged a regulatory fee that was not allowed under Vermont law, and terminated some customers without giving a mandatory 14-day notice.


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VIRGINIA
October 30, 2015

**Attorney General Mark Herring Files Complaint Against Lynchburg-Based Silver Repair Company**

Complaint seeks restitution for consumers for violations of the Virginia Consumer Protection Act from Lynchburg-based VirginiaSilversmiths, Inc. and president Lindsay W. Martin

Attorney General Mark R. Herring announced today that his office has filed a Complaint against Virginia Silversmiths, Inc., a Lynchburg-based company that offered silver repair and restoration services, and company president Lindsay W. Martin for alleged violations of the Virginia Consumer Protection Act (VCPA). Virginia Silversmiths and Martin allegedly accepted payments and items for repair and restoration without performing the promised work or returning the items. The Complaint seeks an injunction against further VCPA violations, restoration of payments and property to at least six consumers owed nearly $3,000, and civil penalties. Affected consumers are encouraged to
report any similar incidents to Attorney General Herring's Consumer Protection Section.

The lawsuit alleges that, in multiple instances, Virginia Silversmiths and Martin failed to perform the services they advertised and agreed to provide. In some cases, the company and Martin have taken payment for services that the company subsequently failed to perform and then refused to return possession of valuable silver goods to their respective owners upon request. Some complainants claim that Virginia Silversmiths has been in possession of their silver goods for over two years.


WASHINGTON
October 28, 2015

Attorney General Bob Ferguson Cracks Down On Deceptive Labeling Of “Organic” E-Cigarette Liquids

Attorney General Bob Ferguson today announced three actions to stop deceptive advertising and labeling by e-cigarette liquid — or e-liquid — manufacturers.

Ferguson filed a lawsuit in King County Superior Court against Alchemy e-Lixirs, a California-based company, for making unsubstantiated health claims, for deceptive labelling, and for selling products as organic without being certified. He also required two other companies that labeled e-liquid as organic without being certified — California-based Jai Mundi, which produces Virgin Vapor brand e-liquid, and New Jersey-based Orb Vapor — to enter into “Assurance of Discontinuance” agreements filed in Thurston County Superior Court to stop their deceptive labelling.

October 23 2015

Attorney General Bob Ferguson Resolves Investigation Into Debt Collection, Deceptive Ads From Military-Centric Retailer

*Freedom Stores accused of contacting unit commanders, filing out-of-state lawsuits*

Attorney General Bob Ferguson today announced a $63,000 resolution of an investigation into alleged unfair debt collection practices and deceptive advertising by retailer Freedom Stores, Inc. The alleged violations included filing lawsuits against Washington military service members in Virginia without their knowledge and contacting commanding officers with details of a service member’s debt.

The Virginia company, which closed its only Washington store in August, sold furniture, electronics, jewelry and other goods primarily to military service members.

Freedom Stores, also doing business as Freedom Furniture and Electronics, Military Credit Services and Freedom Acceptance Corporation, agreed to $25,000 in suspended civil penalties and to pay $38,000 in costs and fees to resolve allegations it violated the Washington Consumer Protection Act. Its Washington store was located in Lakewood, near Joint Base Lewis-McChord.

Freedom Stores promoted “guaranteed credit” to service members and their families through the use of terms like “Nobody’s refused credit” and “Credit options available for everyone” despite the fact that such approvals often required a down payment in excess of 50 percent.

Attorney General Bob Ferguson Prevails Against Pierce County Couple Who Peddled Bogus Vulnerable Adult Care Training

Court awards $45k in penalties and restitution

Attorney General Bob Ferguson Friday prevailed in a lawsuit before Pierce County Superior Court Judge Ronald Culpepper alleging Dennis and Jennifer Lalander, and their business Adult Family Home Service Center (AFHSC), violated the Consumer Protection Act. Culpepper ordered the Lalanders to pay over $27,000 in restitution for selling bogus training to 700 caregivers in adult family homes. The court also ruled that the Lalanders cannot sell training packets going forward without prior approval from the Department of Social and Health Services (DSHS).

In Washington state, all adult family home employees must annually complete twelve hours of DSHS approved continuing education training. Adult family home residents are often ill, unable to care for themselves, and vulnerable to neglect and abuse. Continuing education is designed to increase a caregiver’s knowledge and skills to help protect elderly adults and people with disabilities.

Adult family homes can put their licenses to operate in jeopardy by employing caregivers who have not completed the required continuing education.

WEST VIRGINIA
October 15, 2015

Attorney General Patrick Morrisey Files Complaint Against NuWave, LLC

Attorney General Patrick Morrisey announced today that his Office filed a complaint for injunction, consumer restitution and other relief against Illinois-based NuWave, LLC.

NuWave, formerly known as Hearthware, LLC, manufactures, markets and sells a wide range of cookware and kitchen hardware to consumers in West Virginia primarily through telemarketing.

The complaint, which was filed in Kanawha County Circuit Court, alleges that NuWave has been involved in business practices which violate the West Virginia Consumer Credit and Protection Act (WVCCPA), the Telemarketing Act, and the Prizes and Gifts Act.

The Attorney General’s Consumer Protection Division received multiple reports from consumers claiming that NuWave engaged in a wide range of unscrupulous tactics in the marketing and sale of its Precision Induction Cooktop (PIC) and other products, particularly in reference to NuWave’s Buy-One-Get-One-Free (BOGO) promotional offer.

http://www.ago.wv.gov/pressroom/2015/Pages/Attorney-General-Patrick-Morrisey-Files-Complaint-Against-NuWave,-LLC.aspx

October 2, 2015

Attorney General Patrick Morrisey Asks Court To Enforce Subpoena Against Thaxton Wholesale Meats, LLC

Attorney General Patrick Morrisey announced today that his Office filed a petition to enforce an investigative subpoena against Thaxton Wholesale Meats, LLC, a Jackson County company that sells wholesale meat and other perishable food products door-to-door.

The petition, which was filed in Kanawha County Circuit Court, alleges that Thaxton Wholesale Meats, LLC and its owner, Steven Thaxton, failed to comply with a subpoena issued to investigate claims of unscrupulous business practices.
Attorney General Patrick Morrisey said his Office’s Consumer Protection Division began an investigation into Thaxton Wholesale Meats, LLC after receiving multiple complaints from consumers who said that the company allegedly engaged in a scheme to fraudulently coerce elderly and vulnerable consumers to purchase food products at their homes.

MULTISTATE CASES AND SETTLEMENTS

October 30, 2015

Attorneys General in 12 States and the District Of Columbia Reaches Settlement With Stericycle Inc.

The State of Indiana has received nearly $1.36 million in the settlement of a whistleblower lawsuit to resolve allegations that the company Stericycle Inc. overcharged states and the federal government for medical waste disposal services, Indiana Attorney General Greg Zoeller said.

Under the settlement, Indiana and 11 other states and the federal government share in a combined $26.75 million paid by Stericycle Inc. to resolve violations of the federal and state versions of the False Claims Act.

The case began as a lawsuit filed in the U.S. District Court for the Northern District of Illinois by a private whistleblower, a former company employee who alleged that Stericycle Inc. had deceived numerous federal and state government entities over a period of years by overcharging them and submitting inaccurate bills so that Stericycle was paid greater reimbursements for its services than it was owed.


October 14, 2015

Attorneys General in 7 States Recover $13.5 Million from NuVasive Inc. for Improperly Marketing Spine Surgery Products and Kickback Scheme

Company allegedly created shadow professional outfit to mask illegal payments

Attorney General Brian E. Frosh announced today that Maryland has joined six other states and the federal government to settle allegations that a California medical device company improperly marketed its spine surgery products and provided kickbacks to doctors through speaking fees and other payments.
Under the agreement, NuVasive Inc., has agreed to pay $13.5 million to the states and federal government. The company had been facing allegations that it defrauded state and federal Medicaid programs by marketing its CoRoent System for surgical uses not approved by the U.S. Food and Drug Administration, and that it provided kickbacks so doctors would use the CoRoent System.

https://www.oag.state.md.us/Press/2015/101415a.html

October 8, 2015

**43 States Reached Multimillion Dollar Settlement With PharMerica Over Civil Allegations Of Healthcare Fraud**

Attorney General Pam Bondi, joined by 43 other states and the federal government, this week announced a multimillion dollar settlement with PharMerica over civil allegations of healthcare fraud. According to the allegations, PharMerica conspired with Abbott Laboratories, a drug manufacturer, through a number of disguised kickback arrangements to increase overall utilization of the drug Depakote and to promote misbranded Depakote.

The states contend that from Jan.1, 2001–Dec. 31, 2008, PharMerica knowingly solicited and received illegal payment from Abbott Laboratories through rebate agreements. The illegal agreements required PharMerica to engage in certain grants, promotional programs and other financial support programs, resulting in false claims to Medicaid and other federal healthcare programs.

As part of the settlement, PharMerica will pay the states and the federal government a total of $9.25 million in civil damages to compensate Medicaid, Medicare and various federal healthcare programs for harm suffered as a result of PharMerica’s conduct.

This settlement is based on two qui tam cases consolidated and pending in the United States District Court for the Western District of Virginia in Abingdon, Va. The cases are filed under federal and state false claims statutes. As part of the settlement, the State of Florida will receive approximately $135,000 in restitution and other recovery.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/45BAB96EDFFE85485257ED8005A8125
Attorneys General of New York, Washington and Pennsylvania Announces Restitution Funds Available For Consumers Deceived By Pimsleurapproach.Com

As Part Of Previous Settlement With Attorney General, Internet Order LLC Will Reform Its ‘Negative Option’ Marketing Practices

Company Has Agreed To Pay $1 Million In Restitution To Victims Through A Claims Process

Attorney General Eric T. Schneiderman is reminding consumers to file complaints with his office to potentially receive restitution if they believe they were harmed by the online marketing company, Internet Order LLC, which operated the website PimsleurApproach.com and sold language audio courses over the Internet.

In August the Attorney General announced he had reached a $1 million settlement with Internet Order as the result of an investigation made in conjunction with the Attorney Generals of Washington and Pennsylvania, 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 the “free trial” of their initial purchase left them at risk for potentially being charged hundreds of dollars. Some courses that were advertised at $9.95 ultimately cost consumers more than $1,000.

MEDICAID FRAUD CASES AND SETTLEMENTS

ARKANSAS
October 19, 2015

Attorney General Leslie Rutledge Announces Trumann Woman Sentenced To Five Years of Probation For Submitting False Claims To Medicaid

Arkansas Attorney General Leslie Rutledge announced today that a Poinsett County woman has been sentenced to five years of probation on a Medicaid fraud charge.

Kelly Gregg, 43, of Trumann pleaded guilty to billing for Medicaid services not provided, a Class B felony. Gregg must also pay $3,557.31 in restitution and $10,671.93 in fines.

Gregg was arrested in December after it was reported to investigators that she was billing for services to a friend’s mother between January 2013 and March 2014 but was not providing the services. Gregg pleaded guilty in Pulaski County Circuit Court on Monday.


October 13, 2015

Attorney General Leslie Rutledge Announces Arrest of Texas Man for Billing Medicaid for Services that were not Rendered

Arkansas Attorney General Leslie Rutledge announced the arrest of a Texas man by the Attorney General’s Medicaid Fraud Control Unit.

DeAndre L. Taybore, 32, of Desoto, Texas, was arrested on one count of Medicaid fraud. Taybore was booked into the Pulaski County Jail where he is being held on a $2,500 bond. He is accused of billing for services not rendered between January 2013 and March 2013, totaling $1,243, a Class C felony.

FLORIDA
October 28, 2015

Attorney General Pam Bondi Announces Couple Arrested for Falsely Billing Medicaid

Attorney General Pam Bondi’s Medicaid Fraud Control Unit and the Palm Beach County Sheriff’s Office today announced the arrests of a West Palm Beach couple for more than $40,000 in Medicaid fraud. According to the investigation, David and Karen Bledsoe, owners of a durable medical equipment company named A Plus Medical Equipment and Supply, Inc., billed the Medicaid program for equipment never provided to Medicaid recipients.

The defendants each face one count of Medicaid fraud and one count of grand theft, each a second-degree felony. If convicted, the defendants face up to 30 years in prison, fines and restitution. Attorney General Bondi’s Medicaid Fraud Control Unit investigated the case. Attorney General Bondi’s Office of Statewide Prosecution will prosecute the case.


LOUISIANA
October 23, 2015

Attorney General James D. “Buddy” Caldwell Announces Two Women Arrested for Cheating Medicaid Program

Attorney General James D. “Buddy” Caldwell announced today that two caregivers have been arrested for Medicaid fraud after illegally billing the Louisiana Medicaid Program for health care services that were not performed.

Mary T. Debose, 35, of 8004 Lucerne Street, New Orleans, was charged with one count of Medicaid fraud after submitting time sheets and service logs to her employers that contained overlapping service hours. As a result of Debose’s actions, the personal care agencies where she was employed billed Medicaid $4,932 for services that were never rendered. Debose surrendered to investigators with the Attorney General’s Medicaid Fraud Control Unit and was booked into the East Baton Rouge Parish Prison on Monday.
MARYLAND
October 15, 2015

Attorney General Brian E. Frosh Announces Baltimore Woman Pleads Guilty to Felony Fraud for Submitting False Claims to Medicaid

Attorney General Brian E. Frosh announced today that Pamela Evans, 60, of Baltimore, pleaded guilty to Felony Medicaid Fraud. Ms. Evans, Licensed Certified Social Worker-Clinical (LCSW-C), is an individual provider of mental health therapy services.

An investigation by the Office of the Attorney General Medicaid Fraud Control Unit revealed that Ms. Evans submitted claims to Medicaid for individuals who did not receive mental therapy services. From July 2012 to September 2013, Evans submitted $11,814.90 in fraudulent claims, which was then paid by Medicaid.

http://www.oag.state.md.us/Press/2015/101515.html

NEW YORK
October 7, 2015

A.G. Schneiderman Announces Arrests of Binghamton-Area Transport Company Owners For Allegedly Bilked Medicaid For Over $1m By Operating Without Workers’ Compensation Insurance

Kenneth and Sharon Cohn Allegedly Operated A Business Without Required Insurance And Illegal Obtained Over $1 million From Medicaid

Attorney General Eric T. Schneiderman today announced the arrests of Kenneth Cohn and Sharon Cohn, who owned and operated a transportation company in Broome County, Yellow Medi-Van and Taxi, Inc., for allegedly violating the Workers’ Compensation law and illegally obtaining over $1 million from the Medicaid system.

PENNSYLVANIA
October 6, 2015

Attorney General Kane Announces Arrest of 6 Individuals In Unrelated Medicaid Fraud Investigations

Attorney General Kathleen G. Kane today announced the arrest of six individuals in unrelated Medicaid fraud cases across the Commonwealth.

The arrests were the result of investigations by the Office of Attorney General's Medicaid Fraud Control Section, which is tasked with investigating and prosecuting Medicaid fraud cases throughout the Commonwealth.

https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2149

VERMONT
October 29, 2015

Attorney General William Sorrell Announces Franklin County Women Charged With Submitted The False Timesheets To Medicaid

Karen Tucker, age 40, of Swanton, Vermont, and Julie Bushey, age 44, of Highgate, Vermont were each arraigned on October 27, 2015, in Vermont Superior Court, Criminal Division, Windsor Unit, on five felony counts of Medicaid Fraud. Ms. Tucker and Ms. Bushey both pled not guilty to the charges and the court imposed conditions of release governing their conduct while the cases are pending.


October 16, 2015

Attorney General William Sorrell Reaches Settlement With Rutland Podiatrist For Overcharging Medicaid

A Rutland podiatrist will pay the State of Vermont in excess of $83,678 to settle claims that he obtained payments from the Vermont Medicaid Program to which he was not entitled. The provider, Dr. Frank Buggiani, offers podiatry services and orthotic devices to patients. The settlement resolves a civil
VERMONT CONT’D

complaint filed in Rutland Superior Court, Civil Division in December 2014 by the Medicaid Fraud and Residential Abuse Unit of the Office of the Attorney General. The complaint related to the submission of Medicaid claims by Dr. Buggiani for custom orthotic devices. An investigation identified that Dr. Buggiani’s claims to Medicaid for custom orthotic devices were at a rate that exceeded the rate that he charged to other insurers. Medicaid rules and provider contracts require that providers bill Medicaid their “usual & customary rate” that is not to exceed the lowest rate charged to other insurers or patients. The higher rates submitted by Dr. Buggiani resulted in the Vermont Medicaid Program making overpayments to Dr. Buggiani. Dr. Buggiani cooperated with the investigation.


October 15, 2015

Attorney General William Sorrell Announces Barre Town Man Charged With Medicaid Fraud, False Pretenses, Neglect Of A Vulnerable Adult, And Obstruction Of Justice

Cody LaFountain, age 33, of Barre Town, Vermont, was arraigned on October 15, 2015, in the Vermont Superior Court, Washington Criminal Division, on three felony counts of Medicaid Fraud, one felony count of False Pretenses, two felony counts of Neglect of a Vulnerable Adult, five misdemeanor counts of Neglect of a Vulnerable Adult, one felony count of Obstruction of Justice, and one misdemeanor count of False Information to Law Enforcement. Mr. LaFountain entered pleas of not guilty to the charges and was released by the court on conditions governing his conduct while the case is pending.

October 15, 2015

**Attorney General William Sorrell Announces Two Springfield Women Convicted For Submitting False Timesheets To The Vermont Medicaid Program**

Jessica Wood, age 38, and Angela Martin, age 35, of Springfield, Vermont, were each convicted on October 13, 2015, in Vermont Superior Court, Windsor Criminal Division, on three misdemeanor counts of False Pretenses. The convictions stemmed from the submission of false timesheets in order to obtain payment for services that were not provided under the Children’s Personal Care program, a Vermont Medicaid program, while Wood was the employer-of-record, and Martin was the purported caregiver, for a child beneficiary.

CONSUMER ADVOCACY

ALABAMA
October 26, 2015

Attorney General Luther Strange Warns Of Fake Debt Collector Calls Targeting Bankruptcy Filers

Attorney General Luther Strange warns of a scam targeting bankruptcy filers around the country in which the scammers use Caller ID “spoofing” and victims’ personal information to collect bogus debts.

Scammers armed with publicly available documents about bankruptcy filers are using that information to pose as attorneys demanding immediate wire payment of a debt. Perpetrators “spoof” the Caller ID system to make it appear they are calling from a bankruptcy attorney's office, often times phoning after business hours to make it difficult to verify they are not legitimate.

In most cases, the scammers inform their victims they must wire a debt payment immediately or face arrest. Attorney General Strange warns that such calls are fraudulent and anyone receiving them should report them to law enforcement.

http://www.ago.state.al.us/News-734

ARIZONA
October 15, 2015

Attorney General Mark Brnovich Issues IRS Phone Scam Alert

Attorney General Mark Brnovich issued a scam alert today warning of an ongoing and very aggressive telephone scam that appears to be intensifying in Arizona. Approximately 70 IRS telephone scam complaints were filed with the Attorney General’s Office last month. The IRS phone scam mainly targets seniors. Scammers pose as agents with the Internal Revenue Service or the US Treasury Department. Victims are threatened with arrest if they don’t make an immediate payment for taxes or fines owed.

October 8, 2015

**Attorney General Mark Brnovich Issues Consumer Fraud Alert after T-Mobile Data Breach**

Attorney General Mark Brnovich is urging Arizona T-Mobile customers and T-Mobile account applicants to take immediate action and place fraud alerts on their credit reports. More than 350,000 Arizonans may be affected by a data breach that exposed the personal information of approximately 15 million people who applied for T-Mobile service.


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**CALIFORNIA**
October 30, 2015

**Attorney General Kamala D. Harris Issues Consumer Tips on Mobile Location Tracking as Part of National Cyber Security Awareness Month**

Attorney General Kamala D. Harris today released guidance on location privacy on smartphones, tablets, and email as part of National Cyber Security Awareness Month, a campaign to promote a safer, more secure, and more trusted Internet.

The Attorney General’s new information sheet, *Location, Location, Location: Tips on Controlling Mobile Tracking*, comes at a time when nearly two-thirds of Americans own a smartphone. In fact, it’s been reported that the average consumer is never more than three feet away from his or her phone.[1]

Attorney General Kamala D. Harris Issues Consumer Alert on Debt Collectors Misleading Consumers about Traffic Tickets and Infractions Amnesty Program

Attorney General Kamala D. Harris today issued a consumer alert to warn Californians about debt collectors giving consumers inaccurate information about the amnesty program for unpaid traffic and non-traffic infraction tickets. The amnesty program offers eligible Californians who have unpaid infraction tickets the opportunity to have their debt reduced by half or more and to have their driver’s license reinstated. Each county has its own rules related to the amnesty program, so you must contact the county that issued your ticket to see if you qualify. The program, which started October 1, 2015, continues through March 31, 2017.


Attorney General Kamala D. Harris Issues Bulletin to Law Enforcement to Increase Public Safety by Helping Crime Victims Obtain Immigration Relief

Attorney General Kamala D. Harris today issued an information bulletin to California law enforcement agencies detailing new responsibilities under state law to assist immigrant crime victims in applying for U visas, a form of immigration relief specifically set aside for victims of crime who lack authorized immigration status.

California’s Immigrant Victims of Crime Equity Act (SB 674, De León), which takes effect on January 1, 2016, will require state and local law enforcement agencies, prosecutors, judges, and other specified officials to certify the helpfulness of immigrant crime victims of specified qualifying crimes on a federal U Nonimmigrant Status Certification, also known as a “U visa certification.” U.S. Citizenship and Immigration Services considers these certifications in determining whether to grant a qualifying immigrant a U visa.
Attorney General Kamala D. Harris Announces Collaboration with AARP California To Protect Seniors from Fraud and Abuse

Attorney General Kamala D. Harris today announced a new collaboration between the Office of the Attorney General and AARP California to protect seniors from abuse and fraud. The collaboration will focus on educating seniors, their families and the general public about elder abuse and fraud laws designed specifically to protect those who are 50 and over.

Specifically, the collaboration will include hosting tele-town halls and webinars, developing and disseminating consumer and educational resources to protect against scams and schemes, and continuing to vigorously prosecute those who mistreat the elderly population in violation of state law.

Attorney General Kamala D. Harris Issues Consumer Alert on Medicare Scams Targeting Seniors

Attorney General Kamala D. Harris today issued a consumer alert to Californians regarding potential scams targeting seniors during Medicare’s open enrollment period, from October 15 through December 7. During this time, senior citizens who are 65 years old and older should assess their Medicare plans and consider various plan options. Any Medicare plan changes that are made during open enrollment will be effective on January 1, 2016. In the course of evaluating Medicare plans, seniors should vigilantly ensure that they are not taken advantage of by Medicare scam artists who may misguide them, or attempt to obtain and misuse their personal information.
CALIFORNIA CONT’D

October 5, 2015

**Attorney General Kamala D. Harris Urges T-Mobile Customers to Place Fraud Alerts in Wake of Experian Data Breach**

Attorney General Kamala D. Harris is urging California T-Mobile customers and T-Mobile account applicants to immediately place fraud alerts on their credit records in the wake of the massive breach of T-Mobile customer data housed at Experian, one of the nation’s major credit reporting agencies. Placing a fraud alert on your credit records protects consumers from identity theft by requiring that businesses verify your identity before issuing credit.


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CONNECTICUT

October 15, 2015

**Attorney General George Jepsen Joins Colleagues in Siding with Consumers in Long-Term Care Facilities**

*Centers for Medicare and Medicaid Services Should Prohibit Binding Arbitration Clauses in Contracts*

Attorney General George Jepsen joined fifteen other attorneys general in strongly opposing pre-dispute arbitration clauses in long-term care facility contracts.

Urging stronger consumer protection in comments submitted to the Centers for Medicare and Medicaid Services (CMS), the attorneys general contend that an individual entering a nursing home or other long-term care facility, or family members acting on their behalf, are often making a healthcare choice under stressful circumstances, making it difficult to be rational or informed when deciding the resolution of future disputes.

October 8, 2015

**Attorney General George Jepsen Encourages Consumers to Take Advantage of Credit Monitoring Services in Wake of T-Mobile/Experian Breach**

Attorney General George Jepsen is encouraging all Connecticut residents affected by the recent T-Mobile and Experian data breach to take advantage of the free credit monitoring services being offered.

On October 1, T-Mobile notified the Attorney General that consumer data being handled on its behalf by Experian had been part of a security breach. Nationwide, the breach affected a total of 15,091,000 consumers, including 142,789 Connecticut residents. In its notification, T-Mobile said that information provided by consumers when they applied for a T-Mobile account – including name, address, Social Security number, date of birth and additional information – was likely accessed. The company said that payment card or banking information was not compromised in the breach.


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October 6, 2015

**Attorney General Racine Advises District Consumers to Consider Credit Freezes in Wake of Experian/T-Mobile Data Breach**

*Personal Information of as Many as 15 Million Consumers Exposed Nationwide*

In response to a data breach that exposed the personal information of as many as 15 million consumers nationwide who applied for T-Mobile credit services, Attorney General Karl A. Racine today said those who are affected should take advantage of the opportunity to place fraud alerts or credit freezes on their credit files as a precautionary measure.

FLORIDA

October 6, 2015

**Attorney General Bondi Warns T-Mobile Subscribers in Florida of Experian Data Breach**

Attorney General Pam Bondi is warning current and former T-Mobile subscribers to be on alert as personal information may have been compromised in a recent breach of an Experian server. Attorney General Bondi is also providing tips to consumers to help guard against financial crimes related to identity theft.


IDAHO

October 7, 2015

**Attorney General Lawrence Wasden Urges Consumers to Take Precautions after T-Mobile Data Breach**

Attorney General Lawrence Wasden is urging thousands of Idaho consumers targeted in a recent breach of a third-party server housing T-Mobile data to closely watch their financial statements and consider free credit monitoring services.

Nearly 55,000 Idaho consumers are at risk of having their personal data compromised as a result of unauthorized access to a server operated by Experian that stored personal information of more than 15 million T-Mobile users, Wasden said.

ILLINOIS
October 21, 2015

Attorney General Lisa Madigan Issues Consumer Alert: Beware Of Credit Card Scams During Transition To Chip Cards

Attorney General Warns of Potential Scammers Posing as Debit, Credit Card Issuers to Con Targets into Divulging Personal Information

Attorney General Lisa Madigan today urged Illinois residents to be on the lookout for calls or emails from individuals posing as debit or credit card issuers in an attempt to con consumers into providing personal information, which can lead to scammers making purchases on consumer’s cards or a larger identity theft scam.

Banks and major credit card issuers nationwide have been sending out new credit and debit chip cards that feature a small computer chip on the front that will help limit fraud and theft. The chip contains cardholder data and creates a unique code for each purchase. The new cards also still contain the magnetic strip, so that consumers can still use their credit cards to make purchases by swiping the card when the seller does not have chip readers in place. Madigan’s office says the Federal Trade Commission (FTC) is reporting instances of scammers taking advantage of the transition from the old cards to the chip cards to steal consumers’ personal information.


October 6, 2015

Attorney General Lisa Madigan Issues Advice For Consumers Following Experian Breach Of T-Mobile Users’ Data

Approximately 15 Million Users Potentially Impacted

Following reports that an unauthorized party was able to gain access to an Experian server that contained the personal information of more than 15 million T-Mobile users, Attorney General Lisa Madigan today offered consumers tips to guard against potential identity theft.

Experian reports that more than 700,000 Illinois residents may have had their data compromised, including Social Security numbers.

IOWA
October 1, 2015

Attorney General Tom Miller, State Attorneys General Urge Phusion LLC to Lower Four Loko Alcohol Content

Consuming one can of flavored malt beverage constitutes binge drinking episode by CDC standards

Attorney General Tom Miller joined attorneys general in 15 states, plus the District of Columbia, in calling on the maker of flavored malt beverage Four Loko to lower the product’s high alcohol content.

Miller and the attorneys general this week sent a letter to Chicago-based beverage company Phusion Projects LLC and its officers, expressing concerns over the product’s alcohol content.

With a 12% alcohol concentration in a 23.5 ounce container, one can of Four Loko contains 4.7 servings of alcohol. Based on Centers for Disease Control (CDC) standards, drinking just one can of Four Loko constitutes a binge drinking episode. The CDC defines binge drinking as men drinking five and women drinking four or more alcohol servings in about two hours.

Last year, Miller and 19 other attorneys general reached a settlement with Phusion to resolve allegations that the company marketed and sold Four Loko in violation of consumer protection and trade practice statutes by promoting the alcoholic beverage to minors. Attorneys general also alleged that Phusion promoted dangerous and excessive consumption of the product, promoted the misuse of alcohol, and failed to disclose to consumers the effects and consequences of drinking alcoholic beverages combined with caffeine.

Attorney General Jack Conway Announces Mailing of Daymar College Settlement Claim Forms

Attorney General Jack Conway and his Office of Consumer Protection today announced that the Daymar College settlement administrator will be mailing claims notice packets to all qualifying former students of Daymar College. The administrator is mailing the first claims packets today.

Under the terms of the consent decree announced by the Attorney General on September 10, $1.2 million will be distributed to former Daymar College students that submit claim forms and are qualified participants. A “qualifying student” is a student that started a term of study at a Kentucky Daymar campus beginning July 27, 2006 through July 27, 2011 and completed at least one term of study at a Kentucky Daymar campus during this time period. Any qualifying student wanting to participate in the distribution must provide the information requested on the claim form and return it to the administrator by first class mail postmarked no later than December 10, 2015. Any qualifying student that does not provide a claim form by the deadline will not be entitled to participate in the distribution. Click this link to read the general terms of the consent decree: http://migration.kentucky.gov/Newsroom/ag/daymarsettlement.htm.

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

Attorney General Jack Conway Alerts Consumers of Experian Data Breach

Attorney General Jack Conway and his Office of Consumer Protection are alerting Kentucky consumers about a data breach from Experian and are encouraging Kentuckians to take steps to protect their personal information. Attorney General Conway says consumers should watch for signs of identity theft following the breach.

Earlier this month, a breach of personal data of T-Mobile customers, that was stored on an Experian server, affected approximately 15 million consumers nationwide, including more than 134,000 Kentuckians. The accessed data
included names, addresses, Social Security numbers, birth dates and driver's license numbers of current T-Mobile customers and consumers requiring a credit check for service or device financing from Sept. 1, 2013 through Sept. 16, 2015.

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

LOUISIANA
October 15, 2015

Attorney General James D. “Buddy” Caldwell Issues Consumer Alert: Don't Fall Prey to Medicare Scams

Open enrollment season for consumers shopping for new health insurance plans can also be open season for scam artists looking for victims. Whether you are a senior on Medicare or enrolled in private insurance, Attorney General James D. “Buddy” Caldwell doesn’t want you to get mixed up in a scam.

https://www.ag.state.la.us/Article.aspx?articleID=1123&catID=2

MAINE
October 6, 2015

Attorney General Janet Mills Issues Advice For Consumers Following Experian Breach Of T-Mobile Users’ Data

Following reports that an unauthorized party was able to gain access to an Experian server that contained the personal information of more than 15 million T-Mobile users, including 12,068 Maine residents, Attorney General Janet T. Mills today offered consumers tips to guard against potential identity theft. “The Maine Attorney General’s Office takes this breach very seriously and we are encouraging any T-Mobile customer to take pro-active steps to protect themselves from potential ID theft,” Attorney General Mills said. “We anticipate working with Attorneys General across the country on this matter and have been in touch with representatives of Experian and T-Mobile. Experian is offering affected customers free credit monitoring for two years; I strongly advise any affected T-Mobile customers to take them up on this offer.” According to T-Mobile and the credit reporting company Experian, the breach compromised data that was used by T-Mobile in connection with credit
checks of individuals who applied for T-Mobile services from Sept. 1, 2013 through Sept. 16, 2015. The data included name, address, birthdate, Social Security numbers, other ID numbers (such as driver's license, military ID, or passport numbers), and additional information used in T-Mobile's credit assessment.


MARYLAND
October 20, 2015

Attorney General Brian Frosh Joins With Maryland Hospitals And Pediatricians To Protect Kids from Identity Theft

The Maryland Office of the Attorney General, the state's hospitals and the Maryland Chapter of the American Academy of Pediatrics are partnering to encourage parents and guardians of minors to place security freezes on their children's credit reports.

Under the program being launched today:

- Hospitals and pediatricians will be providing information to families about how to initiate preventive security freezes.
- All of the state's hospitals that deliver babies, as well as pediatricians, will have access to printable information on child security freezes that they can distribute.
- A new website, www.kidsafemaryland.org, provides details on how to place security freezes in a child's name and offers downloadable files for hospitals, pediatricians and the public to print.
- Maryland's hospitals, pediatricians and the attorney general's office will be using social media and a variety of resources to spread the message.

http://www.oag.state.md.us/Press/2015/102015.html
MASSACHUSETTS
October 29, 2015

Attorney General Maura Healey Announces $1.66 Million in Grant Funding for Local Consumer Mediation Programs

Attorney General Maura Healey announced that her office has awarded $1.66 million in grant funding for local consumer mediation programs across the state through the Local Consumer Aid Fund (LCAF) grants for new and existing grantees.

“These grants are part of our office’s commitment to be an advocate for all consumers across the state,” said AG Healey. “They allow us to continue to support these local nonprofit and municipal programs that help educate consumers and provide them with mediation services when needed.”

As part of its services to consumers, the AG’s Office uses settlement funds to provide grants to a statewide network of Local Consumer Programs (LCP) and Face-to-Face Mediation (FTF) programs. These programs handle many consumer complaints in their own regions of the state where their local knowledge and community involvement enable them to provide effective assistance and services to help consumers resolve disputes.


October 27, 2015

Attorney General Healey’s Office Urges Greater Protection for Consumers Against Abusive Debt Collection Practices

Testifies in Favor of The Family Financial Protection Act

Attorney General Maura Healey’s Office offered support today for proposed legislation that would provide greater protections and relief for consumers in Massachusetts who are pursued by abusive debt collectors.

The AG’s Office testified before the Joint Committee on Financial Services today in favor of the Family Financial Protection Act (FFPA), filed by Senator James Eldridge and Representative Paul Brodeur. The bill addresses a number of problematic practices in the debt collection industry that have
resulted in consumers being sued on the basis of inaccurate information for debts they do not owe.


October 2, 2015

**AG Healey Issues Advice for Consumers Following Experian Breach of T-Mobile Data**

*Approximately 15 Million Applicants Potentially Impacted*

Following reports that an unauthorized party was able to gain access to an Experian server that contained the personal information of more than 15 million applicants for T-Mobile service, Attorney General Maura Healey today offered consumers tips to guard against potential identity theft.

T-Mobile reports that over 287,000 Massachusetts residents may have had their data compromised, including social security numbers.


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**MICHIGAN**

October 21, 2015

**Attorney General Bill Schuette: Seniors Beware of Telemarketing Scams Impersonating Federal, State Government Officials**

Michigan Attorney General Bill Schuette today issued a warning regarding telemarketing scams that impersonate government entities to obtain sensitive personal or financial information from consumers. The scams tend to target Michigan seniors and claim to be from the U.S. Department of Treasury, Michigan Department of Treasury or the Internal Revenue Service. Schuette’s Consumer Protection Team advises consumers that neither the State of Michigan nor the federal government will ever contact them via phone to confirm or request personal information.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-367767--,00.html
MISSISSIPPI
October 20, 2015

Attorney General Jim Hood Advises Consumers to Know the Facts Before Investing in Solar Energy Systems

Attorney General Jim Hood is offering Mississippi residents factors to consider in purchasing residential solar energy systems, including cautioning consumers to be alert for potential consumer fraud schemes.

In an effort to use alternative energy sources for cost-savings and environmental reasons, many consumers are reducing their energy usage and using more renewable energy by installing solar generating units on their homes and property. Photovoltaic systems (“PV system” or “solar system”) supply energy through nature; therefore, the energy is free and abundant.


October 8, 2015

Attorney General Hood Warns Mississippi Residents of Experian/T-Mobile Data Breach

Attorney General Jim Hood is warning Mississippians today of a recent data breach reported by T-Mobile and Experian affecting at least 15 million users nationwide and at least 89,000 Mississippians.

On September 15, 2015, Experian discovered that an unauthorized party accessed T-Mobile data housed in an Experian server that contained the personal information of more than 15 million T-Mobile users. Information that was breached includes customers’ names, addresses, social security numbers, dates of birth, identification numbers (typically a driver’s license number, military ID, or passport number) and additional information used in T-Mobile’s own credit assessment. According to Experian, the consumer credit database was not accessed in this incident and no payment card or banking information was obtained.

http://www.ago.state.ms.us/releases/attorney-general-hood-warns-mississippi-residents-of-experian-mobile-data-breach/
MISSOURI
October 7, 2015

Attorney General Chris Koster Alerts Consumers To T-Mobile, Experian Data Breach

As many as 263,000 Missouri consumers affected

Attorney General Chris Koster today alerted Missouri T-Mobile consumers who applied for credit through Experian that they are at risk of having their data compromised, and should consider taking steps to protect their credit. According to Experian’s estimate, personal information of 263,000 Missourians was affected by the breach.


NEBRASKA
October 6, 2015

Attorney General Doug Peterson Announces Over 4,700 Nebraskans Affected by Breach of T-Mobile Data Housed by Experian

Credit reporting bureau Experian recently reported that an unauthorized party gained access to a database that contained personal information of an estimated 15 million T-Mobile customers and potential customers, including 4,790 Nebraskans. The compromised data was used by T-Mobile in connection with credit checks of individuals who applied for T-Mobile services from September 1, 2013 through September 16, 2015. The data included name, address, birthdate, Social Security numbers, other ID numbers (such as driver’s license, military ID, or passport numbers), and additional information used in T-Mobile’s credit assessment. Experian’s consumer credit database was not accessed in this incident.

NEW HAMPSHIRE
October 19, 2015

Attorney General Joseph Foster Issues Fraud Alert Related to Bankruptcy Filers

New Hampshire Attorney General Joseph Foster issues the following caution for people who have filed or may soon file for bankruptcy. There is an ongoing telephone scam related to individuals who have filed bankruptcy papers in court. The scammers, apparently using information from public filings in the bankruptcy court, will call a person who has filed for bankruptcy, claiming to be that person's lawyer, the lawyer's partner or a member of their law office staff. Using software that can affect a person's caller ID system, they make it appear that the call is actually coming from the person's lawyer. The scammers instruct the unwitting consumer to immediately wire money to satisfy a debt. The calls may be made late in the evening or during non-business hours so the person receiving the call cannot contact his or her lawyer to confirm the request.


October 5, 2015

Attorney General Joseph A. Foster Issues Consumer Alert Related To Experian / T-Mobile Data Breach

Attorney General Joseph A. Foster urges New Hampshire consumers to be vigilant following a security breach of T-Mobile consumer information held by the credit agency Experian. The affected consumer data included some personally identifiable information for approximately 15 million consumers in the U.S., including an estimated 21,000 New Hampshire residents.

The breached information was obtained when an unauthorized party accessed T-Mobile data housed in an Experian server. Affected customers are those who applied for T-Mobile USA postpaid services or financed a T-Mobile device between September 1, 2013 and September 16, 2015.

Acting Attorney General John J. Hoffman: Beware of Scammers Pretending to be Attorney General or Claiming They Are Calling From Attorney General’s Office

Scammers and con artists are continuing to pretend that they are calling or sending correspondence from the New Jersey Attorney General’s Office in attempts to defraud consumers or obtain personal information in order to commit identity theft, officials warned today. Recently, consumers have reported receiving scam phone calls from individuals pretending to be the Attorney General.

http://nj.gov/oag/newsreleases15/pr20151028a.html

Acting Attorney General John J. Hoffman and New Jersey Division of Consumer Affairs Warns Consumers of Recent Rash of Utility Phone Scams

The New Jersey Division of Consumer Affairs today warned consumers about a scam in which individuals posing as utility company employees are calling customers and threatening to turn off their electric and gas service if a payment is not made immediately over the phone.

Customers are then given a telephone number to call to make an immediate payment. Some customers are directed to pay with a pre-paid debit card, which is then drained of funds by the scammer. Other customers are asked to give their bank information to “take care of” the past due account and keep the power on.

http://nj.gov/oag/newsreleases15/pr20151023d.html
NEW MEXICO
October 27, 2015

Attorney General Hector Balderas Alerts Taxpayers about IRS Phone Scams

Due to an influx of scam calls into southern New Mexico, the Santa Fe area, Clovis area and Lordsburg area this morning, Attorney General Balderas has issued a scam alert: IRS imposters are calling using fake names, titles and badge numbers in New Mexico. They may know the last four digits of your Social Security Number, may have caller ID information that appears to be the IRS calling, they may send bogus e-mails to you, and they may call back numerous times claiming to be from the police or from the department of motor vehicles with caller ID again appearing to be from these agencies.


October 26, 2015


Today, Attorney General Hector Balderas issued a Scam Alert regarding scammers using the Office of the Attorney General’s name to trick consumers. The scammers may know the last four digits of your Social Security Number, may have caller ID information that appears to be a government agency calling, they may send bogus e-mails to you, and they may call back numerous times.

NEW YORK  
October 27, 2015

A.G. Schneiderman Issues Letter Calling On Banks To Revise Their Applicant-Screening Methods And To Expand Access To Mainstream Banking For Unbanked And Underbanked Communities

Attorney General’s Agreements With Five Banks Have Allowed Tens Of Thousands Of Consumers In New York To Open Checking Accounts

Amalgamated Bank Is Latest Bank To Overhaul Its Applicant-Screening Procedures

Attorney General Eric T. Schneiderman today called on banks operating in New York State to revise their consumer-screening protocols to ensure that more consumers receive access to standard checking accounts. In a letter issued to nearly 100 banks, the Attorney General detailed the results of an initiative that his Office launched in 2013 to expand access to mainstream banking for unbanked and underbanked communities. The Office’s initiative, which led to agreements with five banks—Chase, Citibank, Capital One, Santander, and, most recently, Amalgamated—has transformed the way banks around the state screen consumers who apply for checking accounts and permitted thousands of consumers to open their first checking accounts. In today’s letter, the Attorney General urged other banks operating in New York State to follow the lead of these five banks by adopting a set of best practices to govern their own applicant-screening policies.

October 5, 2015

**A.G. Schneiderman Offers Tips To Consumers To Protect Their Data Following Experian Breach Of T-Mobile Users’ Data**

*Over 15 Million Users Potentially Impacted, Including Over 1 Million In New York*

Attorney General Eric T. Schneiderman offered consumers tips to guard against potential identity theft and other fraud after it was reported that an unauthorized party accessed an Experian server that contained the personal information of more than 15 million T-Mobile users.


October 1, 2015

**A.G. Schneiderman Announces More Than $11 Million in New Funding for Statewide Foreclosure Prevention and Relief Programs**

*Since 2012, Attorney General’s Foreclosure Prevention And Relief Programs Have Helped More Than 50,000 New York Families Fight To Keep Their Homes*

Attorney General Eric T. Schneiderman today announced $11.5 million in new funding for more than two dozen legal services organizations statewide to help prevent foreclosures, keep families in their homes, and rebuild communities hit hardest by the housing crash.

Awards will be granted to 28 legal services providers with proven track records of providing services to at-risk homeowners. The grants, which are now before the New York State Comptroller for review and final approval, are for one year with a possibility of a one-year renewal. The new round of funding brings the total foreclosure prevention investment by the Office of the Attorney General to more than $70 million.

ATTORNEY GENERAL ROY COOPER WARNS CONSUMERS AVOID FLOOD CARS

Inspect new and used cars thoroughly for flood damage before you buy

Major flooding in the Carolinas means it’s only a matter of time before vehicles damaged by floods show up for sale on new and used car lots, Attorney General Roy Cooper cautioned consumers today.

After major storms, both new and used cars that were flooded will be offered for sale. These vehicles are frequently put through extensive cleaning that can make it difficult for prospective buyers to detect even serious damage.


ATTORNEY GENERAL ROY COOPER WARNS CONSUMERS: GUARD YOUR CREDIT FOLLOWING EXPERIAN/T-MOBILE BREACH

As many as 15 million U.S. consumers affected by massive data breach

Consumers who could be affected by the recent data breach reported by Experian and T-Mobile should take fast action to try to minimize the damage, Attorney General Roy Cooper said today.

Experian, a credit reporting agency, announced earlier this month that a data breach of one of its servers exposed information about millions of T-Mobile customers. Experian shared that the breach has likely affected more than 15 million consumers nationwide, including 418,325 consumers in North Carolina, who submitted to an Experian credit check while applying for T-Mobile phone service between September 1, 2013 and September 16, 2015. The security breach likely included customers’ names, addresses, dates of birth, Social Security numbers, and driver’s license numbers.
October 2, 2015

**Attorney General Roy Cooper Warns: Watch Out For Storm Scams**

*Hit and run scammers could follow wind, rain, floods in North Carolina*

Attorney General Roy Cooper today warned consumers to be on the lookout for scams that could follow severe weather in North Carolina.

The majority of North Carolina contractors, tree removal companies and car repair shops are reputable businesses, and many local merchants pitch in to help their communities recover from severe weather. However, some unscrupulous scammers travel to areas that have been hit by natural disasters to take advantage of consumers, Cooper warned.

October 16, 2015

**Attorney General DeWine Launches Cybersecurity Awareness Campaign**

Ohio Attorney General Mike DeWine today announced that his office is launching a cybersecurity awareness campaign to help protect Ohioans from identity theft and cyber fraud. The grant-funded program includes cybersecurity messages that will be displayed in public transit systems and made available to libraries and schools throughout Ohio.
OHIO CONT’D

October 2, 2015

Attorney General DeWine Offers Tips for T-Mobile Consumers Affected by Experian Breach

Following news of an Experian data breach affecting records of about 15 million T-Mobile customers and potential customers, Ohio Attorney General Mike DeWine today is encouraging consumers to guard against identity theft.


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PENNSYLVANIA

October 26, 2015

Attorney General Kane Warns Consumers To Protect Personal Information Following Major Data Breaches

Attorney General Kathleen G. Kane is encouraging consumers to be proactive in protecting their financial security in the wake of two recent data breaches.

According to T-Mobile, an unauthorized party gained access to an Experian server, which contained the personal information of more than 15 million T-Mobile consumers. Approximately 484,000 of those affected consumers may be Pennsylvania residents.

https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2174

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RHODE ISLAND

October 22, 2015

Attorney General Kilmartin and Rhode Island Division of Sheriffs Warns Rhode Islanders of Scam Impersonating Sheriffs

Attorney General Peter F. Kilmartin and Chief David DeCesare of the Rhode Island Division of Sheriffs are alerting the public about a scam where an individual is calling Rhode Islanders claiming there is a warrant out for their arrest for failure to appear for jury duty. The individual has identified himself over the telephone as "Sergeant Bradley" from either the "Washington County
TENNESSEE
October 6, 2015

Attorney General Herbert Slatery Offers Consumer Tips following Experian Data Breach

Approximately 200,000 T-Mobile users in Tennessee Potentially Impacted

Recent reports estimate 15 million T-Mobile customers nationwide, and roughly 200,000 Tennesseans, who applied for credit through Experian are at risk of having their data compromised. The data breach occurred when an unauthorized party gained access to an Experian server containing personal information, including names, addresses, birth dates, social security numbers, driver’s license numbers and passport numbers.

TEXAS
October 22, 2015

Texas Attorney General’s Office Visits Beaumont to Bring Awareness to Scams Targeting Seniors

As part of a statewide effort by the Texas Attorney General’s Office (OAG) to fight fraud and scams affecting senior Texans, today Assistant Attorney General Rick Berlin participated as the main speaker at the Southeast Senior Texans Celebration and Consumer Expo organized by the Better Business Bureau (BBB).

Berlin, from the OAG’s Consumer Protection Division in Houston, spoke to hundreds of Texas seniors at the 16th Southeast Texas Senior Celebration and Consumer Expo about the importance of recognizing and preventing scams. Berlin and other members of the OAG’s staff outlined ways to avoid scams, and provided information about resources available to them at the OAG and the BBB.


VERMONT
October 12, 2015

Attorney General William Sorrell Warns Of Scams Targeting Bankruptcy Filers

Vermont Attorney General William Sorrell is warning consumers who have filed or may soon file for bankruptcy of an emerging scam by impostors claiming to be the consumer’s attorney, the attorney’s partner or a member of their staff.

The perpetrators of this scam use software to “spoof” the Caller ID system so that the call appears to be originating from the phone line of the consumer’s bankruptcy attorney. Consumers are then instructed to immediately wire money to satisfy a debt that is supposedly outside of the bankruptcy proceeding.

The perpetrators may be using information from public filings to identify consumers to target and the names of their attorneys. The calls come late in the evening or during non-business hours to minimize consumers’ ability to
verify the call by contacting their attorney. Consumers who receive such a call should not wire funds and should contact their attorney as soon as possible.


WASHINGTON
October 28 2015

Attorney General Bob Ferguson Issues Consumer Alert: Watch Out For Fake IRS Call Scam Sweeping The Nation

A fast-moving phone scam is targeting taxpayers across the country. Victims have reported threats of license suspension, arrest and deportation.

What makes this timely scam so tricky? The scammers impersonate Internal Revenue Service (IRS) agents and demand payment for taxes owed. They often:

- Know the last four digits of the victim’s Social Security number;
- Make caller ID appear as if the IRS is calling;
- Send follow-up bogus IRS emails to support their scam; and
- Call a second time claiming to be the police or Department of Motor Vehicles, and caller ID again supports their claim.


October 9, 2015

Attorney General Bob Ferguson Alerts Consumers Following Experian Breach Of T-Mobile Customer Data

Experian will waive fees for placing a credit freeze, otherwise known as a security freeze. It will also waive fees for both lifting and refreezing credit. Please note that this waiver will only apply to Experian. Therefore, applicable costs will still occur for credit freezes with both Equifax and Trans Union. More information can be found on Experian’s website here: www.experian.com/data-breach/t-mobilefacts.html?intcmp=tmdb#fraudalert.
**Approximately 329,000 Washington residents affected**

In the wake of a data breach at the credit-reporting company, Experian, affecting some 329,000 Washington state T-Mobile customers, Attorney General Bob Ferguson today offered consumers information about how to guard against potential identity theft.


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**WEST VIRGINIA**

October 30, 2015

**Attorney General Patrick Morrisey Warns of Fake Customer Service Numbers**

Attorney General Patrick Morrisey is warning consumers to make sure they are dialing the correct customer service number for their debit and credit cards.

A new scam preys upon consumers who turn to the Internet for solutions to trouble with their credit or debit cards. The consumer may find that a number posted online leads them to a recorded message, which prompts the cardholder to enter their personal information.

Attorney General Patrick Morrisey Warns Consumers Of Credit Card Scam Calls

Attorney General Patrick Morrisey is warning West Virginia consumers to be on high alert for calls claiming to be from credit card services demanding immediate payment for an outstanding debt.

The Attorney General’s Office is aware of a scam where callers target consumers about an urgent credit card debt and insist the consumer provide payment information over the phone to pay the debt owed.

This scam has been around for some time but it is taking an aggressive upswing. The Attorney General’s Consumer Protection Division reported today that they have received around 70 complaint calls per hour. Consumers have claimed to be receiving up to 80 calls a day related to this scam.