

ARTICLES FOR 11-9-17 ROUNDUP

AG BALDERAS TRAINS MEXICAN PROSECUTORS, FORENSIC SCIENTISTS & INVESTIGATORS IN EFFORT TO STOP CRIME FROM CROSSING THE BORDER

This week, Attorney General Hector Balderas hosted a delegation of 21 prosecutors, forensic scientists and investigators from the states of Jalisco, Nuevo Leon, Nayarit, Tabasco and Quintana Roo for a week-long training on investigative and trial presentation skills. As a border state attorney general, Balderas works closely with Mexican law enforcement and Mexican attorneys general to prevent crime from crossing the border.

This week's training is in conjunction with the Conference of Western Attorneys General (CWAG) Alliance Partnership and is funded by a U.S. State Department Bureau of International Narcotics and Law Enforcement Affairs grant.

"We work closely with Mexican law enforcement, both at the federal and state level, to prevent violent crime from crossing our border, locate and extradite fugitives who flee to Mexico, and make our border safer and more secure," said Attorney General Hector Balderas. "We will continue to strengthen the partnerships we've built with the Mexican federal government, bordering Mexican state attorneys general, and local law enforcement on the border."

The CWAG Alliance Partnership has achieved unprecedented results on both sides of the border, including efforts between the states of New Mexico and Chihuahua, for example, inspiring a promising template for state-to-state skill focused trainings. Additionally, the cultivation of expanded relationships led to bi-national efforts such as the New Mexico State Legislature enacting legislation aimed at criminalizing human trafficking. Please see attached for photos of Mexican law enforcement officials and New Mexico Office of the Attorney General prosecutors and special agents in Santa Fe during the training.

COLORADO, 34 OTHER STATES AND D.C. BACK BID TO COLLECT ONLINE SALES TAXES

By James Nord, The Associated Press

SIOUX FALLS, S.D. — Thirty-five state attorneys general and the District of Columbia this week signed on to support South Dakota's legal bid to collect sales taxes from out-of-state internet retailers.

South Dakota is asking the U.S. Supreme Court to review whether retailers can be required to collect sales taxes in states where they lack a physical presence. The case could have national implications for e-commerce.

South Dakota Attorney General Marty Jackley said in a statement Thursday that Colorado filed a friend-of-the-court brief supporting South Dakota's petition to the high court. The state is seeking

to overturn legal rulings issued mostly before the online shopping boom that hamstring officials who want to collect sales taxes from out-of-state retailers.

“South Dakota is leading the national fight to bring tax fairness for our local retailers and to help support main street businesses,” Jackley said.

The support includes neighboring Iowa, Minnesota, Nebraska, North Dakota and Wyoming. The other states are: Alabama, Arkansas, California, Connecticut, Florida, Hawaii, Idaho, Illinois, Indiana, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Vermont, Washington and Wisconsin.

The brief says the jurisdictions all rely on consumption taxes to fund essential government operations.

“The problem with the physical-presence rule is that it was first conceived of in 1967, two years before the moon landing and decades before the first retail transaction occurred over the Internet,” according to the brief.

Some companies such as Amazon have decided to collect state sales taxes despite the precedent.

South Dakota legislators passed a law last year requiring collection of the tax. The law was struck down in September by the state Supreme Court due to precedent. The state had welcomed the defeat so it could try to get the U.S. Supreme Court to take up the case.

It takes four U.S. Supreme Court justices to vote to hear a case, or grant certiorari. Jackley said that he hopes the high court agrees to hear the case and issues a decision by June 2018.

ATTORNEY GENERAL BECERRA FILES AMICUS BRIEF IN SUPPORT OF REQUIRING OUT-OF-STATE AND ONLINE RETAILERS TO PAY STATE AND LOCAL TAXES

SACRAMENTO – California Attorney General Xavier Becerra joined a bipartisan coalition of 36 attorneys general in filing an amicus brief to urge the U.S. Supreme Court to grant review and reconsider the Court’s outdated “physical presence” rule, which restricts states’ ability to collect certain taxes from out-of-state retailers. In 1967, the U.S. Supreme Court ruled in *National Bellas Hess v. Department of Revenue* that states were prohibited from requiring out-of-state retailers to collect sales and use taxes on goods purchased through the mail. With the rise of online shopping, out-of-state retailers – including online retailers – have used the physical presence rule set forth in *Bellas Hess*, and later reaffirmed in the U.S. Supreme Court’s 1992 ruling in *Quill Corp. v. North Dakota*, to avoid collecting sales and use taxes.

“Our small businesses and local retailers are the backbone of our economy,” said Attorney General Becerra. “But right now, out-of-state and online retailers can do business in California without collecting state taxes. This puts our local businesses at a disadvantage. Given our changing economy, we urge the U.S. Supreme Court to reconsider this issue.”

“The Court’s earlier view of sales and use tax nexus no longer makes sense in today’s economy,” said Nicolas Maduros, Director of the California Department of Tax and Revenue Administration. “It’s unfair to both in-state retailers and to all California taxpayers.”

South Dakota recently enacted a statute requiring online retailers to collect South Dakota sales taxes. On September 14, 2017, the South Dakota Supreme Court held South Dakota's statute unconstitutional because only the U.S. Supreme Court can reconsider its own precedents. South Dakota filed a petition for writ of certiorari asking the U.S. Supreme Court to revisit the matter. Attorney General Becerra is supporting South Dakota’s effort.

Attorney General Becerra filed today’s brief along with the Attorneys General of Colorado, Alabama, Arkansas, Connecticut, Florida, Hawai’i, Illinois, Idaho, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Nebraska, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Utah, Washington, Wisconsin, Wyoming, and the District of Columbia.

A copy of the brief is attached to the electronic version of this release at oag.ca.gov/news.

STATE APPEALS ROADLESS RULE TO D.C. CIRCUIT

(Juneau, AK)— In the final days of the President Clinton administration, the United States Department of Agriculture adopted one of the most far reaching land management rules of all time when it placed 58 million acres of National Forest into a protected classification that prohibits timber harvest, road construction, and indirectly nearly all development. This single action removed two percent of the entire United States land mass from the pool of lands that can be economically developed nationwide. The State today appealed the district’s court unfavorable decision upholding the rule to the D.C. Circuit Court of Appeals.

“Since our prior agreement with the federal government exempting Alaska was dismantled by the Ninth Circuit, the State was left with no recourse but to continue its challenge to the Roadless Rule,” said Attorney General Jahna Lindemuth.

“This rule has an enormous negative impact on the Tongass National Forest and Southeast’s economy. It’s important we keep fighting to preserve Alaskans livelihoods and options for responsible development,” said Governor Bill Walker.

Alaska was disproportionately affected by the Roadless Rule as the Tongass National Forest is the largest national forest in the country and includes by far more restricted Roadless areas than anywhere else. Largely as a result of this rule, the State’s once vibrant timber industry is struggling to survive. Utility companies, mining enterprises, and southeast communities that may want to improve access through road construction have also faced significant harm.

Following the 2001 promulgation of the Roadless Rule, the State of Alaska, joined by many of the groups that have been harmed, brought suit against the rule, which resulted in a settlement to

exempt Alaska from the rule. Unfortunately for the State and other plaintiffs, the exemption was struck down by the Ninth Circuit Court of Appeals. The State brought the current case before the D.C. District Court in 2011 after the Alaska District Court overturned the State's exemption.

Among other claims, the State contends in the current lawsuit that the Roadless Rule violates the Tongass Timber Reform Act requiring USDA to seek to meet the demand for timber from the Tongass.

Much to the State's disappointment, on September 20 of this year, Judge Leon ruled that although "the fact that the USDA issued a rule affecting a whopping 2 percent of all land in the United States in less than 15 months is alarming, especially in light of the crawling pace at which administrative agencies typically conduct their business...", the Roadless Rule does not violate the law and is valid. The State today has filed a Notice of Appeal and will seek review of Judge Leon's ruling in the D.C. Circuit Court of Appeals.

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AG SCHIMEL PROVIDES \$27.4 MILLION FOR CRIME VICTIM SERVICES IN EVERY COUNTY IN WISCONSIN

MADISON, Wis. – Attorney General Brad Schimel, previous recipient of the Wisconsin Victim Witness Professionals' "Professional of the Year" Award, has been fighting on behalf of crime victims for 28 years as a prosecutor. Today, Attorney General Brad Schimel announced that the Wisconsin Department of Justice (DOJ) Office of Crime Victim Services (OCVS) is providing \$27.4 million to crime victim services in all 72 counties in Wisconsin through September 2018.

"One of my core duties as attorney general is to provide assistance to crime victims in Wisconsin," said Attorney General Schimel. "But I can only provide this assistance with the help of hundreds of victim advocates in Wisconsin who are committed to improving the lives of survivors of unspeakable tragedies. This funding from DOJ will keep crime victims services at the local level available to citizens across the state, ensuring that those who have been violated, mistreated, and wronged are not left behind during what is likely one of the worst experiences in a person's life."

Grant funding through the Victims of Crime Act (VOCA) victim assistance grant money is allocated by DOJ to private and public agencies, including district attorney's offices, to support direct services to victims of crime. Services provided under this program include safety planning, community service referrals, counseling, crisis intervention, and legal advocacy.

Victim services funded by DOJ are extended to any crime victim, including victims of elder abuse. For example, the Coalition of Wisconsin Aging Groups is being awarded more than \$150,000 for their Elder Financial Empowerment Project, which assists victims over the age of 60 who are victims of financial crimes, such as power of attorney abuse, identity theft and intrafamilial theft and fraud. DOJ also allocated more than \$1 million to Legal Action of Wisconsin's Elder Abuse Civil Legal Services project. This project provides civil legal services, personal advocacy, and information and referral to elder abuse victims in 39 southern Wisconsin counties.

VOCA grant funding provided by DOJ supports both large and small programs across the state, particularly those that serve victims of domestic and sexual violence. In the St. Croix valley, DOJ directed more than \$22,000 to the St. Croix Valley Sexual Assault Response Team for advocacy services by volunteers. These volunteers are critical to a community's response after sexual assault and often are the first support a victim receives at the time of a sexual assault forensic examination. Similar to this program in the St. Croix Valley, DOJ provided more than \$350,000 to ASTOP Sexual Abuse Center, serving Fond du Lac, Green Lake, and Waushara counties. ASTOP provides services to survivors of sexual violence, their family, crisis intervention, case management, individual counseling, and support and therapy groups.

A full list of programs that will be supported by VOCA funding from October 2017 through September 2018 is available [here](#).

DOJ also provides funding through the Violence Against Women Act (VAWA) STOP grant to fund the statewide forensic nurse examiner training program and to support prosecutors, advocates, and law enforcement who are providing services to domestic and sexual violence victims in Wisconsin. In conjunction with this grant, DOJ trains law enforcement on the best practices for responding to and investigating domestic violence. These trainings emphasize officer safety, trauma-informed interview techniques, domestic violence dynamics, developing a coordinated community response, witness intimidation, and lethality assessments. DOJ has led 24 trainings since January 2015 as part of this effort.

Additionally, through the Sexual Assault Victim Services (SAVS) grant, DOJ provides nearly \$2.1 million to programs throughout the state that provide direct services to sexual assault victims, including support groups, 24-hour crisis lines, and medical and legal advocacy. As part of another grant program, DOJ also annually provides nearly \$500,000 to organizations around the state to fund services directly to victims annually.

DOJ routinely provides information and trainings to advocates and victim/witness services on victims' rights, crime victim compensation, and the sexual assault forensic exam (SAFE) fund. DOJ has also established, with collaboration from law enforcement, prosecutors, advocates, and victim/witness services, a plan through 2020 that is dedicated to supporting trauma-informed training and technical assistance and encourages innovative approaches to responding to domestic and sexual violence.

DOJ also supports and administers Safe at Home, a program launched in April 2017 that provides victims of domestic abuse, child abuse, sexual abuse, stalking, trafficking, and those who fear for their physical safety with a legal substitute address and free mail forwarding service. Enrollment in Safe at Home allows victims of abuse and those who fear for their physical safety to maintain a confidential home, work, or school address and use a secure, legal address provided by DOJ.

To learn more about Safe At Home, visit www.SafeAtHomeWI.gov. To enroll in Safe at Home, call 1-800-446-6564.

**ATTORNEY GENERAL LAXALT AND 23 STATES DISSOLVE
DECEPTIVE VETERANS CHARITY AND DISPERSE ALL REMAINING**

FUNDS TO FISHER HOUSE FOUNDATION AND OPERATION HOMEFRONT

Carson City, NV – Today, Nevada Attorney General Adam Paul Laxalt, along with 23 states, announced a settlement with VietNow National Headquarters, Inc., an Illinois nonprofit corporation that claimed to help local veterans. The settlement resolves allegations that VietNow misrepresented its charitable programs to donors by appointing a receiver to dissolve VietNow. As a result of this multistate settlement, the organization VietNow will be dissolved.

Since March 2015, VietNow, also known as Veterans Now, had been raising money using deceptive telemarketing solicitation scripts. The scripts, which were used by professional fundraiser Corporations of Character, told potential donors that VietNow gave a minimum of 12% after expenses back to veterans in the donor's state. Other scripts stated that donations helped local veterans in the donor's state. However, VietNow did not fund any programs that assisted veterans in several states. Nevada was among the states that VietNow did not fund programs. Other VietNow scripts claimed that VietNow provided "medical facilities and treatment" to veterans, when in reality, VietNow did not identify any such programs.

"As a veteran of the Iraq war, I am appalled by those who wrap themselves in the American flag to prey on the good will of others," said Laxalt. "I am proud that my Bureau of Consumer Protection has worked with other states to permanently prevent this charity from taking advantage of patriotic generosity just days before we celebrate Veterans Day."

In its most recent financial statement, VietNow reported raising nearly \$2 million nationwide. However, this information was found to be misleading, as most of this money was paid to fundraisers with less than 5% of funds raised going towards its charitable programs.

The settlement also obtains injunctive relief against VietNow's directors and officers, and requires their cooperation in investigations of VietNow's professional fundraisers. Upon dissolution, VietNow's remaining funds will be paid to two national and well-respected veteran's charities, Fisher House Foundation and Operation Homefront.

To best ensure your charitable contribution benefits the causes and individuals you would like to assist, the Office of the Nevada Attorney General offers the following suggestions:

Avoid any charity or fundraiser that asks for donations in cash or via wire transfer. Those that are unable to provide detailed information about their mission or organization and how donations will be used are suspect.

Ask for detailed information about the charity, including name, address and telephone number. Then, conduct some online searches of the charity's name in combination with the words "complaint" or "scam" to learn about its reputation. Using online resources offered by the Better Business Bureau can also provide assurances about the trustworthiness of any particular charity. Review the charity's financial information or its Form 990. For information on the Form 990, visit the Nevada Secretary of State website. If a charity claims to use your donations to help the local community, contact the local agency and confirm whether the agency is familiar with the charity and receives financial support from it.

Do not feel pressured into making an immediate donation by telephone or in person. The need for donations and the opportunity to give will be present for some time, and legitimate charities will not pressure you into making an immediate donation.

Avoiding making checks payable to individuals. Also, avoid providing credit card, bank account or social security number information over the phone.

When texting to donate, confirm the number with the source before you donate. The charge will show up on your mobile phone bill, but donations charges are not immediate.

Be cautious of unsolicited charitable e-mails and attachments. An unsolicited e-mail is likely part of a scam, and any attachments may have a virus designed to steal financial or other personal information from your computer.

Social media sites can also perpetuate scams. As with any other charity, take time to investigate the people behind any social media campaigns to ensure they represent a legitimate organization. Some sites, such as GoFundMe, take affirmative steps to ensure fundraising campaigns are vetted, donations are verified and complaints can be made to protect donors.

Be wary of sound-alike names. Many sham charities intentionally use names that are easily confused with legitimate, respected charities.

During his tenure, Attorney General Laxalt has worked hard to protect active duty servicemembers and veterans. Two years ago this week, his office launched the Office of Military Legal Assistance @EASE Program, the nation's first attorney general-led, public-private partnership offering our military communities access to pro bono civil legal services. In practice, the program pairs military Servicemembers in need of legal assistance with pro bono private legal counsel for civil matters including consumer fraud, military rights, immigration, landlord/tenant, predatory lending and creditor/debtor issues. The program also provides monthly workshops dedicated to drafting free wills and powers of attorney for Nevada veterans across the state. For more information or receive assistance, visit <http://nvagomla.nv.gov/>.

Nevada consumers can file complaints regarding fraudulent charities with the Nevada Attorney General's office. In addition, the FTC provides complaint assistance for anyone who suspects that a scammer is disguising itself as a charity.

DECEPTIVE VETERANS CHARITY DISSOLVES THROUGH AGREEMENT WITH 24 STATES, INCLUDING IOWA

VietNow raised money in Iowa; charity claimed donations would help local vets, but had no local programs

DES MOINES – An Illinois nonprofit corporation that raised money in Iowa and elsewhere through deceptive claims that it would use donations to fund local veterans programs will shut down permanently, through an agreement with 24 states, including Iowa.

VietNow, of Rockford, which also used the name VeteransNow, pledged to help veterans overcome joblessness, post-traumatic stress disorder, and claimed to provide “medical facilities and treatment.”

In a March phone call placed on behalf of VeteransNow and intended for an Iowan, which was recorded by Iowa's undercover Consumer Protection Division line, a pre-recorded third-party

solicitor claimed, “The goals of the association are to help veterans and of course our local Iowa vets with post-traumatic stress and Gulf War illness.”

“VietNow asked kind and generous Iowans to donate to help veterans who need it, and those behind this organization helped themselves to most of the funds,” Miller said. “It’s offensive when con artists take advantage of peoples’ gratitude toward veterans to line their own pockets, and those who really need the funds don’t get it.”

In March, Michigan Attorney General Bill Schuette alleged thousands of deceptive solicitation violations against VietNow for misrepresenting its charitable programs to donors. Attorneys general in other states then began their own investigations of the non-profit and its principals, which resulted in the agreement to dissolve the organization.

The settlement resolves the allegations and investigations by appointing a receiver to dissolve VietNow. The settlement also obtains injunctive relief against VietNow’s directors and officers and requires their cooperation in investigations of VietNow’s professional fundraisers.

Fundraiser: 13 Percent of Iowans’ Donations to VietNow

Two professional fundraisers registered in Iowa to raise funds on behalf of VietNow.

Corporations for Character (CFC) LC, of Murray, Utah, reported that in 2015 it raised \$14,912 in Iowa, and forwarded \$2,087, or 13 percent, to VietNow.

In 2015 Las-Vegas-based Courtesy Call Inc. registered to fundraise in Iowa for VietNow, but has not since reported raising money for the organization.

Illinois Attorney General Alleged “Serial Fraud” Fundraising in Illinois

In June, another VietNow professional fundraiser, Safety Publications Inc., of Elk Grove Village, Illinois, was permanently banned from charitable fundraising in Illinois through a court-approved agreement. Illinois Attorney General Lisa Madigan alleged the fundraising company’s owners are “serial con artists” and the agreement would “put an end to their serial fraud in Illinois.”

Upon dissolution, VietNow’s remaining funds will be paid to established national veterans charities Fisher House Foundation and Operation Homefront.

Background

Since March 2015, VietNow raised money using deceptive telemarketing solicitation scripts. The scripts, which were used by professional fundraiser Corporations of Character, told potential donors that VietNow gave a minimum of 12 percent after expenses back to veterans in the donors’ state; other scripts stated that donations helped local veterans in the donors’ state.

In response to Michigan’s investigation, VietNow admitted that it had not funded any programs that assisted veterans in Michigan; nor did VietNow have local programs in most other states. Other VietNow scripts claimed that VietNow provided “medical facilities and treatment” to veterans, but again, VietNow’s response identified no such programs.

In its most recent financial statement, VietNow reported raising nearly \$2 million nationwide. But most of this cash was paid to fundraisers, with less than 5 percent of funds raised going to its charitable programs.

Consumer Tips

Don't be fooled by a sympathetic name. Some operations use names that promise more than they deliver. Many causes clearly deserve generous public support, including veterans, law enforcement and fire fighters, but some marginal operations claim connections with such groups yet provide them with very little support. Contact your local sheriff or police or fire department or veterans' organization to check out claims that a donation "will be used locally." If a charity's name sounds similar, but not identical, to a charity you're familiar with, contact the charity you know to check it out.

Ask questions. Be wary of claims that the caller is a charity worker or volunteer, that most of your donation goes to the cause, or that your donation will be used locally. Some charities hire professional fundraisers that collect fundraising fees from donations. Ask the caller if he or she is a volunteer or a professional fundraiser. If it's a professional fundraiser, ask how much of your donation actually goes to the charity. If you're dealing with the charity directly, ask how much of your donation goes toward administrative expenses. If you don't get straight answers, don't give. Ask phone solicitors to send written information. Check out the charity before you make a decision. Be suspicious if they insist on a pledge before they'll send you information. Check them out at the national Better Business Bureau "Wise Giving Alliance" site – www.give.org or check with www.charitynavigator.org.

Say no to high-pressure solicitors. They're likely not working on behalf of a legitimate charity or professional fundraiser. If they offer to send someone to pick up your donation, ask you to use an overnight service or request you to wire your donation, tell them no.

Be wary of solicitors thanking you for past contributions you don't recall.

Don't give your credit card or checking account numbers over the phone to a solicitor you don't know. Resist high-pressure pitches to give now. Trust your instinct if something doesn't seem right.

Bottom line: Give wisely! Giving to a known charity you're confident about is often the best option.

Iowans can report non-profit abuse through the Consumer Protection Division at www.iowaattorneygeneral.gov or by calling 515-281-5926 or toll-free at 877-446-4790 (in-state but outside the Des Moines metro area).

ATTORNEY GENERAL TJ DONOVAN ANNOUNCES FINAL APPROVAL OF \$4.2 MILLION PAYMENT TO VERMONT IN VOLKSWAGEN ENVIRONMENTAL CASE

Vermont Attorney General T.J. Donovan announced that a Vermont judge has given final approval to the State of Vermont's \$4.2 million settlement with Volkswagen Auto Group. The settlement, originally announced in late Spring, needed to be approved by a Vermont court after the case was sent back to Vermont from a multi-district litigation in California. The settlement's approval resolves the environmental portions of a case filed by Vermont relating to Volkswagen's sale and lease of diesel automobiles that were fitted with illegal "defeat devices" used to conceal the release

of harmful pollutants in excess of Vermont's vehicle emission standards. Vermont's consumer protection claims against Volkswagen stemming from the "green" marketing of these vehicles remain active. The Vermont Agency of Natural Resources (ANR) worked closely with the Attorney General's Office in support of the case.

This settlement is believed to mark the first time that Vermont and other states who have adopted California's stringent vehicle emissions standards, have secured environmental penalties from an auto manufacturer for violations of auto emissions standards.

Vermont's leadership in vehicle emission protection dates to at least 2007 when the State prevailed in a federal lawsuit brought by national motor vehicle dealers and manufacturers who sought to block the State of Vermont from implementing the California greenhouse gas emission standards for new automobiles.

As part of related settlements with the federal government last year, Volkswagen must implement a restitution and recall program for approximately 3,000 Vermonters who owned or leased 2.0-liter diesel vehicles. Owners of 3.0-liter vehicles are also eligible for restitution and recall and/or repair. Volkswagen also created a national \$2.7 billion mitigation trust fund to support environmental programs that reduce NOx emissions. Vermont's share of the mitigation trust fund is approximately \$18.7 million. Volkswagen is also required to invest \$2 billion nationally to support use of zero emission vehicles.

The Attorney General's Volkswagen litigation team consists of: Assistant Attorneys General Nick Persampieri, Merideth Chaudoir and Jill Abrams, with support from Megan O'Toole of ANR's Air Quality and Climate Division.

KANSAS LAW ENFORCEMENT OFFICERS, PROSECUTORS RECEIVE TRAINING ON OPIOID OVERDOSE DEATH INVESTIGATION

TOPEKA – (November 6, 2017) – More than 100 Kansas law enforcement officers and prosecutors received training last week on issues surrounding the investigation and prosecution of death cases resulting from opioid overdoses, Kansas Attorney General Derek Schmidt said.

On Friday, investigators and prosecutors from 50 different agencies convened at the Kansas Bureau of Investigation Forensic Science Center on the campus of Washburn University. The training was sponsored by Attorney General Schmidt and the National Attorneys General Training and Research Institute (NAGTRI).

"This training made available to Kansas law enforcement the hard-learned experiences of officials from states already hard-hit by the opioid overdose crisis," Schmidt said. "So often, an overdose death is not merely an accident or a tragedy but is the direct result of criminal peddling of poisons on our streets and in our communities."

Last year saw just more than 100 opioid overdose deaths in Kansas and a similar number of methamphetamine overdose deaths.

NAGTRI is the training and research branch of the National Association of Attorneys General (NAAG). Its mission is to provide high-quality, responsive, innovative training to state and territorial attorney general offices. Attorney General Schmidt currently serves as president of NAAG.

Presenters included personnel from the Kansas and New Hampshire Attorney General's Offices, Cleveland (Ohio) Police Department, Summit County (Ohio) Prosecutor's Office, the Drug Enforcement Administration and the Shawnee County Coroner.

AIRBNB ENLISTS SAN FRANCISCO'S BIGGEST LANDLORD

Veritas Investments will allow tenants to rent out units through Airbnb

By Laura Kusisto

San Francisco's largest apartment landlord will begin allowing tenants to rent out their units on Airbnb Inc., a victory for the short-term-rental website that could prompt an outcry from opponents who say the site is helping to drive up housing costs.

Veritas Investments, which owns more than 5,000 units in San Francisco, will allow tenants to rent their units to tourists and other temporary residents as long as they use the Airbnb platform. The company is piloting the program in five of its buildings, with about 100 units in total.

"I'm just a fundamental believer that when you have a scarce resource, whether it's housing or parking lots, there's got to be a better way to share those scarce resources," said Yat-Pang Au, chief executive of Veritas Investments, which is based in the city.

Airbnb, which was founded in San Francisco in 2008, has been in the cross hairs of numerous fights over housing scarcity, pitting it against tenant advocates and landlords alike. It has received a similarly contentious reception in other pricey cities such as New York, Los Angeles and Miami.

In the spring, the company settled a lawsuit with the city of San Francisco over a rule that imposed fines of \$1,000 a day for hosts who don't register their units with the city. Under the terms of the settlement, hosts are to register through Airbnb's website and it will pass the information to city officials.

Airbnb has agreed to purge its site by the beginning of next year of listings of units that aren't registered.

Veritas is the guardian of some of the city's most politically sensitive housing stock: older buildings with many rent-controlled units. Airbnb officials said this represents a new market, distinct from its traditional focus on newer buildings owned by large, institutional landlords.

"The partnership really legitimizes home sharing for a community of apartment residents who weren't really part of the home-sharing conversation prior to this," said Jaja Jackson, director of global multifamily-housing partnerships at Airbnb.

Affordable-housing advocates fear that if renters are allowed to sublet their units on Airbnb it will boost rents further in the city, where rates already have risen by 50% since the recession.

Recent academic research into rents and home prices in the 100 largest metropolitan areas in the U.S. between 2012 and 2016 found that a 10% increase in Airbnb listings leads to a 0.39% increase in rents and a 0.64% increase in home prices.

But Airbnb executives argue that allowing tenants to rent their units out on the site helps make housing more affordable in costly cities, by enabling them to generate extra income.

“Your income should not define you as a San Francisco resident. We want this option to be available to people who want to live and stay in San Francisco,” Mr. Jackson said.

Veritas has been speaking with Airbnb for several years but Mr. Au said he was initially hesitant.

“It’s a particularly charged circumstance with Airbnb here,” he said. “Most of our assets are rent-controlled. People are paying super low rents and are scofflawing and making a profit on landlords and their neighbors.”

Mr. Au said he became more open to allowing Airbnb after the settlement with the city, which helped create legal limits designed to protect tenants. The company also has created a \$1 million insurance policy that helps protect landlords from liability—though some owners say it isn’t enough.

The partnership between Airbnb and Veritas includes Pillow Residential, a startup independent from Airbnb that helps tenants and landlords manage Airbnb listings by arranging for cleaners, tracking how many nights a year tenants rent out their units and giving guests a point of contact if something goes wrong. Tenants in Veritas buildings who want to rent their units out short term will have to use Airbnb and Pillow.

Working with Pillow could be a tool for Airbnb to win over landlords who still have concerns about letting tenants open up their buildings to strangers.

Airbnb a year ago unveiled its Friendly Buildings Program, under which landlords permit tenants to rent their units out on Airbnb in exchange for a cut of the profits.

Apartment owners raised concerns initially about liability, the safety of residents and the effect of mixing long-term residents and tourists, but the program has been gaining traction, especially in recent months. There are now more than 13,000 units enrolled all told.

Charley Goss, government and community-affairs manager at the San Francisco Apartment Association, which represents landlords, said he has heard of limited interest from local landlords.

“We’re a little bit sensitive to affordability issues in San Francisco. The cost of our housing is very, very expensive. Conducting short-term rentals takes away housing from people who live here and work here and gives it to tourists who are visiting for the weekend.”

A survey by the National Multifamily Housing Council and Kingsley Associates found that tenants’ views of short-term rentals are sharply divided. According to the survey, 21% of renters between 25 and 34 years old said knowing that a building allows short-term rentals would positively affect their opinion of it, while 11% said they wouldn’t live in a building that allows the practice.

In contrast, 8% of those 65 years and older said they would view being able to rent their unit out short-term as a perk, while 32% said they wouldn’t rent in that building.

Residents were fairly evenly split in the Bay Area, where 18% of respondents said knowing a building allows short-term rentals would positively affect their view of the community and 21% said it would negatively affect it.

Mr. Au said Veritas has no set timeline for when it might decide to expand the program beyond the first five buildings because the company remains at the frontier of allowing tenants to use Airbnb’s services. There are still a limited number of landlords using the program in San Francisco. So far, buildings with 1,100 units are enrolled in the Friendly Buildings program.

“It could end up being a situation where our residents broadly hate it,” Mr. Au said. “It may turn into a huge success, where residents say, ‘I’m using it and I’m more affordably able to live in San Francisco.’”

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