

## **Former Attorney General Hardy Myers dies at age 77**

By Samantha Matsumoto

Former Oregon Attorney General Hardy Myers, who worked in state politics for more than three decades, died Tuesday night, his son said. He was 77.

Colleagues remember Hardy Myers

"Last night we lost a giant in the Oregon legal profession and a dear friend. Hardy Myers was a lawyer's lawyer, a true professional, and a friend to all who met him. Many of the Oregon Department of Justice's current staff worked under Hardy's leadership during his twelve years as Oregon AG, and his legacy and strong work ethic lives on through each of them." -- Oregon Attorney General Ellen Rosenblum

"Hardy was the consummate public servant. He was always kind and gentle but pragmatic, fully committed to fighting for all Oregonians. Because of his service as legislator, Speaker of the House, and Attorney General, Oregon is a better place." -- House Majority Leader Jennifer Williamson, D-Portland

"Today, we lost a public servant who dedicated his career to his fellow Oregonians. Hardy Myers improved the lives of hundreds of thousands of Oregonians as Speaker of the House and Attorney General. From strengthening domestic violence laws, defending our Death with Dignity law, securing Oregon's tobacco settlement and protecting consumers, Myers changed our state for the better." -- Labor Commissioner Brad Avakian

"Hardy Myers served Oregonians with distinction as a legislator, speaker and attorney general. Oregon's district attorneys mourn his passing and thank him for his extraordinary partnership and unwavering commitment in the areas of child support, services to crime victims and promoting the safety of our communities...We are grateful for his lifelong commitment to public service." -- Oregon District Attorneys Association President Daina Vitols

"Hardy was a man of remarkable compassion, who took on tremendous leadership in the realm of victims' rights. Hardy's commitment to victims rights continued after he left office and his was an important voice for people too long ignored by the legal system. He was a real class act and will be terribly missed." -- Clatsop County District Attorney Joshua Marquis

Myers died from complications with pneumonia, his son Chris Myers said. He had also had been sick with lung cancer for the past two years, Chris Myers said. He left behind three sons, 10 grandchildren and his wife of 54 years, Mary Ann Myers.

Myers had a long and accomplished career in state politics. He served in the Oregon House of Representatives for five terms, holding the reins as speaker from 1979 to 1982. The Democrat was later elected attorney general in 1996.

Gov. Kate Brown lauded Myers' work to improve domestic and sexual violence laws and school safety policies after the Thurston High School shooting in 1998.

"Oregon lost a true statesman today. Hardy Myers dedicated most of his adult life to serving the people of Oregon as a legislator and Attorney General," Brown said in a statement. "His legal acumen was greatly respected by lawmakers, and he was beloved by many who worked for him."

During his career, Myers worked to improve consumer laws, including multistate settlements with drug companies. He bolstered services to victims of sexual assault and domestic violence. He helped negotiate a settlement between states and the tobacco industry in 1998. He also successfully defended the state's assisted suicide law, which the U.S. Supreme Court upheld in 2006.

Born Oct. 25, 1939, Myers was raised in central Oregon. He attended Crook County High School in Prineville before attending the University of Mississippi for his undergraduate degree. He graduated from the University of Oregon's law school in 1964.

Myers began his career in state politics in 1974 when he won a seat in the Oregon House from Portland. He served two of his five legislative terms as House speaker. After the House, he worked as a lawyer for the Stoel Rives law firm in Portland.

Myers ran for attorney general in 1996 after Ted Kulongoski announced he would not run for a second term as attorney general. Myers beat out then-Democrat Kevin Mannix and Victor Hoffer for the job.

Myers served 12 years as attorney general before he retired in 2009 at age 69. He is tied for Oregon's third-longest serving attorney general with Andrew Crawford.

Senate President Peter Courtney called Myers' death a giant loss. Myers was the first House speaker Courtney worked with, he said.

"He taught me everything," Courtney said in a statement. "He taught me to respect the institution. He taught me to respect the process. He taught me to respect other people and other viewpoints. He was a wonderful gentleman."

Chris Myers said he will remember family cross county road trips with his father, with many stops at historical sites.

His father was devoted to both his family and his career as a public servant, Chris Myers said.

"I think people really respected his integrity and fairness," Chris Myers said. "Those were the hallmarks of his career."

Myers' funeral will be at 10 a.m. on Wednesday, Dec. 7 at the All Saints Catholic Church at 3847 NE Glisan St.

"Last night we lost a giant in the Oregon legal profession and a dear friend. Hardy Myers was a lawyer's lawyer, a true professional, and a friend to all who met him. Many of the Oregon Department of Justice's current staff worked under Hardy's leadership during his twelve years as Oregon AG, and his legacy and strong work ethic lives on through each of them. He was a public

servant who spent his career fighting for Oregonians. There are no words to describe the loss we are all feeling today, except to say that he was simply beloved—and remains so forever in our hearts. The entire Oregon DOJ sends our sincere condolences to Mary Ann and the rest of Hardy's family.”

-- Samantha Matsumoto

## **Trump to pick foe of Obama climate agenda to run EPA: source**

Donald Trump will pick an ardent opponent of President Barack Obama's measures to curb climate change as head of the Environmental Protection Agency, a Trump transition team source said on Wednesday, a choice that enraged green activists and cheered the oil industry.

Trump's choice, Oklahoma Attorney General Scott Pruitt, fits neatly with the Republican president-elect's promise to cut back the EPA and free up drilling and coal mining, and signals the likely rollback of much of Obama's environmental agenda.

Since becoming the top prosecutor for the major oil and gas producing state in 2011, Pruitt has launched multiple lawsuits against regulations put forward by the agency he is now poised to lead, suing to block federal measures to reduce smog and curb toxic emissions from power plants.

He is also a leading figure in a legal effort by several states to throw out the EPA's Clean Power Plan, the centerpiece of Obama's climate change strategy that requires states to curb carbon output. In an interview with Reuters in September, Pruitt said he sees the Clean Power Plan as a form of federal "coercion and commandeering" of energy policy and that his state should have "sovereignty to make decisions for its own markets."

Pruitt, 48, has also said he is skeptical of climate change. In an opinion piece in an Oklahoma newspaper this year, he wrote that he believes the debate over global warming is "far from settled" and that scientists continue to disagree on the issue. An overwhelming majority of scientists around the world say manmade emissions are warming the planet.

The Obama administration finalized the Clean Power Plan in 2015 as a key part of meeting U.S. obligations under the Paris Climate Agreement, an accord among nearly 200 countries to curb global warming. Many scientists say warming is causing rising sea levels, drought, and an increase in ferocious storms.

Trump vowed during his campaign to pull the United States out of the Paris deal, saying it would put American businesses at a competitive disadvantage. Since the election, however, Trump has said he will keep an "open mind" about the climate deal, and also met with leading climate change activist and former Vice President Al Gore.

## **Wisconsin DOJ Fusion Center Team Recognized as Best in Nation**

MADISON, Wis. — Two Wisconsin Department of Justice team members were recently recognized by the National Fusion Center Association at an award ceremony in Washington, D.C. Special Agent in Charge Christopher DeRemer and Criminal Analyst Supervisor Samantha Korta

were awarded Fusion Center Director of the Year and Fusion Center Employee of the Year, respectively.

The Wisconsin Statewide Intelligence Center (WSIC), also known as the Fusion Center, is operated by the Wisconsin Department of Justice - Division of Criminal Investigation (DCI). WSIC provides tactical, operational, and strategic intelligence support to local, state, federal and tribal law enforcement; emergency management; fire service; public health; military and private sector partners. The Fusion Center also works with local and statewide law enforcement to collect and analyze information about criminal activity that assists in preventing and solving crimes. Further, the Fusion Center staff coordinates Wisconsin's Amber Alerts and Silver Alerts that help locate missing children, seniors, and vulnerable adults.

"The Wisconsin Department of Justice attracts and employs our state's and nation's top talent," said Attorney General Brad Schimel. "Both Chris and Sam exemplify the top-notch services and expertise DOJ delivers to our law enforcement partners and Wisconsin citizens every day. The national recognition Chris, Sam, and their colleagues received is well-deserved and makes me proud to lead DOJ."

Special Agent in Charge (SAC) Christopher DeRemer, Director of the Wisconsin Statewide Intelligence Center (WSIC), was awarded Fusion Center Director of the Year. Candidates for this award have provided exceptional services to their fusion center by enhancing capabilities, increasing collaboration, and instituting positive change. Their actions directly contributed to improving the security posture of their jurisdiction and ultimately our homeland.

SAC DeRemer has been at the forefront of producing several strategic intelligence products that are rooted in tactical and operational expertise resident in a fusion center. SAC DeRemer provides briefings on fusion center operations to senior policy makers on the state and national level, including Congress and members of the Committee on Homeland Security and Governmental Affairs. SAC DeRemer also consulted with policy and legislative liaisons on the state and national level on issues related to cybercrimes, technology, and fusion center operations.

Samantha Korta, Criminal Analyst Supervisor, was awarded the National Fusion Center Association's Fusion Center Employee of the Year. Candidates for this award have provided exceptional services to the national network of fusion centers. These particular services have significantly contributed to the development or sustainment of the candidate's center and/or the fusion center network. Their efforts have improved the security posture of the jurisdiction and/or the nation through information sharing.

CAS Korta is known as hardworking and innovative, and is a widely respected analyst by law enforcement and homeland security professionals throughout the country. Her efforts directly impact our nation's ability to combat criminal and national security threats.

The National Fusion Center Association, which recognized SAC DeRemer and CAS Korta, represents the interests of state and major urban area fusion centers, as well as associated interests of states, tribal nations, and units of local government, in order to promote the development and sustainment of fusion centers to enhance public safety; encourage effective, efficient, ethical,

lawful, and professional intelligence and information sharing; and prevent and reduce the harmful effects of crime and terrorism on victims, individuals, and communities.

## **AG Brnovich Issues Statement after Judge Upholds AZ Identity Theft Laws**

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### **AG Brnovich Issues Statement after Judge Upholds AZ Identity Theft Laws**

PHOENIX – Arizona Attorney General Mark Brnovich released the following statement after U.S. District Judge David G. Campbell upheld the legality of Arizona laws on identity theft. Judge Campbell ruled Arizona’s workplace identity theft laws, which were challenged in *Puente v. Arpaio*, serve as a legitimate law enforcement tool in combatting identity theft.

“Identity theft costs Arizonans millions of dollars a year,” said Attorney General Mark Brnovich. “Arizona can now move forward with prosecuting job-related identity theft crimes to protect Arizonans.”

“The constitution does not protect someone from stealing another person’s identity. Defending this lawsuit has always been about defending the rule of law,” added Brnovich.

“At the heart of this very complex litigation was the simple argument that it is our responsibility to protect Maricopa County residents from identity theft, pursue justice on their behalf, and hold offenders accountable,” said Maricopa County Attorney Bill Montgomery. “This decision confirms our arguments that MCAO is serving victims of identity theft through the full and fair enforcement of our laws and rejected the divisive and irresponsible arguments brought by Puente and the ACLU. I am proud of our team’s work to adeptly defend the basic notions of protecting victims of criminal conduct, the role of our office in carrying out our constitutional duties, and my role as the elected chief prosecutor. Our partnership with Attorney General Brnovich’s Office on behalf of the people of Arizona served the entire state well.”

Maricopa County Sheriff Joe Arpaio, Maricopa County Attorney Bill Montgomery, and the State of Arizona were defendants in the lawsuit.

Deputy Solicitor General Dominic Draye argued the case before Judge Campbell on October 13, 2016.

## **AG Coffman Announces Significant Relief for Victims of Illegal Auto Title Loan Scheme**

DENVER—Colorado Attorney General Cynthia H. Coffman announced today that her office secured a significant judgment against a group running an illegal auto title loan scheme in Colorado. The group used a variety of names with consumers, including Sovereign Lending Solutions, LLC; Car Loan, LLC; and Autoloans, LLC.

The Attorney General's Office demonstrated that the individuals behind these fictitious names made, serviced, and collected personal loans – some of which had annual percentage rates exceeding 300% – to over 400 Colorado consumers. Consumers were required to turn over title to their vehicle as collateral for the loans, which often resulted in vehicles being repossessed that had values far greater than the loans themselves. Such auto title loans are illegal in Colorado.

“I am pleased that many Coloradoans living in fear of having their vehicles towed in the middle of the night due to an illegal loan, will be able to rest easier today,” said Attorney General Coffman. “Companies like the ones involved in this case are taking advantage of Colorado citizens over the internet, but we are fighting back to shut them down and protect consumers.”

The judgment entered by the Denver District Court requires Defendants to pay \$24,739.01 in restitution to consumers and \$587,390 in penalties. The judgment also requires Defendants to release 402 liens worth \$815,754.70 they filed against Colorado consumers' vehicles. Finally, Defendants must return title to every affected consumer in Colorado.

To learn more about consumer loans and credit or debt collection in Colorado, to file a complaint, or to verify whether a supervised lender or debt collector is licensed in Colorado, please visit [www.coag.gov/ccu](http://www.coag.gov/ccu) or email [uccc@coag.gov](mailto:uccc@coag.gov).

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### **Attorney General Bondi Announces Settlement with NFL**

TALLAHASSEE, Fla.—Attorney General Pam Bondi and five other attorneys general today announced a settlement with the National Football League resolving antitrust concerns about the NFL's league-wide mandatory price floor policy. The policy required each of the 32 NFL member teams to impose a price floor on all secondary market ticket sales on the NFL's Ticket Exchange and related websites officially sanctioned by the league. This policy, which the NFL terminated after the investigation began, prohibited sellers from listing tickets for resale on the NFL's officially sanctioned resale sites at a price lower than the face-value of the ticket.

“With the resolution of this matter, NFL football fans should benefit from a more competitive marketplace,” said Attorney General Bondi.

The settlement prohibits a league-wide mandatory price floor policy and includes disclosure requirements in cases where an individual team imposes its own price floor. Additionally, the settlement prohibits the NFL from directing or requiring ticketing practices among teams that are designed to preclude fans from using competing exchanges and prohibits the NFL from interfering with an individual team's efforts to coordinate anti-fraud measures with competing secondary ticket exchanges.

As part of the settlement, the NFL will pay more than \$100,000 towards the costs of the multistate investigation.

## **Up to 20 years in Prison for Former CEO of Veterans Credit Union Who Stole Millions, Will Also Pay \$1.9 Million in Restitution**

LANSING — Michigan Attorney General Bill Schuette today announced that Fuatiana Afutiti, of Westland, has been sentenced to 30 months to up to 20 years in prison for stealing nearly \$2 million dollars from the Veterans Health Administration Credit Union.

The former President and CEO of the credit union used the stolen funds for her personal use including leasing luxury cars, gambling and financing personal vacations.

“This person not only took advantage of her position within the credit union but took advantage of military veterans, many of who are disabled or on a fixed income,” said Schuette. “Individuals who served and sacrificed for this country deserve the utmost respect and instead the members of the credit union were victimized. I am pleased to see this verdict.”

Afutiti, 50, plead guilty as charged to one count of Receiving Proceeds from a Continuing Criminal Enterprise and one count of Embezzlement from a Credit Union. She was sentenced Thursday, December 1, 2016 before Judge David Groner, in the 3rd Circuit Court in Wayne County. Afutiti will report to prison on January 4, 2017.

Mr. Schuette appreciates the assistance provided by the Department of Insurance and Financial Services (DIFS) in this investigation resulting in this conviction.

### **Case Background**

Afutiti's misconduct was uncovered in February 2016 by a routine audit at the Veterans Health Administration Credit Union (VACU) conducted by Credit Union Examiners from the Department of Insurance and Financial Services (DIFS). The audit revealed significant irregularities and cash shortfalls at the credit union. Afutiti was the President and CEO of VACU during 2012-2016 when the shortfalls were discovered. She was questioned about it but could not provide a logical explanation.

After that a financial background investigation into Afutiti was conducted. It revealed that from 2012-2016, she leased or bought several vehicles including a 2013 Mercedes Benz. Afutiti also used money embezzled from the credit union to purchase a \$100,000 motor home, finance personal vacations and gambling.

The defendant agreed to pay restitution in the amount of \$1.9 million. The credit union was made insolvent and closed in March 2016 as a result of this embezzlement.

All memberships of the credit union were immediately transferred to the Public Credit Union. Public Credit Union assumed all assets, loans and shares.

Any members who continue to have questions about their loan and share accounts can contact Public Service Credit Union at 734-641-6335. Members with additional questions about the credit union's closure can contact the DIFS toll-free hotline at 877-999-6442.

## **Vermont Attorney General Announces Settlement With “Member Choice” Discount Travel Club Operator And Marketers, And Sues Deceptive Travel Club Sellers For Consumer Protection Violations**

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Thirty-two Vermonters who were deceived into purchasing nearly worthless memberships in the “Member Choice” travel club will receive partial refunds from some of the companies involved in the unfair and deceptive membership sales. The Vermonters paid a total of nearly \$130,000 to become members of the discount travel club, which was claimed to offer steep discounts on travel services. The travel club ultimately provided its Vermont members a total of less than \$3,000 in discounts.

“Vermont law provides strong protections for consumers who are being offered memberships in discount programs,” said Attorney General William Sorrell. “Those who trick Vermonters into overpaying for services of limited value will be held accountable for violating our law.”

Attorney General Sorrell announced a settlement with two Florida men and three of their companies which engaged in marketing efforts related to these sales and fulfilled the memberships sold to consumers. Tony Armand, Henry Armand, and their companies will pay a total of \$15,000 in restitution to Vermont consumers who purchased memberships in the travel clubs, and \$10,000 in penalties to the State of Vermont. Additionally, the Armands and their businesses are prohibited from doing business in the State in the future, and will cooperate with the Attorney General's case against the other parties involved in sales of these memberships.

Vermont consumers who purchased the travel club memberships will receive checks in the mail providing partial restitution for the cost of the membership purchases. The amount paid to each Vermonter will be approximately 10% of the initial purchase price.

In order to secure additional restitution for Vermonters affected by these practices, the Attorney General has filed a lawsuit against Adrian Miller and his companies, Travel Supplier of America, Start 2 Finish Travel Management, and Universal Concepts Inc., for their unfair and deceptive claims and conduct related to the sales of these memberships.

Any person who expects to receive restitution under this settlement but does not receive it in the next week is encouraged to contact the Consumer Assistance Program at 1-800-649-2424 for more information. Neither the settlement nor the lawsuit prevents individual Vermonters from bringing their own lawsuits against any of the involved companies and individuals.

## **Montana Joins Multi-State Lawsuit Opposing Expansion Of Critical Habitat Definition**

Montana Attorney General Tim Fox, along with 16 other state attorneys general and one state fish and wildlife agency, filed a lawsuit in federal court in Alabama Tuesday, challenging two newly issued regulations promulgated under the authority of the Endangered Species Act by the U.S. Fish and Wildlife Service (FWS) and the U.S. National Marine Fisheries Service (NMFS).

The states assert that the final administrative rules defining “critical habitats,” as recently issued by the two defendant federal agencies, unlawfully exceed the authority granted to them by Congress as provided in the Endangered Species Act. The statutory definition of “critical habitats” are those “specific areas within the geographical area occupied by the species at the time it is listed . . . on which are found those physical or biological features (I) essential to the conservation of the species and (II) which may require special management considerations or protection.”

The states assert that the federal agencies have improperly, and unlawfully, expanded the definition of critical habitats by adopting administrative rules to include any land or water habitat currently unoccupied by a threatened or endangered species, but which could potentially provide for the survival of such species in the future.

Congress specifically directed that “critical habitat shall not include the entire geographical area which can be occupied by the threatened or endangered species.” Moreover, Congress directed that lands unoccupied by threatened or endangered species cannot be designated as critical habitat for those species unless the Federal agencies expressly find that those lands “are essential for the conservation of the species.”

The lawsuit contends, that if allowed to stand, the rules would allow U.S. FWS and U.S. NMFS to exercise virtually unlimited power to declare land and water as critical habitat for endangered and threatened species, regardless of whether that land or water is occupied by the species, regardless of physical or biological features necessary to sustain the species, and regardless of whether the land or water is actually essential to the conservation of the species.

The lawsuit also asserts that the final rule would allow the U.S. FWS and U.S. NMFS to declare almost any activity as “destructive of critical habitat,” as any activity could potentially prevent eventual development of characteristics necessary to support the survival of a threatened or endangered species.

Speaking to the newly issued rules being challenged by the States, Montana Attorney General Tim Fox said, “While it’s important to preserve habitat critical to the survival of endangered species, these newly issued regulations are clearly unlawful expansions of authority by the executive branch, and allowing them to move forward would only further erode the integrity of our country’s lawmaking process. I’m hopeful that the incoming administration will scrap these rules, and instead, respect the process used to create laws in this country, rather than promulgate law by executive fiat.”

**AG: IOWA POLITICAL GROUP TO PAY \$320K IN SECOND FOOD-LABELING CASE**

OLYMPIA — A Thurston County judge today ordered an Iowa organization and its belatedly registered political committee to pay \$319,281 in penalties, plus costs and fees in Attorney General Bob Ferguson’s campaign finance disclosure lawsuit.

After a trial starting today, Thurston County Superior Court Judge Gary Tabor ruled that as a result of their violations of state campaign finance disclosure laws, Food Democracy Action! (FDA) must pay a \$319,281 penalty (for concealment and late reporting), \$2,895.16 in investigation costs, plus attorney fees and trial costs to be determined separately.

On April 22, 2016, Judge Tabor granted Ferguson’s motion for summary judgment, ruling FDA had violated Washington state law by concealing nearly \$300,000 in accumulated campaign contributions. The decision is the result of a trial held today to determine penalties for these violations.

“Washington voters have a right to know who is funding their elections,” Ferguson said. “Food Democracy Action concealed the sources of hundreds of thousands of dollars in contributions. I won’t tolerate violators compromising the transparency of our elections.

The case concerns FDA’s financial support of a 2013 campaign supporting Initiative 522, which sought to require labeling of genetically engineered products. FDA, an Iowa-based organization, raised almost \$300,000 to support the “Yes on I-522” political committee. Rather than registering as a political action committee, FDA made the contributions under its own name, without disclosing the identities of its donors.

Ferguson filed a lawsuit against FDA in December 2014. The state alleged FDA violated Washington’s campaign finance disclosure laws when it solicited and collected almost \$300,000 from its supporters, contributed \$200,000 of those funds to support I-522, and failed to disclose the true source of the contributions. The trial court agreed.

FDA began collecting funds to support I-522 in July 2013, sending several electronic newsletters to supporters encouraging them to donate to this effort. FDA made its first contribution, disclosing only its own name, to “The Yes on I-522 Committee” in August 2013. FDA ultimately sent \$200,000 to the committee.

After the Attorney General’s Office received a Citizen Action Complaint in October 2013 regarding FDA’s practices, FDA registered the “Food Democracy Action! Yes on I-522 Committee to Label GMOs in Washington” political committee with the state’s Public Disclosure Commission on Nov. 13, 2013, eight days after the election. FDA then provided the names of almost 3,100 contributors. In 2012, FDA spent \$115,000 to support a similar initiative in California; FDA also engaged in lobbying in Connecticut and Maine in support for GMO labeling statutes.

“Once again, the PDC and the Attorney General will not hesitate to take strong enforcement action whenever there is an attempt to conceal campaign donors,” said Public Disclosure Commission Chair Anne Levinson.

This is one of two campaign finance disclosure cases related to I-522. Earlier this month, the Grocery Manufacturer's Association was ordered to pay \$18 million in penalties and damages for its systematic effort to conceal the sources of \$11 million in contributions to oppose I-522. That case, also brought by Ferguson's office, is believed to represent the largest campaign finance judgment in United States history.

Senior Assistant Attorney General Linda Dalton and Assistant Attorney General Chad Standifer led the case for the state.

Since becoming Attorney General, Attorney General Ferguson has devoted more agency resources to campaign finance casework.

## **Casinos a Bright Spot in Key Report Grading U.S. Anti-Money Laundering Measures**

Independent international body says U.S. gaming industry goes beyond legal requirements, understands risk and obligations

Evaluation marks significant progress for the industry

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Washington, DC – The influential international body that grades countries' efforts to prevent money laundering today recognized casino gaming companies' significant investment in anti-money laundering (AML) efforts, reporting that the industry "has a good understanding of risks and obligations," puts in place "mitigating measures above the requirements" of the Bank Secrecy Act (BSA) and has shown "an increased focus on raising awareness and improving compliance."

The Financial Action Task Force (FATF) released its mutual evaluation report for the United States today. FATF releases such reports once every ten years, and its 2016 report found, "the gaming industry has taken significant steps to comply with AML/CFT [combatting the financing of terrorism] requirements...casinos have not only increased their compliance spending but have also put in place mitigating measures above the requirements of the BSA based on their risk."

Ten years prior, FATF was critical of casino gaming. For example, it said, "Regulators and casinos should work to further harmonize the Nevada Gaming Commission's (NGC) regulatory requirements with the Bank Secrecy Act (BSA) and that this should occur as rapidly as possible."

"It's no accident that FATF's evaluation of the casino gaming industry greatly improved from 2006 to 2016," said Geoff Freeman, AGA president and CEO. "We're proud of the incredible strides the industry has made not only since FATF's report of the gaming industry ten years ago, but in the last three years as we've built a partnership with the federal government that serves as a model for other industries."

In advance of the FATF evaluation, gaming companies took aggressive action to improve AML compliance, and the American Gaming Association (AGA) demonstrated these improvements through a groundbreaking report earlier this year. In 2014, AGA also released a first-ever Best Practices for AML Compliance, which it updates annually.

FATF praised both reports by name in its evaluation. AGA “works to assist the sector by putting out useful best practices guidance,” and the recent study on Investing in America’s Financial Security: Casinos’ Commitment to Anti-Money Laundering Compliance commissioned by the AGA provides a good picture of the understanding of the casino sector and the mitigating measures they have put in place.”

In 2013 at Global Gaming Expo (G2E), the largest annual gathering of gaming industry professionals, then-FinCEN Director Jennifer Shasky-Calvery said, “I fear there may be a culture within some pockets of the industry of reluctant compliance with the bare minimum, if not less. I hope that together we can make a cultural change.” Today’s report offers the latest evidence that such a change has indeed occurred.

FATF, in 2006, recommended the industry take a number of steps to increase its customer identification procedures, reporting of suspicious transactions while further regulating, supervising and monitoring anti-money laundering operations. The 2016 FATF report recognizes the industry’s enhancements, highlighting that the gaming industry has taken significant steps to comply with AML/CFT requirements and to prevent potential money laundering and terrorist financing. Further, the report acknowledges that in some areas, industry practices exceed federal BSA requirements.

The FATF mutual evaluation process results in comprehensive written reports that are used by governments and the private sector to underscore the money laundering and terrorist financing risks posed by countries and the financial sectors within them. When making gaming licensing decisions, foreign regulators may use these reports to consider whether an applicant comes from a jurisdiction with strong oversight and controls to combat illicit finance. Similarly, financial institutions use these reviews as part of their calculus with respect to financing and other critical financial decisions.

FATF is an independent inter-governmental body that develops and promotes policies to protect the global financial system against money laundering, terrorist financing and the financing of proliferation of weapons of mass destruction. The FATF Recommendations are recognized as the global AML and counter-terrorist financing standard.

About AGA: The American Gaming Association is the premier national trade group representing the \$240 billion U.S. casino industry, which supports 1.7 million jobs in 40 states. AGA members include commercial and tribal casino operators, suppliers and other entities affiliated with the gaming industry. It is the mission of the AGA to be the single most effective champion of the industry, relentlessly protecting against harmful and often misinformed public policies, and paving a path for growth, innovation and reinvestment.