

## **ARTICLES FOR 9-21-17 ROUNDUP**

### **UN GLOBAL COMPACT RECOGNIZES LEXISNEXIS HEAD OF RULE OF LAW DEVELOPMENT AS A 2017 SDG PIONEER**

Teresa Jennings recognized for advancing the rule of law

NEW YORK, 12 September 2017 – Teresa Jennings, Head of Rule of Law Development at LexisNexis Legal & Professional has been named one of 10 SDG Pioneers by the United Nations Global Compact. SDG Pioneers are individuals from around the world who champion sustainability through their companies and mobilize the broader business community to act in pursuit of the 17 Sustainable Development Goals (SDGs).

“Each of the 2017 SDG Pioneers is exhibiting how companies and pioneering individuals can be a force for positive change in addressing the issues we all face today,” said Lise Kingo, UN Global Compact CEO and Executive Director. “Ms. Jennings has been impactful in promoting peace, justice and strong institutions in the corporate world. She has been a Pioneer in preserving the rule of law around the globe.”

Ms. Jennings supports the LexisNexis corporate mission to advance the rule of law around the world. In the U.S., she worked with the Uniform Law Commission on a Model Act for the prevention of and remedies for human trafficking. Upon the enactment of the Model Act, Ms. Jennings analyzed the underlying elements of existing anti-human trafficking laws across all states and compared them to the Model Act. She briefed 20 state Attorneys General on the protections available under their state’s existing laws—and where each state’s laws could be enhanced. Since that time, nine states have adopted the Model Act in full, and many more states have enhanced their anti-human trafficking laws generally.

Working with UK-based non-profit Advocates for International Development, Ms. Jennings organized the pro bono work of almost thirty LexisNexis volunteers to write and edit sections of a soon-to-be-released SDG Legal Guide. Volunteers focused on rule of law implications for each of the 17 SDGs. Ms. Jennings also serves on the Steering Committee of the UN Global Alliance for Reporting Progress on Peaceful, Just and Inclusive Societies. There, she works with UN Member States, civil society groups and business to facilitate Member States in reporting progress on SDG 16 and other SDGs aligned with the elements of peace, justice, and inclusion. She also led work to engage corporations and key stakeholders in the company’s Business for the Rule of Law (B4ROL) initiative and in the RELX SDG Resource Centre, a free tool developed by RELX Group, parent company of LexisNexis.

“All of our people are advancing the rule of law around the world each day through our core business, and we’re very proud that the UN Global Compact has recognized Terry’s outstanding efforts,” said Ian McDougall, EVP and General Counsel, LexisNexis Legal & Professional. “Data from the LexisNexis Rule of Law Impact Tracker, which combines studies from the World Bank, the World Justice Project and Transparency International, shows that enhancing the rule of law benefits nations economically and socially, so work to achieve peace, justice and strong institutions through SDG 16 is both the right thing to do—and good for business.”

## About UN Global Compact SDG Pioneers

Each year, the UN Global Compact celebrates a group of SDG Pioneers – business leaders doing an exceptional job of taking action to advance the Global Goals. Hundreds of nominations were received from diverse regions of the world, from which 10 finalists were selected, exemplifying how business can be a force for good in addressing the challenges we face as a global society. Each Pioneer will be recognized during the UN Global Compact Leaders Summit 2017 on September 21 in New York.

A Pioneers Selection Group, comprised of experts from the UN, academia, civil society and the private sector, ranked the nominees based on a set of criteria, resulting in the ten 2017 UN Global Compact SDG Pioneers. Meet all 2017 SDG Pioneers.

The world's largest corporate sustainability initiative, the UN Global Compact calls on companies to align strategies and operations with universal principles on human rights, labor, environment, and anti-corruption, and take actions that advance societal goals. In the United States of America, over 485 companies and non-business organization have joined the initiative, and the Global Compact Network USA has supported their efforts to advance sustainable business practices since 2007. The UN Global Compact Leaders Summit 2017 is a two-day gathering of the private sector, UN, Government and civil society to jump-start action to achieve the UN Sustainable Development Goals by 2030. Together, over 800 leaders from around the world are gathered in New York to identify how to unleash the business activities, thinking and innovation required for a new era of sustainability.

## **ATTORNEY GENERAL BECERRA TESTIFIES BEFORE THE U.S. SENATE IN SUPPORT OF PROTECTING CHILDREN FROM SEX TRAFFICKING**

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WASHINGTON, DC – California Attorney General Xavier Becerra testified today before the U.S. Senate Committee on Commerce, Science and Transportation on The Stop Enabling Sex Traffickers Act of 2017 (S. 1693). The legislation would help protect children and other vulnerable individuals from sex trafficking.

Attorney General Becerra offered witness testimony in support of S. 1693, which was sponsored by Senator Rob Portman (R-Ohio) and 27 additional cosponsors, and in support of amending the Communications Decency Act (CDA).

Below is an excerpt from Attorney General Becerra's remarks as prepared for delivery:

Thank you, Chairman Thune, Ranking Member Nelson and all the Members of the Committee for the opportunity to be here today. It is my privilege to testify before the Committee on Commerce, Science and Transportation on Senators Portman and Blumenthal's bipartisan S. 1693, The Stop Enabling Sex Traffickers Act of 2017.

As the Attorney General of California – our state’s top law-enforcement officer – I have a unique role to play in combating the heinous crime of human trafficking. Today, I am here to explain why the Communications Decency Act needs to be clarified so that we can more effectively do our jobs in enforcing laws that protect children and help us eradicate this crime for good.

Human trafficking is one of the fastest-growing criminal enterprises worldwide. All too often, criminals prey on women and children and profit from sex trafficking without fully facing the consequences of their crimes. California has more reported cases of human trafficking than any other state. As Attorney General, I am committed to doing everything in my power to prosecute traffickers and disrupt the criminal organizations that profit from the exploitation of human beings.

The perpetrators of human trafficking have become more sophisticated and organized, requiring an equally sophisticated response from law enforcement and its partners to disrupt and dismantle their networks.

## **AG SCHIMEL ANNOUNCES 25 ARRESTS IN ANTI-HUMAN TRAFFICKING & SEXUAL PREDATOR STINGS**

GREEN BAY, Wis. – Today, Attorney General Brad Schimel announced Wisconsin Department of Justice (DOJ) Division of Criminal Investigation (DCI) Human Trafficking Bureau agents, with the aid of local and federal law enforcement, have arrested 25 individuals in stings to arrest sex traffickers, “johns,” and child abusers in July and August 2017.

“The only reason human trafficking exists is because there is a demand for buying sex. Those creating the demand – the johns who buy victims and the pimps who are exploiting them – are not safe to exploit and coerce people in our state,” said Attorney General Schimel. “When I was sworn in as attorney general, I put johns on notice. We are coming for you, and for some – we already got you. DOJ’s Human Trafficking Bureau’s arrests this summer will not be the last.”

In operations focused in northern and eastern Wisconsin, DCI agents arrested 25 individuals in operations that targeted those seeking children for sexual purposes and “johns”, individuals who were soliciting prostitutes. Some of those arrested were knowingly seeking 14- and 15-year old children for sexual purposes.

“This investigation is a great example of local agencies working with Wisconsin DOJ-DCI, in a joint investigation and managing an operation targeting human trafficking in our state,” said Vilas County Sheriff Joseph Fath. “This operation was coordinated in a very smooth and organized manner. The results were very successful and all of our staff working with DOJ came away with a lot of knowledge that can be used in future investigations.”

Those arrested were charged with soliciting a prostitute, pandering, soliciting a child for prostitution, attempted second degree sexual assault of a child, child enticement, using a computer to facilitate a child sex crime, exposing a child to harmful material, and exposing a child to harmful narrations.

“The Door County District Attorney’s Office was involved in a multiagency law enforcement operation targeting individuals trying to sexually exploit children and individuals soliciting adult prostitutes,” said Door County District Attorney Colleen C. Nordin. “Investigating and prosecuting these cases is a priority for my office. The number of predators interested in sexual contact with minors is shocking and highlighted by the success of these types of operations. Thanks to the outstanding work by our law enforcement partners, we are able to make Door County safer for both our families and the many visitors to this community.”

DCI agents also helped the Brown County Sheriff’s Office in the agency’s own anti-human trafficking efforts in July, when the agency arrested 35 individuals during a four day johns suppression operation in late July.

These operations were part of the National Johns Suppression Initiative, a coordinated operation across 17 states and that included 37 law enforcement agencies. The Cook County Sheriff’s Office reports that nationwide, at least 1,020 sex buyers were arrested, 15 individuals face trafficking-related charges, and 81 individuals were recovered and offered services.

The following agencies aided in the success of these operations in Wisconsin:

Cottage Grove Police Department  
Dane County Sheriff’s Office  
Door County District Attorney  
Door County Sheriff’s Office  
Eagle River Police Department  
Juneau County Sheriff’s Office  
Kohler Police Department  
Madison Police Department  
Marshfield Police Department  
McFarland Police Department  
Monona Police Department  
Rock County District Attorney  
Sheboygan County District Attorney  
Sheboygan County Sheriff’s Office  
Sheboygan Police Department  
Sheboygan Falls Police Department  
Sturgeon Bay Police Department  
U.S. Marshals  
Vilas County Sheriff’s Office  
Wisconsin State Patrol

Attached are booking photos of those arrested with charges. All suspects are innocent until proven guilty.

The fight against human trafficking is a fight that requires a comprehensive, multi-disciplinary approach. In 2015, DOJ and the Wisconsin Department of Children and Families (DCF) implemented the Wisconsin Anti-Human Trafficking Task Force. Since its inception, the task

force has been developing a cross-system, trauma-informed service and response systems for minors who have been trafficked or are at-risk of being trafficked. Attorney General Schimel also recently established the Human Trafficking Bureau at DOJ, which will provide a coordinated statewide strategy to identify, target, and prosecute traffickers in order to combat human trafficking and providing needed assistance to survivors.

DOJ encourages both rural and urban public agency executives and business owners, particularly those in the hospitality and service industries, to download and display anti-human trafficking posters. The posters, available in both English and Spanish translations, come in multiple sizes and can be downloaded at no cost online.

For more information about human trafficking in Wisconsin, and how you can help victims and end the demand, go to [www.BeFreeWisconsin.com](http://www.BeFreeWisconsin.com).

## **SOUTH DAKOTA SUPREME COURT ISSUES IMPORTANT DECISION ON FAIRNESS TAX FOR SOUTH DAKOTA RETAILERS**

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PIERRE, S.D. – Attorney General Marty Jackley announces the State of South Dakota is one step closer to bringing tax fairness to South Dakota retailers which would continue to sustain South Dakota's status as an income tax-free state. The State Supreme Court agreed with Attorney General Jackley that, despite changing times, the Court was obligated to rule in favor of the defendants in *State of South Dakota v. Wayfair, Overstock and Newegg*. Significantly, the Court's swift decision recognizes that "as internet sales have risen, state revenues have decreased." The Court further highlighted the need for the U.S. Supreme Court to revisit this issue, allowing states to require internet retailers to shoulder the same tax burden as in-state retailers do.

"The retail landscape significantly changed with the inception of the internet and access to online shopping. Federal law currently shields out-of-state businesses from paying the same tax remitted by South Dakota businesses. Today's decision paves the way to respectfully request the U.S. Supreme Court to provide that much needed fairness to save main streets and jobs across South Dakota," said Jackley.

The prevailing law, as set forth in *Quill Corp v. North Dakota*, 504 U.S. 298, 112 S. Ct. 1904 (1992), provides that a state cannot require retailers who do not have a "physical presence" in the state to collect and remit the state sales tax. The purpose of South Dakota's current litigation is to give the United States Supreme Court an opportunity to reconsider *Quill* in light of the extraordinary growth of the internet and the exponential technological advances that have been made in the last quarter century. If the U.S. Supreme Court ultimately strikes down *Quill*, retail sales tax obligation can be applied fairly to both internet and main street businesses.

This case stems from a state law passed in 2016 that would require out-of-state retailers to collect and remit the sales tax similar to in-state retailers. The law applies to out-of-state retailers if they have more than \$100,000 of sales or complete more than 200 sales transactions a year within South Dakota.

## **COLSTRIP TO RECEIVE MINIMUM OF \$10 MILLION FOR COMMUNITY IMPACT AS RESULT OF RATE CASE SETTLEMENT**

Through a settlement agreement filed Friday with the Washington Utilities and Transportation Commission, the town of Colstrip would receive a minimum of \$10 million dollars to mitigate economic impact from the closure of two electricity generating units owned by the Washington utility, Puget Sound Energy. The settlement is part of an electricity rate case filed in January by Puget Sound Energy, a part owner of all four units at the Colstrip facility.

Speaking to the settlement, Montana Attorney General Tim Fox said, “In representing the state’s interests in this rate case, my office has made clear through negotiations with PSE our expectation that the utility fulfill its responsibilities to the state of Montana. This settlement is a good start, and we urge the Washington UTC to approve it as agreed upon by the parties.”

In July, Attorney General Fox met in Helena with executives from Puget Sound Energy to urge the utility to create a community transition fund for closing Colstrip Units 1 and 2; to prepare to cover the full cleanup costs for Units 1, 2, 3 and 4; as well continue to operate Units 3 and 4 for several decades if the units are well-maintained and provide value to their customers. This settlement is the result of that meeting, as well as negotiations through the formal filing process with the other parties to this proceeding.

The settlement agreement consists of five primary elements that allowed the state of Montana to sign on. These include:

- 1) The settlement in no way establishes a proposed or suggested shutdown or “end of useful life” date for Colstrip Units 3 and 4.
- 2) The acknowledgement by PSE that they are liable under state and federal law for decommissioning and remediation of the Colstrip facility. PSE has set aside an initial reserve fund of approximately \$395 million for clean-up costs, a responsible action on behalf of the utility to prepare for whatever requirements the state of Montana determines PSE is liable for under state and federal law. PSE acknowledges that the amount of \$395 million is a “place holder” amount that could change once the state of Montana determines the company’s final liability.
- 3) The acknowledgment by all parties to the settlement that the state of Montana has the sole jurisdictional authority to determine PSE’s liability for decommissioning and remediation requirements of the Colstrip Facility, in a Montana forum.
- 4) The initial investment of \$10 million by PSE in a “community transition fund” for the town of Colstrip, Montana, and the acknowledgment by all parties that this fund is a minimum amount, and is not capped by agreeing to the terms of this settlement. If approved by the Commission, Attorney General Fox will work to help organize the stakeholder group that will develop the plan outlining how this fund will be used.

5) The acknowledgement by all parties that this settlement in no way releases PSE from their legal and financial obligations to the state of Montana as established by current or future federal and Montana law. Also, that the settlement in no way limits the state of Montana's jurisdictional authority.

The settlement must be approved by the Washington Utilities and Transportation Commission. A hearing to present the settlement before the commission is tentatively scheduled for September 27.

## **ATTORNEY GENERAL LAXALT ANNOUNCES LARGEST MULTI-DEFENDANT INDICTMENT IN NEVADA ATTORNEY GENERAL HISTORY, CHARGING 24 DEFENDANTS WITH 68 FELONY COUNTS IN STAGED ACCIDENT RING**

As a result of early-morning operations by investigators on Friday and today, a total of 10 defendants were arrested

September 18, 2017

Carson City, NV – Nevada Attorney General Adam Paul Laxalt announced the largest multi-defendant indictment in Nevada Attorney General history. Late last week, a Clark County Grand Jury returned a 68 felony count indictment against 24 defendants for their roles in filing 23 fraudulent insurance claims related to staged automobile accidents and thefts. The counts against the Las Vegas residents include racketeering, racketeering conspiracy, multiple transactions involving fraud or deceit in the course of an enterprise or occupation, battery with a deadly weapon (all category "B" felonies), insurance fraud, a category "D" felony, theft in the amount of \$3,500 or more, a category "B" felony, and attempted theft in the amount of \$3,500 or more, a category "C" felony. The charged conduct was committed between September 2014 and May 2017.

Eighth Judicial District Court Judge Elizabeth Gonzalez issued 17 arrest warrants along with five summons for the defendants. Two defendants were already in custody at the time of the indictment. As a result of early-morning operations by investigators in the Attorney General's Office on Friday and today, a total of 10 arrests have been made. Certain defendants are scheduled to make their initial appearances before the court on September 21st and October 5th, 2017.

As alleged in the indictment, the defendants engaged in a conspiracy to stage no less than 19 automobile accidents and four thefts with the intent of fraudulently obtaining insurance benefits. Each defendant played a different role in the conspiracy. Some defendants are alleged to have provided the automobiles used to stage the accidents and thefts, driven the automobiles causing the accidents, or participated as a passenger, while others are alleged to have falsely claimed to have been the driver or passenger in order to maximize any insurance payout.

"This indictment sends a clear message of deterrence to fraudsters engaged in dangerous staged accidents in Nevada," said Attorney General Adam Laxalt. "Unlike most fraud schemes, which pose an economic danger to potential victims, the alleged conduct put the lives of those on Nevada's roadways at risk for illicit profit. I am proud that investigators and prosecutors in my

office are committed to protecting Nevadans by dismantling this, and similar, sophisticated criminal enterprises.”

Joe Wehrle, President and CEO of the National Insurance Crime Bureau added, “Our congratulations to all involved in putting a stop to this alleged staged accident ring. Staged accidents pose a real threat of injury, even death, to innocent victims. Insurance fraud is never a victimless crime, since we all pay for it in the cost of insurance coverage.”

Below is description of the individual charges as listed in the indictment:

Julio Caesar Gonzalez (56 counts): One count of racketeering, one count racketeering conspiracy, one count multiple transactions involving fraud or deceit in the course of an enterprise or occupation, 17 counts of battery with a deadly weapon, 18 counts of insurance fraud, four counts of theft in the amount of \$3,500 or more, and 14 counts of attempted theft in the amount of \$3,500 or more.

Leandro Fonseca (19 counts): One count of racketeering, one count of racketeering conspiracy, one count multiple transactions involving fraud or deceit in the course of an enterprise or occupation, 8 counts of insurance fraud, 4 counts of theft in the amount of \$3,500 or more, and four counts of attempted theft in the amount of \$3,500 or more.

Juan Miguel Angel Jr. Dolores (8 counts): One count of racketeering, one count racketeering conspiracy, one count multiple transactions involving fraud or deceit in the course of an enterprise or occupation, one count of battery with a deadly weapon, two counts of insurance fraud, one count of theft in the amount of \$3,500 or more, and one count of attempted theft in the amount of \$3,500 or more.

Jacob Salazar-Morales (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Dorian Abner Inesa (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Eleuterio Morales Ramirez (5 counts): One count of racketeering, one count of racketeering conspiracy, one count of battery with a deadly weapon, one count of insurance fraud, and one count of theft in the amount of \$3,500 or more.

Carlose Alberto Viera (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of theft in the amount of \$3,500 or more.

Jose de Jesus Nunez-Badillo (7 counts): One count of racketeering, one count of racketeering conspiracy, one count of multiple transactions involving fraud or deceit in the course of an enterprise or occupation, two counts of insurance fraud, and two counts of attempted theft in the amount of \$3,500 or more.

Yoel Arrastiarojas (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Anthony Robles (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Erick Garcia-Garcia (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.



Irma Yolanda Meraz-Rangel (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Lian Grave de Peralta Rosales (9 counts): One count of racketeering, one count of racketeering conspiracy, one count of multiple transactions involving fraud or deceit in the course of an enterprise or occupation, three counts of insurance fraud, and three counts of attempted theft in the amount of \$3,500 or more.

Loipa Vuelta Arafet (7 counts): One count of racketeering, one count of racketeering conspiracy, one count of multiple transactions involving fraud or deceit in the course of an enterprise or occupation, two counts of insurance fraud, and two counts of attempted theft in the amount of \$3,500 or more.

Eduardo Duran Rosales (7 counts): One count of racketeering, one count of racketeering conspiracy, one count of multiple transactions involving fraud or deceit in the course of an enterprise or occupation, two counts of insurance fraud, and two counts of attempted theft in the amount of \$3,500 or more.

Jesus Nunez Aranda (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Eloisa Badillo Esparaza (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Lemay Oliver Monzon (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of theft in the amount of \$3,500 or more.

Arlene Manuela Hernandez (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of theft in the amount of \$3,500 or more.

Anilu Vianey Gonzalez (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Yelandis Penichet Vargas (7 counts): One count of racketeering, one count of racketeering conspiracy, one count of multiple transactions involving fraud or deceit in the course of an enterprise or occupation, two counts of insurance fraud, and two counts of attempted theft in the amount of \$3,500 or more.

Jessica Valdes Tarrio (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of attempted theft in the amount of \$3,500 or more.

Edgar Betancourt Preval (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of theft in the amount of \$3,500 or more.

Jose Alejandro Betancourt (4 counts): One count of racketeering, one count of racketeering conspiracy, one count of insurance fraud, and one count of theft in the amount of \$3,500 or more.

In addition to this case representing the largest multi-defendant case in the history of the Office of the Nevada Attorney General, AG Laxalt is proud to have led efforts to receive the most significant guardianship exploitation indictment in Nevada's history, the first state-level criminal prosecution of an illegal Internet poker site using Bitcoin as currency, and to have initiated the Office's very first Financial Fraud Unit to bolster to increase capacity to combat statewide financial fraud.

In an effort to combat fraud and to avoid being victimized by a staged accident, the Office encourages all Nevadans to be especially wary of the known types of staged automobile accidents:

**Swoop and Squat** – A driver causes an intentional and unavoidable rear-end collision by abruptly entering the lane in front of the victim, cutting the victim off, pulling in front of the victim, and forcing the victim to brake suddenly. Oftentimes, this staged accident would include two separate automobiles where one driver would pull in front of a co-conspirator's automobile and brake suddenly for no legitimate reason, giving his co-conspirator cause to also brake suddenly.

**Drive Down** - While an unsuspecting victim attempts to merge onto a freeway, a driver in the adjacent lane directs the victim forward with a hand motion, then deliberately crashes into their automobile and blames the victim for the collision.

**Sideswipe** - The victim is in a dual-turn left lane and unintentionally veers the vehicle into the adjacent lane for a few seconds. The driver in the adjacent lane then sideswipes the victim, and subsequently accuses the victim of driving recklessly.

**Panic Stop** – A driver, typically driving an older vehicle filled with passengers, will position his/her car in front of the victims while a backseat passenger waits until the innocent motorist gets distracted, such as by a cell phone call. At that point, the driver will slam on the brakes, causing the motorist to rear end the criminal's vehicle.

Drivers are encouraged to be wary of how many occupants are in and around the automobile at the time of the crash and thereafter. Drivers should also be aware of their surroundings and note whether additional people show up to the scene who claim to have been involved in the accident. Oftentimes, these individuals also file insurance claims. If you are involved in an automobile accident, you are encouraged to document any damage to your vehicle with a camera. Victims are also encouraged to document and photograph the driver or drivers involved, all passengers involved, as well as driver licenses and insurance card information. Those who stage these accidents oftentimes use multiple identification cards with aliases.

An indictment is merely a charging document; every defendant is presumed innocent until and unless proven guilty in a court of law.

This case was investigated and is being prosecuted by the Attorney General's Insurance Fraud Unit. This Unit partnered with several insurance companies during the investigation and prosecution of this case. To view the indictment against the defendants, [click here](https://www.nicb.org/). Drivers who believe they are victims of a staged collision should report their suspicions to their respective insurance companies. For more information on staged automobile accidents, visit the National Insurance Crime Bureau's website at <https://www.nicb.org/>.

## **ATTORNEY GENERAL KILMARTIN CALLS OUT SO-CALLED "JUSTICE REINVESTMENT BILLS" AS "FEEL GOOD LEGISLATION" THAT ACCOMPLISHES LITTLE, INJURES VICTIMS, AND RISKS PUBLIC SAFETY**

Calling the so-called package of "justice reinvestment" bills a result of a sham commission controlled by the Governor with a pre-determined outcome and whose members were never given an opportunity to vote on final package, Attorney General Kilmartin is warning legislators and the

Governor that passage of the bills would have devastating consequences on the criminal justice system, would fail to protect victims, and would fail to "reinvest" in justice.

"When the Governor first announced the Justice Reinvestment Working Group, its stated purpose was to 'identify new ways to relieve pressures on the correctional system and increase public safety.' The package of bills about to be voted on by the General Assembly does the exact opposite," said Attorney General Kilmartin. "It is nothing more than a red herring for proponents to feel good about themselves by believing that Rhode Island is moving forward with actual criminal justice reform. This legislation take no real or meaningful steps towards that goal. A true reinvestment would take any cost savings from one side and reinvest the money into programs that would keep people out of the criminal justice system to begin with and would protect victims' rights."

"There is no coordinated plan to achieve any costs savings, and there is no plan to reinvest any of the alleged savings. It is a classic political shell game that allows the Governor and legislative leaders to claim the compassionate flag. Sadly, they give little or no thought or consideration to victims or public safety."

The Attorney General also calls out the leadership of the General Assembly for horse trading at the expense of victims and constituent safety. On June 30th, the House Judiciary Committee amended several pieces of the justice reinvestment bills in recognition of the Attorney General's concerns. The amended bills were heading to the full House for a vote when the impasse between the two chambers abruptly ended the session.

This past Friday without additional testimony, the House Judiciary Committee posted the package of several bills for reconsideration which removed the language addressing the Attorney General's concerns.

"The House and Senate should be ashamed to trade favors and promises with legislation that has a very real impact on the daily lives of victims. When a constituent is assaulted with a deadly weapon, the Governor, Speaker and Senate President can explain the consequences of an inadequate justice system they created," added Kilmartin.

Attorney General Kilmartin noted his support of justice reinvestment when it is done when the interests of the victim and public safety are put first. "My office supports and already participates in several diversionary programs, working to redirect offenders who do not belong in jail into more suitable rehabilitative endeavors and providing them with the right resources they need to return to being productive members of their community. I fully support increasing pre-trial services to identify those with substance and mental health issues in an effort to steer them away from the criminal justice system. I believe in the power of these types of programs. These types of programs are truly justice reinvestment. That is not what the package of bills the Governor, Senate President and Speaker will accomplish. It is instead a deliberate dismantling of the criminal justice system a slap in the face to victims."

"I was also pleased to participate in and support the Judiciary's amendments to Superior Court Rules of Criminal Procedure Rule 32. These amendments were well thought out and carefully

crafted to strike a just and necessary balance of victim rights, public safety and the defendant's rehabilitation in the community. The amendments provided a new motion for the termination of probation that provides a defendant the opportunity to terminate his or her probation, but also has victim rights and public safety protections. I believe these amendments will have an obvious and significant impact on reforming the probation system and provide relief to those currently on probation. While at the same time, these amendments have protected the public's safety by placing important safeguards into the rules and, importantly, ensured that victims will be protected, physically and financially," continued Kilmartin

In past letters to the House and Senate Judiciary Committees, Attorney General Kilmartin highlighted the most egregious sections of the legislation including amendments to the felony assault statute that would, in essence, reduce the maximum penalty for an assault with a dangerous weapon from 20 years to just six years, if serious bodily injury did not occur, regardless of the type of weapon used.

"When someone is a victim of a gunshot or knife jab, it is but for the grace of God alone that they do not die or suffer serious bodily injury. The egregiousness of the act does not change due to their injury, and therefore the criminal penalties should reflect that," said Kilmartin.

A second piece of legislation expected to pass would wrongly allow a defendant to complete their sentence without making a victim financially whole. Currently, a defendant must rightfully complete all of the terms of conditions of probation, including a full payment of restitution.

"This would be extremely complicated, and possibly unenforceable, because unlike those individuals serving a sentence or on home confinement, a probationer who has successfully completed their sentence is no longer obligated to the State of Rhode Island. This is the very reason restitution is a condition of the probationer's sentence. I am concerned that this provision would effectively make restitution unenforceable and the only persons harmed in that circumstance are crime victims. Victims should not be held responsible to collect restitution that was a part of a defendant's sentence, or worse, be forced to sue the criminal defendant to obtain it," added Kilmartin.

A third concern of the Attorney General is an amendment that removes "the nature and circumstances of the offense or offenses for which the applicant is sentenced" from what the Parole Board may consider in deviating from their standard on granting or denying parole.

"All crimes and defendants are different and the Parole Board should have this discretion when making parole determinations. This is especially true when there are victims involved and the defendant's actions were particularly reprehensible," said Kilmartin.

Another section of the legislation would effectively remove the probation condition of "keep the peace and be of good behavior" when a court determines if a defendant has violated the terms of his probation.

"That standard has been supported by decades of Rhode Island jurisprudence. Its exclusion in the new probation standard calls into question what is a probation violation," added Kilmartin.

"We have seen this done before and fail. Time and time again, the State passes feel good, 'flavor of the day' legislation only to have to go back and fix it when a real-life scenario presents itself. Let's not make the same mistake again," he concluded.

## **MORE THAN \$41M HEADED TO CONSUMERS IN AG FERGUSON'S LCD PRICE-FIXING CASE**

Scheme by LCD manufacturers drove up cost on TVs, monitors, laptops, cell phones

OLYMPIA — Beginning next week, checks will be in the mail for consumers affected by an elaborate price-fixing conspiracy by LCD manufacturers, Attorney General Bob Ferguson announced today. A total of \$41.1 million is on its way to 24,632 consumers and businesses in all 39 counties.

The recovery is among the largest in the AGO Antitrust Division's history.

"This conspiracy affected millions of products Washingtonians purchased over a period of eight years," Ferguson said. "This step brings closure and a measure of justice to consumers who were harmed by this scheme. When powerful interests don't play by the rules, my office will be there to hold them accountable."

Rather than participate in a multistate case, the Attorney General's Office chose to pursue an individual case in order to get a better deal for Washington consumers. The recovery in the state's individual lawsuit may be as much as 30 percent higher than what Washington might have received as part of the multistate settlement.

On average, each consumer will receive about \$203. The total varies based on the number and type of items claimed.

Claimants will receive:

\$72.19 per LCD television, up to 10,000 units  
\$23.95 per flat-screen monitor, up to 10,000 units  
\$48.03 per notebook computer, up to 10,000 units  
\$6 per color-screen iPod  
\$6 per color-screen cell phone

A breakdown of the number of claims by county is available [here](#).

In total, checks for more than 1 million items will be mailed: 232,224 televisions, 510,134 monitors, 242,395 notebook computers, 17,343 iPods and 68,227 cell phones.

Consumers who filed a valid claim can expect a check sometime in the next few weeks. Those who filed a deficient claim that did not qualify for payment have already been notified.

Case background

For eight years, consumers in Washington and throughout the world were significantly overcharged every time they bought a product with a liquid crystal display, or LCD, screen because of a conspiracy by the world's largest LCD manufacturers.

For some products, this scheme may have increased the price consumers paid by as much as 20 percent.

According to the AG's complaint filed in 2010, LCD manufacturers participated in cartel meetings in which they exchanged price information and agreed to fix prices and manipulate the supply of LCD panels to artificially increase prices.

The earliest meeting occurred over a round of golf in Taiwan in 1998, where the LCD manufacturers met to discuss concerns over increased competition in the industry.

This led to regular gatherings, known as "crystal meetings," where the LCD manufacturers met to fix the prices on LCD panel prices by exchanging confidential price and shipment information.

They agreed that rather than compete on price, they would fix LCD panel prices and restrict the supply to artificially increase prices.

This industry-wide collusion continued until 2006.

In May 2015, AG Ferguson recovered \$63 million from the nine LCD manufacturers who participated in the price-fixing scheme. A total of \$41.1 million will be returned to consumers, another \$6 million will go to state agencies affected by the scheme, and the remainder will cover the costs of the case and fund antitrust efforts in Washington.

In March 2016, a claims process began for consumers and businesses, which closed Sept. 30, 2016. Once the claims period closed, the claims administrator, AB Data, began the lengthy process of auditing the claims. This includes identifying deficient claims, requesting additional documentation, and identifying fraudulent claims. Nearly 1.5 million claims were submitted for approximately \$100 million.

Checks will be mailed out within the next week, and should arrive with claimants in the next few weeks. People with questions about their claims should contact AB Data at 866-778-9468 or [walcddsettlement@abdata.com](mailto:walcddsettlement@abdata.com).

Antitrust Division Chief Jonathan Mark, Assistant Attorneys General David Kerwin and Steve Fairchild, and then-Senior Counsel Bill Clark handled the case.

## **ASSOCIATES BEHIND ARIZONA-BASED "AT-HOME BUSINESS OPPORTUNITY" SCHEME PAY \$235,000 IN REFUNDS TO IOWANS AND PENALTY TO STATE**

Consumer Protection Division identifies 14 Iowans who lost \$1,800 to nearly \$80,000

DES MOINES – Ten associates of a sophisticated Arizona-based business opportunity scheme that Attorney General Tom Miller alleges is fraudulent and illegal have refunded nearly \$186,000 to more than a dozen Iowans through an agreement with Miller’s office.

The associates also agreed to cease any future marketing or soliciting to Iowans, and pay a \$50,000 penalty to the state’s consumer education and litigation fund.

The Consumer Protection Division opened an investigation late last year after the family of an elderly eastern Iowa woman filed a complaint after discovering the woman had agreed to pay for an “at-home business opportunity.” The Consumer Protection Division alleges a network of people and sham companies involved in the scheme bilked the woman out of \$25,000. The division obtained refunds on the victim’s behalf through several banks.

The investigation determined the network, led by Gloria Sue Perez, 63, of Phoenix, Arizona, involves at least ten people—all of whom use aliases—and several shell limited liability (LLC) companies registered across the country.

The Consumer Protection Division located a total of 14 victims in 13 counties who each lost from \$1,800 to nearly \$80,000.

#### Business Opportunity Sales Calls to Iowans

According to the investigation, in Iowa, telephone solicitors involved in the scheme targeted victims, who are often older Iowans. The Iowa victims had previously responded to unrelated phone solicitations or scams, and associates involved in this scheme likely purchased names of potential targets from another solicitor.

The solicitor pitching the business opportunity often promised “substantial” and “guaranteed” income to help sell the business proposal. The various “at-home business opportunity” pitches to Iowans included creating a website, processing credit cards, and estate planning. Targets of the scheme often paid thousands up front, and another associate of the scheme sometimes followed-up to sell the targeted person what they represented as “established” customer accounts to generate additional income.

Miller alleges solicitors made fraudulent sales claims, charged for nonexistent goods and services, created false identities and sham businesses to further the scheme, falsified business documents, created accounts and businesses in the names of the consumers they targeted, and incurred substantial debts on several Iowa consumers’ behalf.

#### Individuals and Companies Involved in Agreement

The investigation identified 11 people involved in the scheme, all of whom have signed onto an agreement, called an assurance of voluntary compliance, with the Consumer Protection Division:

Gloria Sue Perez, Phoenix, Arizona

Joshua Samuel Perez, Tolleson, Arizona

Christopher A. Disimone a/k/a Christopher A. Garcia, Scottsdale, Arizona

Harvey R. Ingersoll, Camarillo, California

Adele R. Mage a/k/a Adele R. Garcia and a/k/a Adelle Garcia, Peoria, Arizona

Judy Alexander a/k/a Judy Jones, Glendale, Arizona

Brooke Alexander, Peoria, Arizona

John Patrick Dominick a/k/a John Austin, Phoenix, Arizona

Christopher Lee Hall, Peoria, Arizona

Sage F. Gonzales, Mesa, Arizona

Howard A. Hamburger, Lawndale, California

The investigation identified nine company names directly involved in the scheme, all of which are also part of the agreement:

Innovative Business Set Up LLC, Colorado (also registered as trade name in Arizona)

All Pay Financial, Arizona

Kreative Business Group LLC, Michigan

Kuztum Blogging, Arizona

Magers Blogging, Arizona

Elite Business Strategies, Arizona

Elite Consulting LLC, Wyoming

Fortune 500 Consulting Group Inc., Arizona

Great Western Tax and Accounting LLC, Wyoming

As part of the agreement, the individuals and companies do not admit to violating Iowa law.

Last week, the individuals and companies named in the agreement completed \$235,827 in payments to affected consumers and the state.

Business Opportunity Advice from the Federal Trade Commission

The Federal Trade Commission warns consumers to be wary of any business “opportunity” that seems too good to be true—especially when you have to pay fees up-front. If you’re thinking about pursuing a so-called opportunity, first do some research.

The FTC’s Business Opportunity Rule has safeguards in place to make sure you have the information you need to tell whether a work-at-home opportunity is a risky business. Under the rule, sellers have to give you a one-page disclosure document that offers key pieces of information about the opportunity. Use the information in the disclosure document to fact-check what the seller tells you.

In addition to reviewing the disclosure document, the FTC recommends you ask some important questions:

What tasks will I have to perform? Are any other steps involved?

Will I be paid a salary, or will I be paid on commission?

What is the basis for your claims about my likely earnings? Do you survey everyone who purchased the program? What documents can you show me to prove your claims are true before I give you any money? Note: If a seller makes a claim about how much money a person can earn, the seller also has to give you an earnings claim statement with more specifics.

Who will pay me?

When will I get my first paycheck?



What is the total cost of this work-at-home program, including supplies, equipment, and membership fees? What will I get for my money?

The FTC also recommends you to search the company or promoter's name through a search engine with the words "complaint," "reviews," or "scam." You can also search the Better Business Bureau's website for complaints. But remember that just because there aren't complaints doesn't mean the company is legitimate. Dishonest companies sometimes settle complaints and change their names or move to avoid detection.

## **RUTLEDGE LAUNCHES PRESCRIPTION FOR LIFE IN FIRST SCHOOL IN THE NATION**

Class of students at Fort Smith Southside High School are first to use curriculum

FORT SMITH – In conjunction with National Prescription Opioid and Heroin Epidemic Awareness Week, Arkansas Attorney General Leslie Rutledge today launched a first-in-the-nation education initiative called "Prescription for Life" at Fort Smith Southside High School. Prescription for Life features a digital platform to help high school students in the State understand the dangers of prescription drug misuse and how to prevent abuse.

Southside High School is the first institution to use the program in the country after Rutledge announced the creation of the initiative in July, which comes at no cost to participating schools in Arkansas.

"If Prescription for Life helps save just one life and creates a dialogue with high school students about opioid abuse, then the program is a success," said Attorney General Rutledge. "Arkansas is the first in the nation to launch such an educational program, and it is my goal that it will become a model for other states to adopt. I know that Fort Smith Southside will not regret bringing this curriculum to their classrooms."

Rutledge observed a class of students going through the 30-minute course, which was followed up with a post-assessment survey to measure changes in students' attitudes and behavior.

"Prescription for Life is key to educating young Arkansans on how to avoid substance abuse," said State Drug Director Kirk Lane. "This program will save lives and be a positive influence on Arkansas's health and safety."

"We are honored to be the first school to be involved in the launch of the Prescription for Life curriculum," said Southside Principal Wayne Haver.

Using an evidence-based public health approach, the digital course empowers high school students with the skills and knowledge they need to make safe and healthy decisions about prescription drugs. The course is aligned with the Centers for Disease Control's National Health Education Standards and State academic standards.

The self-paced modular course uses video, animations, simulations and interactivity to deliver a personalized, self-guided learning experience. The real-life simulations demonstrate the impact

misuse can have on students' physical and mental health, relationships and future goals while the scenario-based exercises help students practice how to support other students in their choices regarding the safe use of prescription drugs.

Rutledge plans to launch the program in Jonesboro High School on Wednesday and expects more schools to begin using the program in the coming weeks.

Educators from the Attorney General's office are also available to conduct teacher in-service trainings in person and through webcasts and give presentations to parent and community groups throughout the State about how to talk with young people about risks associated with opioid use and how to recognize signs that their loved ones are abusing drugs.

The curriculum is part of the Attorney General's already robust prescription drug abuse prevention initiative. During 2016, more than 330 pounds of prescription drugs were collected at Attorney General Mobile Offices across Arkansas and over 160 pounds have been collected since the beginning of 2017. The sixth annual Prescription Drug Abuse Prevention Summit, hosted by Rutledge, is scheduled for Nov. 9 in Hot Springs with over 850 taking advantage of early bird registration.

Drug overdose deaths are on the rise in Arkansas, increasing from 287 in 2015 to 335 in 2016, according to data from the State Crime Lab. More than 40 percent of teenagers in Arkansas have tried prescription drugs and more than half of all teens report that it is easy to obtain prescription drugs from their parents' or grandparents' medicine cabinets. The U.S. Department of Health and Human Services reports that between 59,000 and 65,000 people died from drug overdoses in 2016, up from 52,404 in 2015 and double the death rate a decade ago. That is more than the number of deaths from car accidents in 2016. And according to the Centers for Disease Control, the majority of drug overdose deaths – six out of 10 – involve an opioid.

Find more information about the program and how to bring it to schools or other settings at [ArkansasAG.gov](http://ArkansasAG.gov).

## **CVS HEALTH FIGHTING NATIONAL OPIOID ABUSE EPIDEMIC WITH ENTERPRISE INITIATIVES**

WOONSOCKET, R.I., September 21, 2017 — CVS Health (NYSE: CVS) announced today that, as part of the company's broad commitment to fighting the national opioid abuse epidemic, it is enhancing its enterprise-wide initiatives supporting safe drug disposal, utilization management of pain medications and funding for treatment and recovery programs.

“As America's front door to health care with a presence in nearly 10,000 communities across the country, we see firsthand the impact of the alarming and rapidly growing epidemic of opioid addiction and misuse,” said Larry J. Merlo, President and CEO, CVS Health. “Today we are announcing an expansion of our enterprise initiatives to fight the opioid abuse epidemic that leverages CVS Pharmacy's national presence with the capabilities of CVS Caremark, which manages medications for nearly 90 million plan members.”

To support this goal, CVS Caremark will roll out an enhanced opioid utilization management approach for all commercial, health plan, employer and Medicaid clients as of February 1, 2018 unless the client chooses to opt out. This program will include limiting to seven days the supply of opioids dispensed for certain acute prescriptions for patients who are new to therapy; limiting the daily dosage of opioids dispensed based on the strength of the opioid; and requiring the use of immediate-release formulations of opioids before extended-release opioids are dispensed.

CVS Pharmacy locations will also strengthen counseling for patients filling an opioid prescription with a robust safe opioid use education program highlighting opioid safety and the dangers of addiction. This clinical program will educate patients about the Guideline for opioid prescribing published by the Centers for Disease Control and Prevention (CDC), which advises using the lowest effective dose for the shortest duration possible. Pharmacists will counsel patients about the risk of dependence and addiction tied to duration of opioid use, the importance of keeping medications secure in the home and methods of proper disposal of unused medication.

In the last two decades, opioid prescribing rates have increased nearly three-fold, from 76 million prescriptions in 1991 to approximately 207 million prescriptions in 2013. This remarkable volume of opioid prescribing is unique to the United States, where prescribing in 2015 was nearly four times what it was in Europe.

“Without a doubt, addressing our nation’s opioid crisis calls for a multipronged effort involving many health care stakeholders,” Merlo added, “from doctors, dentists and pharmaceutical companies to pharmacies and government officials. With this expansion of our industry-leading initiatives, we are further strengthening our commitment to help providers and patients balance the need for these powerful medications with the risk of abuse and misuse.”

“The misuse and abuse of opioids is a public health crisis we have to work together to solve,” said Dr. Gary Roberts, president of the American Dental Association. “As prescribers of opioid pain medications, dentists can help keep these drugs from becoming a source of harm for patients, and the American Dental Association (ADA) is absolutely committed to working with our fellow health organizations to promote the appropriate use and disposal of controlled substances. The ADA will do everything we can to help end this national emergency.”

In a commentary published today on the Health Affairs Blog, CVS Health Chief Medical Officer Troyen A. Brennan, M.D., M.P.H., wrote, “In many ways, the abuse of opiates can be seen as the leading public health emergency the United States faces today...In light of the human suffering and financial costs caused by the current epidemic, a thoughtful, responsible, evidence-based treatment of pain is a service we must provide to our patients. Employing principles sanctioned by the CDC is clearly necessary and prudent.”

In addition to limiting opioid dispensing, CVS Health today announced that it will be expanding its Medication Disposal for Safer Communities Program to a total of 1,550 kiosks, including 750 additional disposal units in CVS Pharmacy across the country beginning with locations in Florida, Massachusetts, North Carolina, Pennsylvania, South Carolina and the District of Columbia this fall.

“Everyone has a role to play in addressing the opioid epidemic, and CVS Health is showing how the private sector can help,” said Richard Baum, Acting Director of National Drug Control Policy. “Making sure people can safely dispose of unwanted medications is a key part of preventing opioid misuse and abuse, and CVS Health has taken this important step which will support the health of communities across the country.”

To date, through this program, created with the Partnership for Drug-Free Kids, CVS Health has previously donated more than 800 medication disposal units to local police departments in 43 states. More than 100 metric tons of unwanted medication, that could otherwise have been diverted, misused or abused, have been collected and safely disposed of through this program in the past two years.

“CVS Health has long partnered with us to help prevent and address prescription drug abuse and we understand the depth of the company’s commitment and the breadth of their ability to respond,” said Fred Muench, PhD, President and CEO of the Partnership for Drug-Free Kids. “We strongly support their work to limit the quantity of opioids dispensed to patients, consistent with the Guideline set by the CDC, and their work to educate patients, teens and parents about the dangers of opioid misuse.”

The CVS Health Foundation has also added a \$2 million commitment to its previous investments in mitigating prescription drug abuse with support for Federally-qualified community health centers to increase access to medication-assisted treatment and other recovery services. Together, the CVS Health Foundation and National Association of Community Health Centers (NACHC) convened a panel of experts to develop a protocol of best practices for community health centers on provider prescribing guidelines, medication-assisted treatment, behavioral health and collaboration with other community organizations to treat and prevent prescription drug abuse among at-risk patients. These guidelines will serve as a resource for community health centers receiving grants from this partnership to provide treatment for opioid addiction. This initiative expands the CVS Health Foundation’s ongoing funding of programs to reduce prescription drug abuse.

“We are proud of our long-standing relationship with the CVS Health Foundation to help reduce health disparities among medically underserved populations,” said Tom Van Coverden, President and CEO, National Association of Community Health Centers. “Community health centers have the unique ability to leverage their care teams, health information technology systems and quality infrastructure to support drug abuse control in their communities. Through the Innovative Approaches for Prescription Drug Abuse Management and Prevention program, we hope to build capacity for providing integrated behavioral health services in communities with high incidence of substance use and abuse with the goal of implementing innovative, collaborative, and community-based models that result in safe prescribing practices, care coordination, strengthened partnerships and non-judgmental environments for all patients.”

CVS Health is also expanding its commitment to opioid abuse prevention education by bringing its Pharmacists Teach program to a parent audience. The Pharmacists Teach program has been part of the company’s ongoing commitment to prevent and address prescription drug abuse in the communities it serves. The program connects CVS Pharmacists with schools in their communities

to provide a unique perspective to students about the dangers of prescription drug abuse. To date, the program has focused on teens and has educated more than 295,000 students about prescription drug abuse.

In addition to the company's ongoing focus on prevention, CVS Health has also worked to expand access to the opioid-overdose reversal medication naloxone in 43 states and has advocated for improving tools like Prescription Drug Monitoring Programs, which help pharmacies and prescribers prevent abuse.

## **ATTORNEY GENERAL KILMARTIN APPLAUDS CVS HEALTH**

### **Initiatives Addressing Opioid Epidemic**

Attorney General Peter F. Kilmartin applauded the new initiatives announced today by CVS Health today addressing the opioid epidemic:

Attorney General Kilmartin said, "CVS Health recognizes that to effectively tackle and defeat the opioid epidemic in this country, all stakeholders need to work together in a coordinated effort. I commend the company and its leadership team for not only stepping up to the plate in how it operates, but for working with its partners, especially the medical community and law enforcement, to develop and support measures that will make a real difference in this fight. CVS Health is not only a leader in Rhode Island, they are a national leader when it comes to issues that affect individuals and families in all the communities in which they operate."

## **How Doctors Have Contributed to—and Can Help Reverse—the Opioid Epidemic**

By Peter Pronovost, WSJ

As the opioid overdose epidemic has blazed across the U.S., the surgical community unwittingly fueled the fire. Seeking to alleviate patients' pain, and not fully appreciating the risks they posed, we have prescribed these painkillers in excess.

Liberal use of opioids for postsurgical recovery has led to drug dependence and addiction. Roughly 1 in every 16 surgical patients who were prescribed opioids were still getting the drugs three to six months later, University of Michigan researchers found. The larger the opioid prescription, the greater the chance of long-term use.

In other cases, the pills—morphine, oxycodone and hydrocodone—go unused by the intended patients. They sit in medicine cabinets, sock drawers or shelves, a reservoir of painkillers that are vulnerable to abuse by family or friends. Led by Johns Hopkins pain physician Mark Bicket, colleagues and I recently reported that the vast majority of surgery patients have leftover opioid pills, and hardly any of these patients dispose of the pills properly. About 54% of people who misused prescription opioids say they obtained them from a friend or relative—either with or without that person's knowledge. It's no surprise that three of every four heroin users today were first hooked on prescription opioids.

More than ever, patients and providers need to have open, frank conversations about pain. What level of discomfort should be expected after a procedure? What are the options for managing it? How might the patient's characteristics, such as mental-health history, affect their pain level or likelihood of becoming addicted? My colleague, Dr. Bicket, calls the approach "precision medicine for pain." Tailored for the individual, the goals may focus more on managing pain and increasing function rather than obliterating it.

Patients should understand that for some procedures, no opioids may be needed at all. Many get excellent pain relief from acetaminophen (Tylenol) and nonsteroidal anti-inflammatory drugs (NSAIDs), such as ibuprofen, that work synergistically to relieve pain. These two medicines, along with nondrug therapies such as meditation, can also be used in combination with opioids to reduce the number of pills needed. These nonnarcotic alternatives remain grossly underutilized.

Doctors should review the quantity they prescribe. Researchers from Dartmouth Hitchcock Medical Center reported that 15 pills would effectively manage most patients' pain following laparoscopic gall bladder removal. However, some patients were prescribed as many as 100. There were similar findings for four other procedures.

Conversations must also tackle the issue of disposal. The FDA recommends that opioid pills be flushed down the toilet, a practice that the agency says has no evidence of harmful environmental impacts. Patients can also find a disposal location by ZIP Code on the DEA website, or drop off medications during the agency's National Prescription Drug Take Back Day (Oct. 28 this year). Few patients receive instructions at discharge on narcotics disposal.

As the medical community grapples with the epidemic, industry leaders have argued that we should treat opioid dependence as a preventable patient harm, similar to a hospital-acquired infection or blood clots.

This is a sobering thought. But it also points us to a blueprint of how we might reduce opioid dependence on a large scale. We've proved that intensive care unit infections can be reduced in hospitals across the country by identifying best practices, implementing them broadly and changing culture. National efforts for pain management might track physician prescribing patterns for opioids and other treatments, compare them to benchmarks, and feed that data back to doctors to help drive judicious prescribing.

Alone, health-care professionals won't halt this epidemic, but we can help prevent new cases of addiction and reduce the oversupply of drugs that might be misused.

## **ATTORNEY GENERAL BECERRA: CONSTITUTION, RULE OF LAW BARRIERS TO TRUMP BORDER WALL**

Contact: (415) 703-5837, [agpressoffice@doj.ca.gov](mailto:agpressoffice@doj.ca.gov)

AG Becerra files lawsuit to protect Californians, environment against executive overreach in border wall projects

SAN DIEGO – California Attorney General Xavier Becerra today challenged the Trump Administration over its plan to begin construction of border wall projects in San Diego and Imperial Counties. In a lawsuit filed in the U.S. District Court for the Southern District of California, on behalf of the people of the State of California and the California Coastal Commission, Attorney General Becerra charges that the Trump Administration violated the U.S. Constitution, failed to comply with federal and state environmental laws, and relied on a federal statute that does not authorize the proposed projects.

“The Trump Administration has once again ignored laws it doesn’t like in order to resuscitate a campaign talking point to build a wall on our southern border,” said Attorney General Becerra. “President Trump has yet to pivot from candidate Trump to leader of a nation built on the rule of law. That’s dangerous. When you respect the law, you instill confidence and certainty in your people, so critical for success. That’s why California, while only one of 50 states, has become the sixth-largest economy in the world. And that’s why, if you plan to do business in California, and that includes the President, then be prepared to follow the law.”

“The California Coastal Commission is charged with upholding one of the strongest environmental laws in the country: the California Coastal Act,” said Coastal Commission Chair Dayna Bochco. “We must be allowed to do our job, which is to make sure this wall and its construction impacts don’t destroy this environmentally rich area.”

On January 25, President Trump issued an Executive Order that directed the Secretary of the United States Department of Homeland Security (DHS) to identify and “allocate all sources of Federal funds for the planning, designing and construction of a physical wall along the southern border.” Pursuant to the Executive Order, DHS announced on August 2 that it intended to carry out various border wall projects in San Diego County, including the construction of prototype walls and fences and the replacement of 14 miles of existing primary fencing with new fencing. DHS also has announced that it intends to replace 14 miles of existing secondary fencing, in this same area, with a solid wall or other barrier.

Former DHS Secretary (now White House Chief of Staff) John Kelly moved to expedite these construction projects using a federal statute that pertained to border projects proposed and constructed before 2009. And just last week, DHS announced it also intended to carry out a border wall project in Imperial County. Like former Secretary Kelly, Acting Secretary Elaine Duke proposed unlawfully expediting the construction of this project.

In the complaint filed today, Attorney General Becerra describes the ways in which the border wall projects are unlawful:

DHS failed to prepare an environmental impact statement with respect to the border wall projects in San Diego and Imperial Counties in violation of the National Environmental Policy Act and the Administrative Procedure Act. DHS also failed to comply with the Coastal Zone Management Act with respect to wall construction in San Diego County.

To expedite construction of the border wall projects in San Diego and Imperial Counties, DHS relied on Section 102 of the Illegal Immigration Reform and Immigrant Responsibility Act

(IIRIRA). Section 102 allows the DHS Secretary to waive any law he or she deems necessary to “install additional physical barriers and roads...in the vicinity of the United States border to deter illegal crossings in areas of high illegal entry into the United States.” Congress required DHS to identify “priority areas” for construction and to complete that construction on an expedited basis by no later than December 31, 2008 – almost ten years ago. The Secretary’s authority to waive laws under Section 102 expired in 2008, and DHS did not identify the San Diego or Imperial project areas as “priority areas” before this deadline.

DHS’ improper application of the waiver provision under Section 102 violates several provisions of the U.S. Constitution, including the Separation of Powers doctrine and the 10th Amendment. The Constitution does not permit government officials to unilaterally and arbitrarily waive any law of their choosing, including criminal laws and laws enacted by the States.

A copy of the lawsuit is attached to the electronic version of this release at [oag.ca.gov/news](http://oag.ca.gov/news).