

NEWS ARTICLES FOR 1-19-17 ROUNDUP

ATTORNEY GENERAL LAXALT ANNOUNCES STATEWIDE TELEVISION AND RADIO CAMPAIGN FOR HUMAN TRAFFICKING

Carson City, NV – Nevada Attorney General Adam Paul Laxalt, along with the Nevada Broadcasters Association, unveiled a series of television and radio Non-Commercial Sustaining Announcements (NCSAs) aimed at promoting awareness about human trafficking and the funds available for victims of this crime in Nevada. The announcements will appear in both English and Spanish.

In 2013, Assembly Bill (AB) 311 was passed authorizing the Department of Health and Human Services to create a contingency account to allocate money to nonprofit corporations and agencies benefiting victims of human trafficking. The account is entirely donation based, and helps Nevada's victims in emergency situations such as temporary housing or transportation costs. Since taking office, AG Laxalt has co-hosted two benefit dinners supporting victims of human trafficking that have raised more than \$76,000 in funds for the contingency account.

“Nevada has made important strides to combat human trafficking, but the fight is far from over,” said Laxalt. “This statewide campaign during National Human Trafficking Awareness Month is made in an effort to continue to educate our communities about the realities of this crime and to reassure victims that help is available. This month should serve as a reminder to all Nevadans that each one of us can play a part in combating human trafficking, whether by educating our communities or offering our time and financial support to organizations that provide services to victims.”

What is Human Trafficking:

According to United States federal law, human trafficking is defined as (A) sex trafficking in which a commercial sex act is induced by force, fraud or coercion, or in which the person induced to perform such act has not attained 18 years of age; or (B) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage or slavery.

Recognizing the Signs:

Human trafficking is often hidden to those who are not aware of its warning signs. Recognizing potential indicators is key to identifying victims and assisting in the recovery process. Common indicators that signal suspicious activity and possible human trafficking include:

- Lacks healthcare
- Exhibits poor physical or dental health
- Appears malnourished
- Shows signs of physical and/or sexual abuse
- Appears disoriented
- Avoids eye contact and social interaction, and is hesitant to talk to strangers

Is fearful of authority figures, especially law enforcement officers
Has few personal possessions, and regularly wears the same clothes
Lacks identifying documentation
Works excessively long hours
Lives at the place of employment
Checks into hotels or motels with older males and refers to those males as boyfriend or “daddy,” often slang for pimp
Resources for Victims:

To report instances of human trafficking, call the National Human Trafficking Resource Center Hotline at 1-888-373-7888. The National Human Trafficking Resource Center is a national, toll-free hotline available to answer calls from anywhere in the country 24 hours a day, 7 days a week. Individuals may also call the U.S. Department of Justice Hotline at 1- 888-428-7581 or call the local authorities.

More Information Related to Human Trafficking:

Polaris Project is a leading organization in the global fight against human trafficking and modern-day slavery. Named after the North Star “Polaris” that guided slaves to freedom along the Underground Railroad, Polaris Project is transforming the way individuals and communities respond to human trafficking, in the U.S. and worldwide. By successfully pushing for stronger federal and state laws, operating the National Human Trafficking Resource Center hotline, conducting trainings and providing vital services to victims of trafficking, Polaris Project creates long-term solutions that move our society closer to a world without slavery. Learn more at www.PolarisProject.org.

Innocents at Risk is a nonprofit founded to fight human trafficking and child exploitation. Since its inception in 2004, Innocents at Risk has been working to raise awareness about the horrors of child trafficking around the world. The organization conducts educational outreach programs, and recently began training airline personnel on ways to protect children who are trafficked on flights. To learn more about Innocents at risk, visit their website at www.innocentsatrisk.org.

The Blue Campaign is a campaign launched by the U.S. Department of Homeland Security to combat human trafficking. Through awareness and education as well as victim-centered investigations, the Blue Campaign strives to protect the basic right of freedom and to bring those who exploit human lives to justice. For more information, visit www.dhs.gov/bluecampaign.

AG Paxton Hosts Press Conference for Human Trafficking Awareness Month

At a press conference recognizing January as Human Trafficking Awareness Month, Attorney General Ken Paxton today highlighted the work of his office’s human trafficking section and announced a new initiative to mobilize as many Texans as possible in the fight against trafficking. He was joined by state Sen. Joan Huffman (R-Houston) and Rep. Senfronia Thompson (D-Houston), who have been at the forefront of legislation to combat human trafficking, a form of modern-day slavery.

During the press conference, Attorney General Paxton announced that in September of this year, his office will complete a comprehensive training video on human trafficking awareness. It will initially be made available to all 315,000 state employees and is mandatory viewing for the office of the attorney general's 4,000 employees. "I am challenging my fellow state agency heads to follow suit," he said. The video is intended to teach viewers how to detect and report suspected human trafficking activity.

One of Attorney General Paxton's first initiatives after taking office was the creation in January 2016 of a special unit dedicated to strengthening efforts in Texas to catch and prosecute traffickers. He noted that under the leadership of Deputy Criminal Chief Kirsta Leeburg Melton, the agency's Human Trafficking/Transnational Organized Crime section (HTTOC) has already assisted or consulted on dozens of cases, such as the arrest of the CEO of backpage.com, whose online "adult" ads have been linked to sex trafficking of women and children. In addition, HTTOC teamed up with Truckers Against Trafficking and the Texas Trucking Association on an innovative public-private program that puts more eyes and ears on the road to help catch human trafficking. Last year, HTTOC provided human trafficking awareness training to almost 8,000 people across the state, including law enforcement officials, educators, medical professionals, students and lawyers.

"As Texas makes strides toward eliminating this horrific and dehumanizing crime, it is imperative to inform and train as many Texans as possible on how to recognize and report suspected human trafficking," Attorney General Paxton said. "With the development of this training video along with the already strong programs developed by our human trafficking section, we hope to reach as many people as we can throughout the state. I applaud our team's constant work in educating Texans on such an important issue."

ATTORNEY GENERAL PETERSON TO HOST 2017 YOUTH CONFERENCE

Lincoln - - Attorney General Peterson is continuing his commitment to cultivate future leaders in Nebraska by hosting the 2017 Attorney General's Youth Conference. The annual conference will be held at the Nebraska State Capitol in Lincoln on Tuesday, April 11, 2017.

Participants will be invited to engage in discussion and debate on a wide-range of critical issues facing students in the 21st century, they will hear from AGO Bureau Chiefs, tour the Capitol, and spend the noon hour at the Governor's Residence for a short program.

Schools across Nebraska received invitations to nominate juniors from their high schools to be candidates for the conference. A limited number of Juniors will be selected from across the state representing numerous communities. Applicants are asked to submit a short resume of activities, their favorite Constitutional Amendment, and short essay along with recommendations. Student applications are due by January 31, 2017 and are available at www.ago.nebraska.gov/youth-conference.

AG Hood Files Suit Against Google over Handling of Student Data

Attorney General Jim Hood announced today that the state has filed suit against Google Inc., over how the internet giant maintains and uses data collected from Mississippi public school students who have Google's G Suite For Education accounts.

Google is accused of collecting personal information and search history obtained from its users in order to advance its own business interests and increase its profit, in violation of the Mississippi Consumer Protection Act.

The free, web-based tools were previously known as Google Apps for Education and were marketed by Google as a safe way for students and teachers to seamlessly collaborate and communicate across multiple internet-connected devices. Among the "tools" offered in the suite of products were Gmail, Google Calendar, Google Drive and Google Docs.

In 2015, Google signed the K-12 School Service Provider Pledge to Safeguard Student Privacy. By signing the pledge, Google promised, among other things, to "not collect, maintain, use or share student personal information beyond that needed for authorized educational/school purposes, or as authorized by the parent/student" and to "disclose clearly in contracts or privacy policies, including in a manner easy for parents to understand, what types of student personal information we collect, if any, and the purposes for which the information we maintain is used or shared with third parties." The lawsuit alleges that Google fails to live up to its pledge and does not properly disclose the types of information it collects, maintains and uses, as well as whether and how that information is shared with third parties. Due to the multitude of unclear statements provided by Google, it is impossible to know exactly what student information Google is collecting and how Google is using that information.

"It is disturbing to think that one of the world's most profitable corporations would try to make even more money by deceiving parents and taking advantage of Mississippi school children," Attorney General Hood said. "Through this lawsuit, we want to know the extent of Google's data mining and marketing of student information to third parties. I don't think there could be any motivation other than greed for a company to deliberately keep secret how it collects and uses student information."

While it is believed that more than half of Mississippi schools currently use Google products, the lawsuit was filed on behalf of the state, and it does not seek compensation on behalf of any schools or students. The Attorney General encouraged school administrators to thoroughly research any technology services that may be used by students, and he said it would be up to schools to determine whether they continue to using G Suite For Education.

"I have a duty to protect the rights and interests of all Mississippians," the Attorney General said in a letter to school superintendents. "This includes holding Google accountable for any misrepresentations it has made regarding GSFE users' private information that it processes, collects stores and uses for its own financial gain, and seeking a court order requiring Google to cease any unlawful practices."

Mississippi's lawsuit was filed Friday in Lowndes County Chancery Court.

ATTORNEY GENERAL STRANGE ANNOUNCES VICTORY FOR STATE IN ELECTRONIC BINGO FORFEITURE CASE AGAINST CHOCTAW ENTERTAINMENT CENTER OF MOBILE COUNTY

(MONTGOMERY) – Attorney General Luther Strange announced Friday a Mobile County Circuit Court has ruled in favor of the State in an electronic bingo forfeiture case against the MOWA Band of Choctaw Indians (Choctaw Entertainment Center) in Mt. Vernon, Alabama.

“The Mobile Circuit Court agreed with the State that the MOWA Band of Choctaw Indians were operating illegal electronic bingo machines and they must forfeit the 50 machines and a total of \$10,090.47 seized from the Choctaw Entertainment Center in Mt. Vernon, Alabama,” said Attorney General Strange.

“The funds seized from the illegal operations at the Choctaw Entertainment Center will be transferred to the General Fund of the State of Alabama and the electronic bingo machines will be destroyed as directed by the court.”

The MOWA Band of the Choctaw Indians of southwest Alabama are a non-federally recognized Indian tribe.

Attorney General Strange thanked Assistant Attorney General John Kachelman of the Criminal Trials Division, Mobile County District Attorney Ashley Rich, and agents of the Mobile Country Sheriff’s Office for their assistance in investigating the case and executing the search warrant that led to the seizure and successful prosecution of the defendants.

Attorney General Bondi and OFR Reach Multimillion Dollar Settlements with Online Lender

TALLAHASSEE, Fla.—Attorney General Pam Bondi and Office of Financial Regulation Commissioner Drew Breakspear today announced coordinated settlements with the operators of an online lending scheme. The operators of the alleged scheme are Western Sky Financial, LLC, CashCall, Inc., WS Funding, LLC, Delbert Services Corporation and John Paul Reddam, who is President, CEO, owner and director of CashCall. Attorney General Bondi and OFR filed a joint action against the lenders in Hillsborough County Circuit Court. OFR also filed a separate administrative case.

These settlements, in coordination with a pending Florida class action settlement against CashCall and Reddam filed in the U.S District Court for the Southern District of Florida, resolve allegations that the lender offered, serviced and collected on Western Sky loans to Florida borrowers with illegal interest rates of more than 18 percent. Subject to final court order in the class action, the settlements collectively provide more than \$27 million in monetary relief to Floridians.

“Lending schemes harm consumers seeking financial assistance, and with these settlements, Florida borrowers will now be better protected from such business practices,” said Attorney General Bondi. “Thanks to a great partnership with the Office of Financial Regulation, Floridians will receive millions in restitution.”

Commissioner Drew J. Breakspear said, “I applaud the diligent efforts of our agency’s Division of Consumer Finance investigative team and the Florida Attorney General’s Office to protect Floridians from illegal business practices. Ensuring the financial industry is safe for consumers to do business is a top priority.”

Under the settlements, approximately 14,000 borrowers are expected to be eligible for a cash payment from a combined fund of more than \$11 million. To be entitled to share in the fund, borrowers must have taken out a loan from these lenders and paid back more than principal plus 18 percent interest. Eligible borrowers will be contacted once payment details become formalized and refunds will vary based on the amount paid.

The settlements collectively include the following:

The lenders are prohibited from enforcing or collecting an amount of more than \$15 million in outstanding loan balances;

The lenders are banned from future lending in Florida, including collecting, funding, making, offering, selling, servicing, soliciting or transferring any loans;

CashCall’s lending license is revoked;

John Paul Reddam is barred for life from obtaining any lending or other license from OFR; and

The lenders are required to request the credit bureaus to remove any credit reporting entries relating to these loans appearing on borrowers’ credit reports.

The lenders paid \$1,250,000 to Florida: a \$500,000 civil penalty to Attorney General Bondi’s Office, a \$500,000 administrative fine to OFR and \$250,000 to Florida for costs.

AG Coffman Gets Preliminary Injunction Against Fraudulent Solar Energy System Company

DENVER- Colorado Attorney General Cynthia H. Coffman today announced that a Jefferson County District Court judge has granted the Attorney General’s motion for a preliminary injunction against Guaranteed Solar, LLC, a Lakewood company that sold expensive solar energy systems to residential consumers and then kept the consumer’s money without delivering the systems. The injunction bars the company from engaging in any further sale of solar energy systems.

According to the Attorney General’s lawsuit, Guaranteed Solar and its predecessor company, Innersol Global, LLC, scammed 15 Colorado consumers for a combined total of \$450,000.00. The two companies were operated by Kevin Murphy Ryder (DOB 1/25/1967) who, the Attorney General alleges, had a prior history of engaging in securities fraud. Ryder pitched the solar energy systems to his customers as an “investment” and convinced them to take out home equity loans to pay for the systems. After paying for these systems, consumers heard months of excuses from Guaranteed Solar, while Ryder spent the money on his own lavish lifestyle before abandoning the company.

“Consumers must be cautious about undertaking expensive projects and investments with individuals about whom they know little,” said Attorney General Coffman. “It is essential not only to ask for current customer referrals, but also to do additional research on the company or

individual's history over the past several years. Unfortunately, scammers are counting on consumers to trust but not verify."

Attorney General Coffman also filed a 13 count criminal grand jury indictment against Kevin Ryder for securities fraud in June of 2016. The indictment alleges that between 2009 and 2014, Ryder convinced 12 Colorado residents to invest in his debt management services company, Complete Capital Services, LLC, through unregistered securities sold by Ryder's financial planning company, Acceleration Financial Services, LLC. Ryder promised the investors 20% annual returns. Ryder failed to deliver these returns and is alleged to have spent all of the principal investments. The 12 investors lost a combined total of more than \$800,000.00; one elderly widow lost almost \$300,000, her entire retirement savings.

Kevin Ryder is believed to currently be living in California, and is the subject of a nationwide arrest warrant. The Colorado Attorney General's Office encourages anyone who knows of his whereabouts to contact the Attorney General's Criminal Justice Section at (720)508-6707.

The filing of criminal charges or an indictment is merely a formal accusation that an individual committed a crime. Each defendant should be presumed innocent until proven guilty.

AG STEIN PROTECTS CONSUMERS FROM UNFAIR DEBT COLLECTION PRACTICES

RALEIGH, N.C. – Accelerated Receivables Management, Inc. (ARM), also known as Cutting Edge Collections, has demanded payment for alleged past due debt for medical testing from consumers who believed their testing had been covered by insurance or already paid. In many cases, consumers reported that ARM employees were harassing or threatening in the process, which would be a violation of the NC Unfair and Deceptive Trade Practices Act. ARM, a Florida-based company, has attempted to collect debts from North Carolina consumers while possessing neither a certificate of authority to conduct business in North Carolina nor a North Carolina collection agency permit.

AG Stein filed suit against ARM this week and today Judge Allen Baddour signed off on a Consent Preliminary Injunction against ARM and its president and general counsel, Francine Clair Landau. This means that ARM may not conduct any debt collection business in North Carolina while the lawsuit is ongoing. AG Stein also is requesting that the court require ARM to pay civil penalties and restore any funds obtained through unfair and deceptive acts.

"I am very troubled by consumers' claims that they are being harassed for money they do not owe," said AG Stein. "Protecting people by putting an end to this type of activity is an important reason why I ran to become North Carolina's Attorney General. My office will not stand for it and we will continue to fully investigate these claims."

Consumers complained about collections related to lab tests that were conducted by Richmond, Virginia-based lab company Health Diagnostic Laboratory, Inc. ("HDL"). HDL was sued by the federal government for fraudulent practices and, among other things, paying kickbacks to physicians for ordering non-necessary medical tests.

While AG Stein has received 12 complaints about ARM and Landau, NCDOJ does not know how many North Carolinians ARM contacted. According to ARM's documents, more than 2,500 North Carolina consumers are currently in the company's database for collections. Consumers who believe they have been contacted by ARM should file a complaint with AG Stein's office here.

Schuetzte Charges 10 in Lansing-Area Opioid Drug Ring

LANSING -- Attorney General Bill Schuetzte today announced felony charges against 10 Lansing-area residents for their alleged roles in an opioid prescription drug ring whose members presented forged prescriptions at several Mid-Michigan area pharmacies in order to obtain prescription pain pills and defraud the Michigan Medicaid Program. After filling the prescriptions, the drugs were then sold for cash or traded for other drugs

"When misused, prescription drugs can be every bit as dangerous as street drugs," said Schuetzte. "We will continue to aggressively pursue anyone involved in diverting prescription drugs outside the realm of legitimate medical treatment who are contributing to the scourge of opioid addiction to make money, at the detriment to those addicted and to our state as a whole."

The charges were filed following an investigation completed by Schuetzte's Health Care Fraud Division after a complaint was referred to them by the Tri-County Metro Narcotics Squad, a multi-jurisdictional drug enforcement team that serves Ingham, Clinton and Eaton Counties.

"I'd like to commend the Tri-County Metro Narcotics Squad for their significant role in developing this case," added Schuetzte.

Case Background

The felony complaints filed by Schuetzte allege that defendants Bicego, Gutkowski, Fritz, Burkett, Lafferty, Roe, Loveall, Madden, Pell, and Vito engaged in a scheme to illegally obtain prescription medications by using fake prescriptions.

Specifically, it is alleged Bicego unlawfully obtained a prescription pad from a Lansing-area doctor's office where she had previously worked. Prescriptions were then allegedly forged for the controlled opioid-based substances OxyContin, Norco, Percocet, as well as Adderall.

The complaints allege Lafferty, Burkett, Roe, Fritz, Gutkowski, Pell, Vito, Madden, and Loveall took the fake prescriptions to several Lansing area pharmacies to obtain the pills. The pills would then be handed over in exchange for cash or drugs. Several of these allegedly false prescriptions were billed to Medicaid.

Schuetzte filed the following charges on January 9th against all defendants in the 54B District Court in Ingham County:

Jennifer Bicego, 30, of Lansing:

Five counts of Medicaid Fraud-Conspiracy, a felony punishable by imprisonment of not more than 10 years or a fine of not more than \$50,000.00 or both.

Six counts of Conspiracy to Commit Controlled Substance - Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years, or a fine of not more than \$40,000.00 or both.

Two counts of Controlled Substance -Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Luke Gutkowski, 22, of Mason:

One count of Conspiracy to Commit Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$40,000.00 or both.

One count of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Dustin Fritz, 20, of Lansing:

One count of Conspiracy to Commit Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$40,000.00 or both.

One count of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Trisha Burkett, 20, of Mason:

One count of Medicaid Fraud-Conspiracy, a felony punishable by imprisonment of not more than 10 years or a fine of not more than \$50,000.00 or both.

One count of Medicaid Fraud-False Claim, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$50,000.00 or both.

One count of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Jona Lafferty, 20, of Vernon:

One count of Medicaid Fraud-Conspiracy, a felony punishable by imprisonment of not more than 10 years or a fine of not more than \$50,000.00 or both.

One count of Medicaid Fraud-False Claim, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$50,000.00 or both.

One count of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Lance Roe, 33, of Holt:

One count of Medicaid Fraud-Conspiracy, a felony punishable by imprisonment of not more than 10 years or a fine of not more than \$50,000.00 or both.

One count of Medicaid Fraud-False Claim, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$50,000.00 or both.

One count of Controlled Substances-Obtaining by Fraud, contrary to MCL 333.7407(1)(c), a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Roe will be charged as a Habitual Fourth Offender.
Charles Loveall, 34, of Holt:

Two counts of Medicaid Fraud-Conspiracy, a felony punishable by imprisonment of not more than 10 years or a fine of not more than \$50,000.00 or both.

One count of Medicaid Fraud-False Claim, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$50,000.00 or both.

Three counts of Conspiracy to Commit Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$40,000.00 or both.

Three counts of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Brandon Madden, 32, of Charlotte:

Two counts of Conspiracy to Commit Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$40,000.00 or both.

Two counts of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Andrew Pell, 31, of East Lansing:

One count of Conspiracy to Commit Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$40,000.00 or both.

One count of Attempt to Commit Controlled Substances-Obtaining by Fraud, a misdemeanor punishable by imprisonment of not more than two years, or up to one year in a county jail, or \$1,000.00.

Pell will be charged as a Habitual Second Offender.

Rachel Vito, 27, of Lansing:

One count of Medicaid Fraud-Conspiracy, a felony punishable by imprisonment of not more than 10 years or a fine of not more than \$50,000.00 or both.

One count of Medicaid Fraud-False Claim, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$50,000.00 or both.

One count of Controlled Substances-Obtaining by Fraud, a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$30,000.00 or both.

Eight of the 10 defendants were arraigned Tuesday, January 10, 2017 before Judge Andrea Larkin in 54B District Court in East Lansing. A personal recognizance bond was set for seven of the defendants at \$25,000. Defendant Bicego's bond was set at \$50,000. Andrew Pell and Lance Roe were arraigned Wednesday, January 11, 2017 before Judge Richard Ball in 54B District Court in East Lansing. Bond for both was set at \$25,000.

Schuette's Health Care Fraud Division

The Attorney General Health Care Fraud Division exists to identify, prosecute, and prevent fraudulent activity by doctors, dentists, pharmacists, and other health care providers participating in the Medicaid program. Taxpayer dollars provide health care to indigent patients and other

recipients. It is vital that these dollars be effectively spent to help those in need. Fraud affects everyone including the recipients of care, the taxpayers who pay for it, and the overwhelming majority of providers who conscientiously provide quality care. Anyone aware of fraud in the Medicaid program is encouraged to report it to Attorney General Schuette's Health Care Fraud Division by calling 800-24-ABUSE.

A criminal charge is merely an accusation and all defendants in this case are presumed innocent unless proven guilty.