

## **ARTICLES FOR 12-1-17 ROUNDUP**

### **STATEMENT FROM AG JEPSEN ON 2018 RACE FOR CONNECTICUT ATTORNEY GENERAL**

Attorney General George Jepsen today issued the following statement announcing that he will not run for reelection as Connecticut's Attorney General in the coming year:

"I am announcing today that I will not seek a third term as Attorney General, a decision I finalized with my family over the last days. It has been the greatest honor of my professional life to serve as Attorney General for the State of Connecticut. While my love for the work of this office is undiminished, I am ready to pursue different challenges. I do so knowing that the men and women of the Office of the Attorney General will continue to serve and protect our state and its residents with distinction. They are superb public servants in the truest sense, and I am proud of the work we have done together. I do not yet know what my future holds, but look forward to advancing the interests of Connecticut for the remainder of my term and in other capacities."

### **ATTORNEY GENERAL BRNOVICH EXPRESSES STRONG OPPOSITION TO PROPOSAL THAT WOULD DRAMATICALLY INCREASE ENTRANCE FEES AT NATIONAL PARKS**

PHOENIX— Attorney General Mark Brnovich announced today that he is part of bipartisan coalition of 11 attorneys general expressing strong opposition to the National Park Service's ("NPS") proposal to dramatically increase entrance fees at 17 national parks.

Under the proposal, the per vehicle entrance fee would increase at the 17 parks during the five-month peak season from \$25 or \$30 to \$70, including the Grand Canyon. Motorcycle, bicycle and pedestrian fees would also increase by double or more at the 17 parks. The new fees would go into effect at the Grand Canyon beginning May 1, 2018.

"Our parks belong to all Americans, who should be able to afford and enjoy them with their families for generations to come," said Attorney General Brnovich. "We have a responsibility to fund our national parks and address the maintenance backlog, but we have to preserve our national treasures in a way that doesn't limit access and potentially destroy local economies."

In the comment to the NPS, Arizona Attorney General Mark Brnovich joined his fellow attorneys general in making three main points:

NPS' stated justification for the fee increase is to address the serious maintenance backlog facing the national park system. However, the proposal could reduce revenue by lowering visitation rates. NPS has failed to consider or provide any data to support the criteria it must consider pursuant to the Federal Lands Recreation Enhancement Act of 2004, including the "aggregate effect of recreation fees on recreation users" or "the public policy or management objectives served by the recreation fee."

NPS' process fails to provide adequate opportunity for local outreach or public comment. Joining Attorney General Brnovich in sending today's comment letter were Attorneys General of California, Maine, Maryland, Massachusetts, New Mexico, New York, Oregon, Rhode Island, Washington, and the District of Columbia.

The proposed peak season rate increases, which would double or even triple certain entrance fees, would take affect at Arches, Bryce Canyon, Canyonlands, Denali, Glacier, Grand Canyon, Grand Teton, Olympic, Sequoia and Kings Canyon, Yellowstone, Yosemite, and Zion National Parks on May 1, 2018. New season rates would go into effect at Acadia, Mount Rainier, Rocky Mountain, and Shenandoah National Parks on June 1, 2018, while Joshua Tree National Park would see its new fees in place "as soon as practicable in 2018."

## **ATTORNEY GENERAL BECERRA: DIRECTV AGREES TO \$9.5 MILLION SETTLEMENT FOR VIOLATIONS OF CALIFORNIA'S HAZARDOUS WASTE AND UNFAIR COMPETITION LAWS**

SACRAMENTO – Attorney General Xavier Becerra and Alameda County District Attorney Nancy E. O'Malley today announced a settlement with DIRECTV to resolve allegations that its California facilities unlawfully disposed of large volumes of hazardous waste – including hazardous batteries, electronic devices, and aerosols – and committed additional violations stemming from the mismanagement of such items. These acts constitute violations of California's Hazardous Waste Control Law, and of California's Unfair Competition Law, as such conduct gives DIRECTV a competitive advantage over other regulated entities that are complying with the law. On November 21, 2017, by stipulation of the parties, the Alameda County Superior Court entered a final judgment incorporating the terms of the settlement.

"Unlawfully disposing of hazardous waste can lead to serious health and environmental risks. That is why DA O'Malley and I are holding DIRECTV accountable today," Attorney General Becerra said. "The California Department of Justice will continue working to protect the health and well-being of our communities. We will prosecute those who violate our environmental laws."

"My Office is dedicated to enforcing laws that protect the environment and ensure fair business practices. Any company doing business in Alameda County and in California must abide by these laws. The illegal disposal of hazardous waste pollutes our soil and our water and can be harmful to the health of humans as well as the environment," said District Attorney O'Malley. "I thank the Attorney General for his leadership on these important issues and I am confident that we will continue to make strides in holding businesses accountable and keeping our environment free from toxic pollution."

As part of the settlement, DIRECTV will be required to pay more than \$8.9 million for civil penalties, costs, and projects furthering environmental protection; will be bound by a permanent injunction prohibiting similar future violations of law; and will have to spend more than \$580 thousand over the next five years to enhance environmental compliance at its California facilities. Additionally, DIRECTV will be required to hire an independent auditor to perform three audits of DIRECTV's compliance with the injunctive terms of the judgment.

The settlement and final judgment follow an extensive investigation by the two offices. The investigation included a series of inspections of dumpsters belonging to DIRECTV facilities. The inspections revealed that DIRECTV was routinely and systematically sending hazardous wastes to local landfills that were not permitted to receive those wastes. During the relevant period of the investigation, DIRECTV operated 25 facilities in California, and all 25 facilities were unlawfully disposing of hazardous waste.

In November 2014, the Attorney General and Alameda DA resolved a similar action against AT&T through a stipulated final judgment. Because DIRECTV was acquired by an AT&T affiliate in July 2015, the parties to this settlement have stipulated to amend the prior AT&T judgment to include terms applicable to DIRECTV.

Copies of the complaint and stipulation for entry of amended final judgment are attached to the electronic version of this release at [oag.ca.gov/news](http://oag.ca.gov/news).

## **AG FERGUSON FILES MULTI-MILLION DOLLAR LAWSUIT AGAINST UBER FOR FAILING TO REPORT MASSIVE DATA BREACH**

Notice comes more than a year after discovery of the breach

OLYMPIA — Attorney General Bob Ferguson today filed a multi-million dollar consumer protection lawsuit against ride sharing company Uber, alleging thousands of violations of the state's data breach notification law. Uber discovered a data breach potentially affecting 57 million passengers and drivers around the world, including the names and driver's license numbers of at least 10,888 Uber drivers in Washington.

Under a 2015 amendment to the state's data breach law requested by Ferguson, consumers must be notified within 45 days of a breach, and the Attorney General's Office also must be notified within 45 days if the breach affects 500 or more Washingtonians. This is the first lawsuit filed under the revised statute.

“Washington law is clear: When a data breach puts people at risk, businesses must inform them,” Ferguson said. “Uber's conduct has been truly stunning. There is no excuse for keeping this information from consumers.”

The complaint, filed today in King County Superior Court, alleges thousands of violations of Washington's data breach law by failing to notify affected drivers and the Attorney General's Office within 45 days of the breach.

In November 2016, an individual contacted Uber claiming he had accessed Uber's user information. Uber investigated and confirmed that person and one other individual had in fact accessed the company's files, including the names, email addresses and telephone numbers of about 50 million passengers worldwide. If Uber's assessment of the compromised data is correct, this type of information does not require notification under Washington's law.

However, the hackers also obtained the names and driver's license numbers of about 7 million drivers for the company. About 600,000 of those drivers live in the United States, and at least 10,888 live in Washington.

Uber notified the Attorney General's Office of the breach Nov. 21, 2017, roughly 372 days after it discovered the breach. Rather than reporting the breach as required by law, the company has admitted to paying the hackers to destroy the stolen data.

This lawsuit does not address any data security issues that may have led to the breach. Today's lawsuit does not preclude future action on other issues.

The office argues each day Uber failed to report for each individual qualifies as a separate violation under the law. Ferguson's lawsuit asks for civil penalties of up to \$2,000 per violation, which should result in a penalty in the millions of dollars. The state also asks for recovery of its costs and fees.

Senior Counsel Shannon Smith and Assistant Attorneys General Tiffany Lee and Andrea Alegett are handling the case.

Data breach notification in Washington

Ferguson updated Washington's data breach notification laws with agency request legislation passed in 2015. The bill was sponsored by Rep. Zack Hudgins (D-Tukwila) and Sen. John Braun (R-Centralia).

Washington has two data breach laws: One applying to individuals and businesses, the other for local and state government agencies. The laws are essentially the same and require notification to Washingtonians at risk of harm because of a security breach that includes personal information, meaning someone's name and any of the following:

Social Security number;

Driver's license number or Washington identification card number; or

Bank account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's account.

This FAQ document lays out the data breach law for businesses.

Since reporting began in 2015, the Attorney General's Office has produced annual reports examining the data from the previous year. The most recent report found that breaches affected nearly 3 million Washingtonians, more than six times the number affected in the previous 12 months.

## **NEW TOOL HELPS RESIDENTIAL CONSUMERS UNDERSTAND TRANSACTIONS FOR ROOFTOP SOLAR ENERGY SYSTEMS**

As a component of his consumer protection initiatives, New Mexico Attorney General Hector Balderas released a draft of a powerful tool aimed at helping New Mexico consumers better understand purchasing solar power systems for their homes: Distributed Generation Disclosure Statement.

During the 2017 Legislative Session, a bill was passed to ensure homeowners who sought to put solar on their roof-tops would have all the information they would need to make an informed financial decision. That bill requires the Attorney General to publish a form on which merchants will disclose the information required by the statute. Due to the importance of solar energy in New Mexico's economy, Attorney General Balderas is seeking comments on the proposed draft form before a final version is published at the end of the year.

The minimal disclosures contained in the Distributed Generation Disclosure Statement will help consumers across the state to understand their solar power system purchase, lease, or power purchase agreement. The form mandates at the time of any agreement governing the financing, sale, or lease of any solar power system that the seller, leaser, or marketer must provide the agreement's key terms.

Key terms include: 1. The total price of the system and the total amount the consumer will pay; 2. Any one-time or reoccurring fees; 3. A description of any performance guarantees; 4. The estimated cost of electricity produced by a solar energy system over its lifetime, 5. Ownership or transferability of any of the solar power system's tax credits, rebates or incentives; 6. Mandating the seller or marketer provide a copy of any security interests or financial statements filed in the buyer's or lessee's real property records; and 7. The consumer's right to rescind the contract for three business days.

The Attorney General is releasing the draft Distributed Generation Disclosure Statement today, which is also published in the New Mexico Register, to allow for comments and continued collaboration with the solar, energy, and housing industries as well as consumer groups, regulators, and others with an interest in ensuring consumer protections. Comments are due no later than December 13, 2017. Please click here to review the draft language of the Distributed Generation Disclosure Statement

[https://www.google.com/url?hl=en&q=http://www.nmag.gov/uploads/FileLinks/7f3e6bf7210a4855947655e6a117c918/2017\\_11\\_14\\_Distributed\\_Generation\\_Disclosure\\_Statement\\_1.pdf&source=gmail&ust=1511925780082000&usg=AFQjCNGJPNzeWs2ODx4SwzNwe3O85hwqHw](https://www.google.com/url?hl=en&q=http://www.nmag.gov/uploads/FileLinks/7f3e6bf7210a4855947655e6a117c918/2017_11_14_Distributed_Generation_Disclosure_Statement_1.pdf&source=gmail&ust=1511925780082000&usg=AFQjCNGJPNzeWs2ODx4SwzNwe3O85hwqHw)

## **FLOOD-DAMAGED CARS COULD BE FOR SALE IN WASHINGTON**

OLYMPIA — While many areas of the country are still reeling from the devastation of hurricanes Irma and Harvey, scam artists are now trying to sell flood-damaged vehicles here in Washington state. The Department of Justice Bureau of Justice Assistance estimates as many as 1 million vehicles flood-damaged vehicles could be sold to unsuspecting buyers nationwide.

Attorney General Bob Ferguson and the Washington State Auto Dealers Association urge consumers not to be fooled by the perfect exterior condition of the car and the new car smell. A flood-damaged car may look normal, but almost always will have serious problems including mildew and corroded wires which can result in an electrical failure.

“I am committed to protecting consumers from scams,” Ferguson said. “The more informed people are, the less likely they are to become a victim.”

Before you buy a used car, research the title and VIN number at [www.vehiclehistory.gov](http://www.vehiclehistory.gov) and/or [www.carfax.com/flood](http://www.carfax.com/flood).

Carefully inspect the vehicle inside and out using these guidelines:

**Test Drive First:** Before you buy a used vehicle, you should thoroughly examine the vehicle and go for a test drive to test the vehicle's mechanical operating condition. This means that you should drive the vehicle as you would under every day driving conditions — freeway, in-city, hills etc.

**Check the Gauges:** You should check the operation of all electrical and comfort amenities (windows, lights and turn signals, defroster, heater and air conditioner), blow the horn, check the brakes by coming to a controlled emergency stop, and listen to the engine accelerate when entering on to the freeway and on hills.

**Complete a Visual Inspection:** Do a complete visual inspection of the vehicle; look under the vehicle for any signs of frame damage or collision repairs, any flood damage and any missing, loose or ill-fitting body parts; check the engine compartment and trunk for fresh paint that might reveal prior damage or signs of flood damage.

**Check it out with Your Mechanic:** If the vehicle passes your test, take it for an inspection by a qualified mechanic of your choosing. The mechanic should check the brakes, electrical system, compression, transmission, and every other system on the vehicle, especially any that caught your attention during the test drive. You should also consider an emissions control system inspection and test. Inspections may cost you some money, but if the mechanic discovers a major defect, you have saved yourself a big problem and a lot of money. When an inspection reveals only minor defects, you can use that information to negotiate either a lower purchase price or get the dealer to agree, in writing, to fix the items before purchase.

If you purchased a car with flood damage, try to return it to the dealership and file a complaint with the Washington State Attorney General's Office at [www.atg.wa.gov](http://www.atg.wa.gov).

## **ATTORNEY GENERAL JACKLEY RELEASES 6-MONTH UPDATE ON THE PROJECT STAND UP PROGRAM**

PIERRE, S.D. – Attorney General Marty Jackley announced today that November marks the 6-month anniversary of the launch of the Project Stand Up Program.

“Project Stand Up is proving to be an effective tool in the fight against drug abuse by identifying 244 drug subjects in 69 South Dakota jurisdictions,” said Jackley. “Allowing citizens to stand up to drug crime is a step in the right direction in fighting the ongoing national illegal drug epidemic.” Project Stand Up was launched statewide on May 18, 2017 with these partners: Attorney General’s Office, Sanford Health, South Dakota Sheriff’s Association, South Dakota Police Chiefs’ Association and the South Dakota Department of Public Safety.

Project Stand Up is a coordinated effort amongst law enforcement officials and healthcare providers statewide to standup to illegal drug use in South Dakota. Texting a tip is simple- just text 'drugs' to 82257. The tipster will be asked a series of questions for additional information. The level of involvement lies with the citizen, while always remaining anonymous.

Any communities interested in promoting the Stand Up Program locally are encouraged to call the Attorney General's Office at 605-773-3215.

## **ATTORNEY GENERAL RACINE WINS \$242K JUDGMENT AGAINST FORMER PARK SOUTHERN NEIGHBORHOOD CORPORATION PRESIDENT**

WASHINGTON, D. C. – Attorney General Racine announced today that his office has secured a judgment against Rowena Scott, the former board president of the non-profit Park Southern Neighborhood Corporation (PSNC), for abusing her authority and acting contrary to the charitable mission of PSNC by siphoning non-profit funds from its 360-unit affordable apartment building at 800 Southern Avenue SE.

The building fell into disrepair and financial distress, to the detriment of its tenants, Scott paid herself tens of thousands of dollars a year and gave herself free rent for a period of nearly nine years. After a trial to determine the amount of funds Scott improperly diverted from PSNC, the Superior Court of the District of Columbia has ruled that Scott must return \$242,605.01 to the non-profit.

“Preserving habitable affordable housing is a top priority for my office. The people charged with carrying out a not-for-profit mission to support such housing cannot be allowed misappropriate funds for their own benefit,” said Attorney General Racine. “This recovered money will go toward the original mission of supporting safe and affordable housing for District residents.”

The Superior Court had previously ruled that Scott violated the District's Nonprofit Corporations Act by diverting PSNC's money into her own pockets and away from its non-profit mission of providing low-income housing. The Nonprofit Corporations Act requires directors of non-profit corporations to act in good faith and in the best interest of the organization. It also authorizes the Attorney General to take action when a non-profit organization violates the law's provisions.

After a two-day trial, Judge John M. Mott concluded that Scott had unlawfully taken at least \$242,605.01 in improper salary payments and free rent. He ordered a constructive trust to be imposed over those funds and that Scott pay those amounts back to PSNC or its successor organization.

During Scott's tenure leading the non-profit, the Attorney General's suit alleged, the building fell into serious disrepair, including:

- Defective fire extinguishing equipment;
- Faulty water heaters;
- Unsafe or non-working ventilation fans;
- Defective electrical outlets;

Damaged floors;  
Infestations of roaches, bedbugs, and mice;  
Damp and cracked ceilings and walls; and  
Non-functioning bathrooms.

PSNC also defaulted on its financial obligations on a District loan, and was in substantial debt to vendors and utility providers.

The ruling is the latest action in litigation by the Office of the Attorney General (OAG) against PSNC and Scott that began in 2014. In 2016, Attorney General Racine secured rulings that helped pave the way for the election of a new PSNC Board of Directors and the building's sale in January 2017, which provided the resources required to remedy problems stemming from the prior PSNC Board's mismanagement. building was purchased by a joint venture, including a tenant organization, pursuant to the District's Tenant Opportunity to Purchase Act (TOPA) and is now under new management.