

2015

**IN YOUR
CORNER
KANSAS**



KANSAS ATTORNEY GENERAL

Derek Schmidt

**Consumer Protection &
Antitrust Division
Annual Report**

January 1 – December 31, 2015

www.InYourCornerKansas.org

Message from Kansas Attorney General Derek Schmidt



STATE OF KANSAS
OFFICE OF THE ATTORNEY GENERAL

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June 2016

Dear Fellow Kansans:

It is my pleasure to present the 2015 annual report for our Consumer Protection Division as required by K.S.A. 50-628. This document also includes annual reports for antitrust enforcement, the Kansas False Claims Act, the Kansas Roofing Registration Act, Scrap Metal Theft Reduction Act and criminal cases prosecuted by our Consumer Protection Division.

The Consumer Protection Division combats fraud and other illegal business practices. As required by law, we work closely with local prosecutors and private litigants, but the bulk of consumer protection work in our state – nearly 4,000 cases in the past year – is handled by our office. Consumer protection is one of our critical priorities, and I am proud this year to again represent Kansas as a member of the Consumer Protection Committee of the National Association of Attorneys General.

Kansas consumers can expect from us fair, consistent and even-handed enforcement of the consumer protection laws. From the telemarketing laws to door-to-door sales, from the No Call Act to the Lemon Law, our goal is to enforce the law in a way that provides justice and ensures that the law is followed. In addition to helping consumers, this approach to enforcement is good for the Kansas economy by ensuring regulatory certainty for businesses.

During 2015, our office recovered more than \$12.2 million for Kansas consumers and taxpayers. Of course, the best outcome is preventing fraud in the first place, so we have once again stepped up our efforts to educate consumers on scam prevention through presentations, literature and our interactive consumer protection website at www.InYourCornerKansas.org.

Thank you for the privilege of serving.

Best wishes,

A handwritten signature in black ink that reads "Derek".

Derek Schmidt
Kansas Attorney General

2015... By the Numbers

Consumer Savings...

\$1,341,042.55 – without litigation

\$7,037,898.58 – through litigation

\$8,378,941.13 – Total Consumer Savings

Penalties, Fees and Other Recoveries...

\$3,572,544.31 – Civil penalties and fees awarded

\$310,000.00 – No-call penalties awarded

\$3,882,544.31 – Total Penalties, Fees and Other Recoveries

Total Savings and Recoveries...

\$12,261,485.44

Investigative Requests...

3,668 Investigative Requests Received

Top Categories

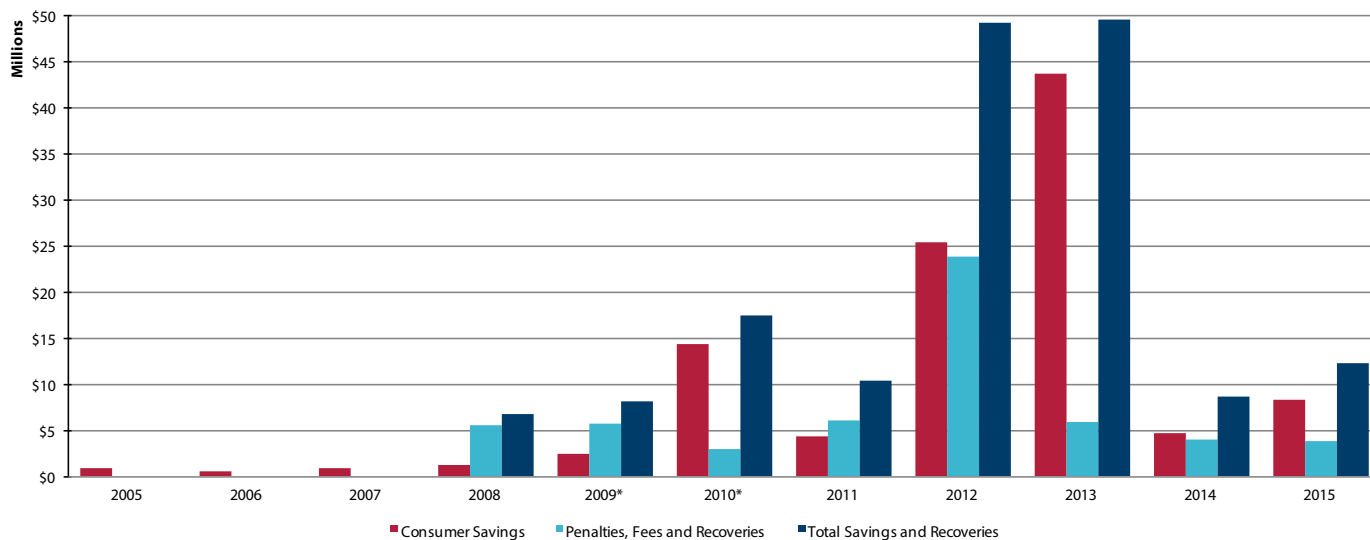
1. No Call
2. Telephone Scams
3. Used Car Sales Practices
4. Collection by Agencies
5. General Services
6. Computer/Internet Sales
7. Cell Phone and Pager Services
8. Auto Repair and Services
9. Credit
10. Health Services

3,732 Investigative Requests Closed

Top Categories

1. No Call
2. Telephone Scams
3. Used Car Sales Practices
4. General Services
5. Collection by Agencies
6. Computer/Internet Sales
7. Cell Phone and Pager Services
8. Satellite Dishes
9. Auto Repair and Services
10. Credit

Recovery Trends...

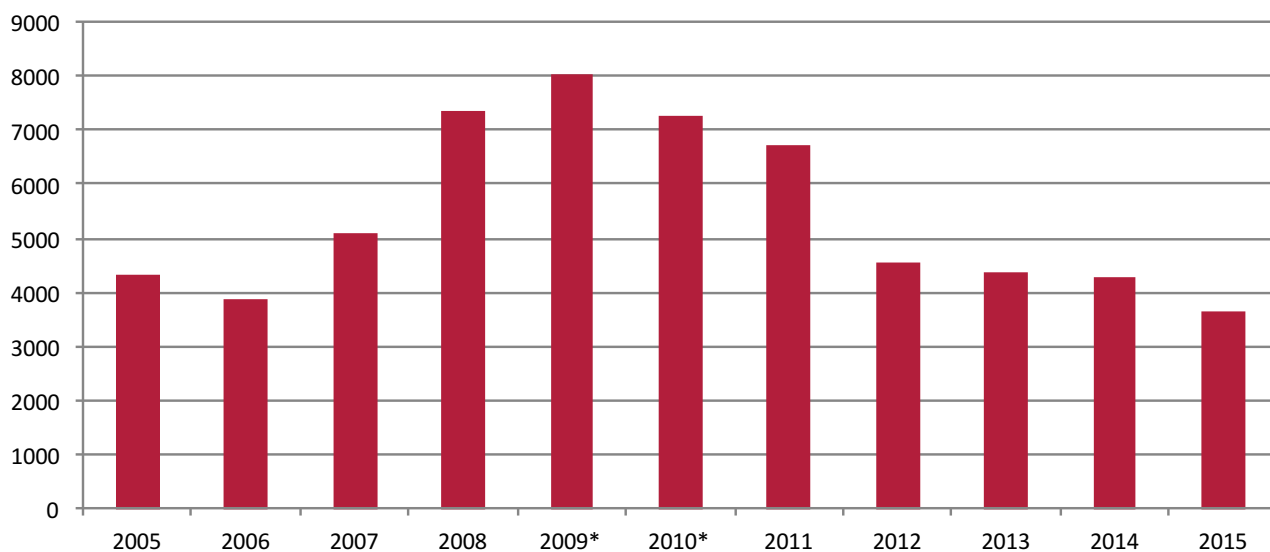


Consumer Savings includes savings without litigation, and restitution ordered.

Data for penalties and fees was not reported separately prior to 2008.

*2009 and 2010 data were reported based on Fiscal Years.

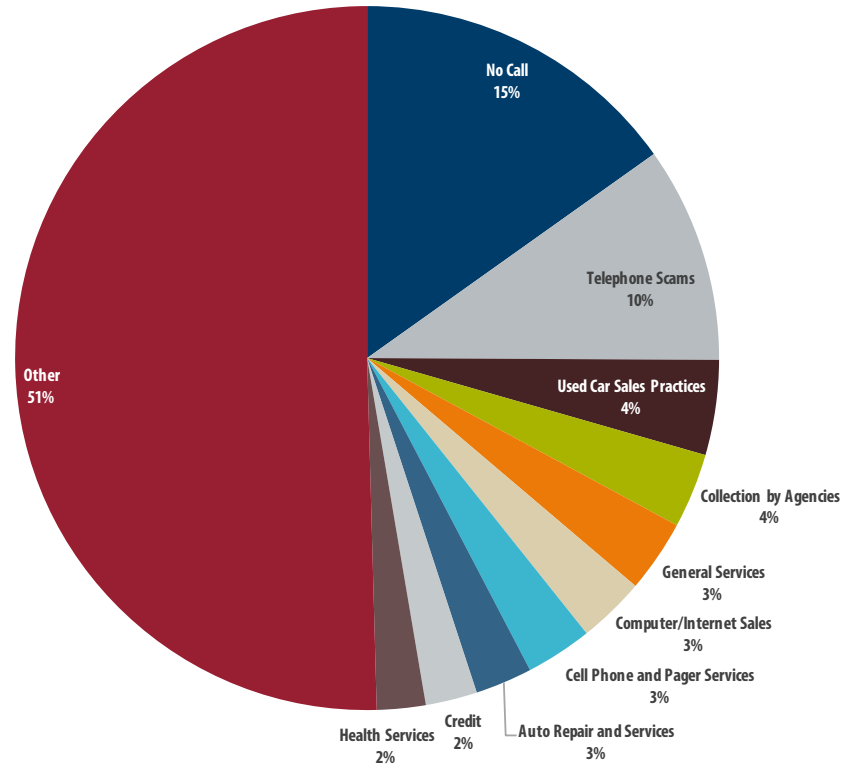
Investigative Request Trends...



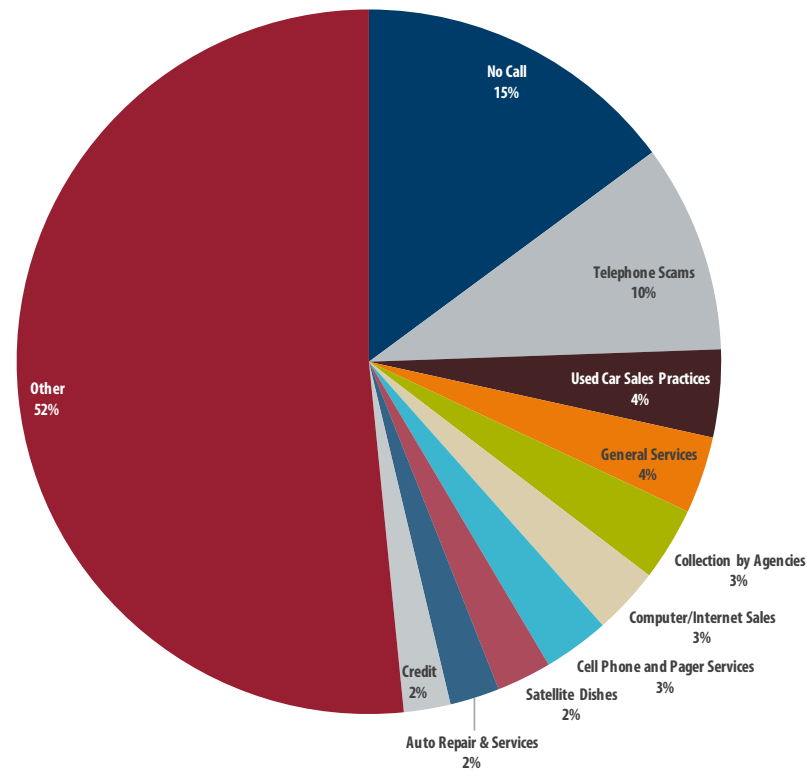
*2009 and 2010 data were reported based on Fiscal Years.

A new online investigation request system introduced in 2012 reduced the number of investigation requests by more accurately directing requests to other agencies in areas where the Attorney General's Office does not have jurisdiction.

Investigative Requests Received by Category (Total: 3,668)

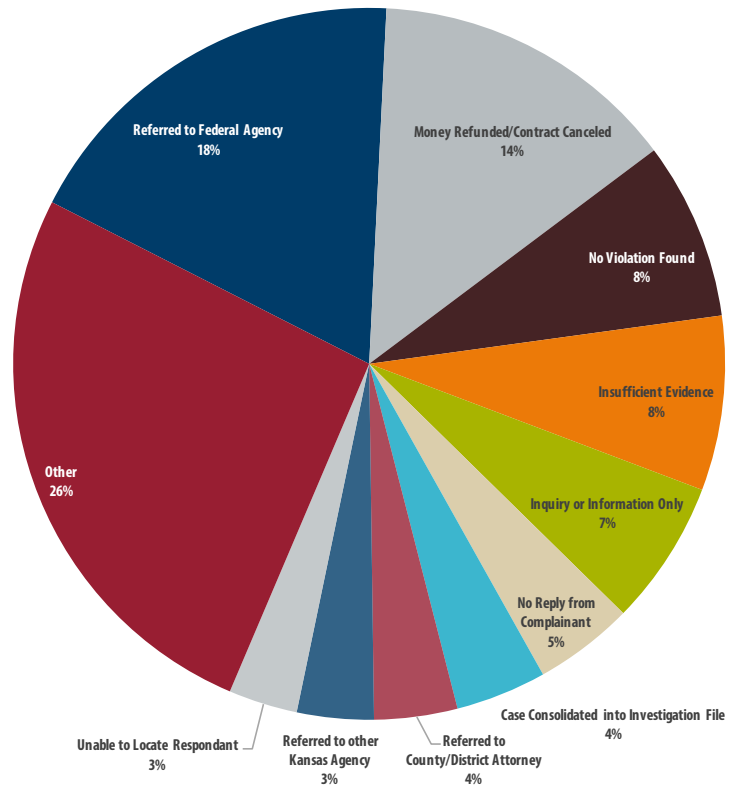


Investigative Requests Closed by Category (Total: 3,732)



Disposition of Complaints...

1. Referred to Federal Agency
2. Money Refunded/Contract Canceled
3. No Violation Found
4. Insufficient Evidence
5. Inquiry or Information Only
6. No Reply from Complainant
7. Case Consolidated into Investigation File
8. Referred to County/District Attorney
9. Referred to Other Kansas Agency
10. Unable to Locate Respondant



Consumer Education and Outreach...

In 2015, the Consumer Protection Division continued the mission of protecting Kansans by providing outreach information through presentations, informational booths and various other events. This year Attorney General Schmidt and his staff spoke to 93 groups of people and provided more than 500 hours of service at multiple state, county and local fairs.

The In Your Corner Kansas website continues to provide resources every hour of every day to consumers who need assistance. In 2015, the website was visited by 48,542 unique users, who viewed a total of 199,738 pages. Monthly Consumer Corner articles distributed state-wide provide timely warnings and important updates on scams and important protection information.

The Consumer Protection Division staff fielded 13,376 phone calls and 10,782 emails from consumers during the year.

National Consumer Protection Week was again observed by providing a record number of consumers the opportunity to shred important personal documents for free in nine locations throughout the state. In May, National Missing Children's Day was commemorated by our office handing out child identification kits to aid parents in keeping up-to-date identifying information on hand for each of their children. The office participated in Constitution Day in September by visiting students in Wichita.

In July, the Livestock/Brand Investigation Unit was transferred from the Consumer Protection Division to the Criminal Litigation Division.

During the 2015 session, the Kansas Legislature passed the Scrap Metal Theft Reduction Act (House Bill 2048), which directed scrap metal dealers to register with the attorney general's office. The attorney general created the new Scrap Metal Theft Reduction Unit within the Consumer Protection Division to execute the new law. Implementation efforts are ongoing.

Attorney General Schmidt took questions from Salina-area listeners on consumer protection issues on KSAL's "Friendly Fire" in September.



Litigation Summary

State v. Abdul-Kareem Ali, a/k/a Kareem Ali, formerly d/b/a AQ Square Consulting, LLC

Shawnee County, 2015-CV-001032

Filed November 18, 2015

Consent Judgment obtained November 20, 2015

The Attorney General entered into a consent judgment with the Defendant for violations of the Kansas Consumer Protection Act related to the unauthorized practice of law. The Defendant agreed to pay \$4,500 in civil penalties and \$1,500 in investigative fees, and to refrain from certain business practices.

State v. American Handicapped & Disadvantaged Workers, Inc. and Adli Najib Dasuqi

Shawnee County, 2015-CV-001130

Filed December 22, 2015

Consent Judgment obtained December 30, 2015

The Attorney General filed suit against the Defendants for violations of the Kansas Consumer Protection Act related to telemarketing solicitations of household goods. The Defendants agreed to pay \$10,000 in civil penalties and investigative fees and refrain from certain business practices, including collection of monies owed by Kansas consumers as a result of Defendants' solicitations.

CGB Diversified Services, Inc.

Assurance of Voluntary Compliance signed May 29, 2015

The Attorney General entered into an agreement with CGB Diversified Services, Inc., resulting in payment by CGB of \$400,000 to 15 Southeast Kansas farmers, following an investigation for alleged violations of the Kansas Consumer Protection Act. The allegations stemmed from the sale of grain by 15 farmers in Cherokee, Crawford and Montgomery counties to CGB for which they did not receive payment between 2003 and 2006. CGB did not admit any wrongdoing.

State v. Court Ordered Programs, Inc.

Shawnee County, 2015-CV-955

Filed October 27, 2015

The Court granted a Temporary Restraining Order enjoining the Defendant from conducting any business as a batterers intervention program provider on November 23, 2015. The order remains in place. The Attorney General filed suit against the Defendant for violations of the Kansas Batterers Intervention Program Certification Act and the Kansas Consumer Protection Act. The case remains pending.

State v. Roger Crawford d/b/a Allstate Construction a/k/a Asphalt Construction

Shawnee County, 2015-CV-000480

Filed May 27, 2015

Default Judgment entered July 20, 2015

The Attorney General filed suit against Roger Crawford d/b/a Allstate Construction a/k/a Asphalt Construction for violations of the Kansas Consumer Protection Act, including violations of the door-to-door sales statute and deception statute. The Attorney General received default judgment ordering the Defendant to pay \$32,198 in restitution to five consumers plus a \$250,000 civil penalty. Defendant is permanently enjoined from violating the Kansas Consumer Protection Act.

State v. Bobby J. Gillis d/b/a Gillis Construction

Shawnee County, 2015-CV-000386

Filed May 1, 2015

Default Judgment entered June 4, 2015

The Office of the Attorney General filed suit against Bobby Gillis d/b/a Gillis Construction for violations of the Kansas Consumer Protection Act, including violations of the door-to-door sales statute and unconscionability statute. The Attorney General received default judgment ordering the Defendant to pay \$3,200 in restitution to two consumers plus a \$150,000 civil penalty. Defendant is permanently enjoined from violating the Kansas Consumer Protection Act.

State v. Mike Gorman, et al.

Shawnee County, 2015-CV-387

Filed April 29, 2015

Default Judgment obtained against Defendant Daley December 29, 2015

The Attorney General filed suit against Defendants Bartholomew “Bud” Daley, Mike Gorman, Harry Riley and Patrick Dougherty for violations of the Kansas Consumer Protection Act.

The case was dismissed against Defendant Riley and Defendant Dougherty without prejudice when the Attorney General was unable to obtain service upon them. When Defendant Daley failed to answer the allegations made in the Attorney General’s petition, the Court entered a default judgment against Defendant Daley, awarding \$160,235 in consumer restitution, \$605,000 in civil penalties and \$5,000 in investigative fees and a permanent injunction against doing business as an asphalt paving or home services provider in Kansas. The Court granted a Temporary Restraining Order enjoining the Defendants from conducting any new business in the state on April 30, 2015. The Order remains in place. The case against Defendant Gorman remains pending.

State v. Terry D. Kaiser, an Individual, d/b/a T’s Lawn Service

Shawnee County, 2015-CV-910

Filed October 14, 2015

The Attorney General filed against the Defendant for violations of the Kansas Consumer Protection Act relating to various door-to-door sales violations involving lawn and home improvement projects. The case remains pending.

State v. Christopher Maselka, an individual, and Iowa Steak Company, LLC, a/k/a Iowa Steak

Shawnee County, 2015-CV-001150

Filed December 31, 2015

The Court granted a Temporary Restraining Order enjoining the Defendants from conducting any business in the state on December 31, 2015. The order remains in place.

The Attorney General filed suit against the Defendants for violations of the Kansas Food Advertising and Sales Practices Act and the Kansas Consumer Protection Act. The case remains pending.

State v. Dustin Meyer d/b/a Meyers Log Furniture, LLC a/k/a Meyers Log Furniture

Shawnee County, 2015-CV-561

Filed June 18, 2015

Default Judgment obtained September 4, 2015

The Attorney General filed suit against the Defendant for violations of the Kansas Consumer Protection Act. When the Defendant failed to answer the allegations made in the Attorney General’s Petition, the Court entered a default judgment against the Defendant, awarding \$600 in consumer restitution, \$60,000 in civil penalties for violations committed against a protected consumer and \$1,000 in investigative fees.

State v. Casey Puckett d/b/a Uncontested Documents

Sedgwick County, 2015-CV-68

Filed January 9, 2015

Stipulation of Dismissal without Prejudice on February 6, 2015

The Attorney General filed suit against the Defendant for failure to respond to the Attorney General's subpoena. After the suit was filed, Defendant submitted a response to the Attorney General's subpoena and the case was dismissed without prejudice.

State v. David Wilkinson d/b/a Wilkinson Paralegal & Consulting d/b/a Wilkinson Paralegal Service d/b/a Wilkinson Consulting Group

Sedgwick County, 2015-CV-974

Filed April 15, 2015

Stipulation of Dismissal without Prejudice on May 5, 2015

The Attorney General filed suit against the Defendant for failure to respond to the Attorney General's subpoena. The suit was dismissed without prejudice due to being unable to serve Defendant with pleadings. Defendant also ceased offering the services under investigation.

No-Call Act Enforcement Actions

State v. Bahin & Company Holdings Corp. d/b/a Exit Pros et al.

Shawnee County, 2015-CV-000076

Filed January 22, 2015

The Attorney General filed suit against the Defendants for violations of the Kansas No Call Act. The case was dismissed without prejudice after the Attorney General was unable to obtain service on the Defendants.

State et al. v. Caribbean Cruise Line, Inc. et al.

US District Court for the Southern District of Florida, 0:15-CV-60423-WJZ

Filed March 5, 2015

The Attorney General, along with the Federal Trade Commission and attorneys general from nine other states, filed suit against the Defendants for violations of the Telemarketing Sales Rule and certain state Do-Not-Call statutes. The case remains pending.

State v. Carso Inc. et al.

Shawnee County, 2015-CV-000771

Filed August 21, 2015

The Attorney General filed suit against the Defendants for violations of the Kansas Consumer Protection Act and the Kansas No Call Act. The case is pending.

State v. Richard T. Schwartz d/b/a SAT/ACT Scholastic Achievement a/k/a SAT/ACT Educational Testing

Shawnee County, 2015-CV-000980

Filed November 3, 2015

The Attorney General filed suit against the Defendant for violations of the Kansas No Call Act. The case remains pending.

State v. Peter B. Tolman, II d/b/a Leads Direct Marketing

Shawnee County, 2014-CV-001216

Filed December 5, 2014

Default Judgment obtained January 16, 2015

The Attorney General filed suit against the Defendant for violations of the Kansas No Call Act related to the telemarketing of home security systems and security monitoring services. When the Defendant failed to answer the allegations made in the Attorney General's petition, the Court entered a default judgment against the Defendant. The Court awarded \$311,500 in No Call penalties and investigative fees to the Attorney General.

Multistate Litigation

Multi-State: Amgen, Inc.

Shawnee County, 2015-CV-000758

Filed August 18, 2015

Consent Judgment obtained August 20, 2015

The Attorney General entered into a consent judgment with the Defendant to resolve a multi-state investigation regarding the marketing of the prescription drugs Enbrel and Aranesp. Amgen agreed to pay \$953,161.13 in investigative fees and court costs to the Attorney General and to refrain from certain business practices.

Multi-State: Cellco Partnership d/b/a Verizon Wireless

Assurance of Voluntary Compliance obtained June 9, 2015

The Attorney General, along with 49 other states and the District of Columbia, entered into an Assurance of Voluntary Compliance with Cellco Partnership d/b/a Verizon Wireless ("Verizon") to resolve an investigation into the placement of unauthorized third-party charges on consumers' wireless telephone bills. Verizon agreed to pay \$4,000,000 to the Federal Communication Commission, \$203,281.81 to the Kansas Attorney General for investigative fees and court costs, and to provide no less than \$70 million in refunds or credits to consumers nationwide. Verizon also agreed to refrain from certain business practices.

Multi-State: Chase Bankcard Services, Inc. et al.

Assurance of Voluntary Compliance obtained July 8, 2015

The Attorney General, along with 47 other states, entered into an Assurance of Voluntary Compliance with Chase Bankcard Services, Inc. and Chase Bank, USA N.A. to resolve a multi-state investigation into Chase's credit card debt collection practices. Chase agreed to pay \$325,928.88 in investigative fees and court costs to the Attorney General, refrain from collecting certain debts in Kansas, and to abide by a number of injunctive terms.

Multi-State: Classmates, Inc.

Shawnee County, 2015-CV-000474

Filed May 26, 2015

Consent Judgment obtained May 26, 2015

The Attorney General entered into a Consent Judgment with Classmates, Inc. to resolve a multi-state investigation into Classmates' misleading advertising and billing practices. Classmates agreed to pay \$411,912.94 in investigative fees and court costs to the Attorney General, abide by certain injunctive terms, and pay a total of \$3 million in refunds to consumers residing in the participating states.

Multi-State: Education Management Corporation et al.

Shawnee County, 2015-CV-001025

Filed November 16, 2015

Consent Judgment obtained November 18, 2015

The Attorney General entered into a Consent Judgment with Defendant Education Management Corporation and its affiliates, including Brown Mackie College and The Art Institutes International, to resolve a multi-state investigation into the Defendants' advertising and recruiting practices. Defendants agreed to forgive more than \$1 million in student loans extended to Kansas students and to abide by certain injunctive terms. The total amount of relief provided will be confirmed in 2016.

Multi-State: Equifax Information Services LLC, Experian Information Solutions, Inc., and TransUnion LLC

Assurance of Voluntary Compliance/Assurance of Voluntary Discontinuance signed May 20, 2015

The Attorney General, along with the attorneys general of 30 other states, entered into an Assurance of Voluntary Compliance/Assurance of Voluntary Discontinuance with Equifax Information Services LLC, Experian Information Solutions, Inc., and TransUnion LLC regarding credit reporting errors, accuracy in consumer credit reports, and the marketing of credit monitoring products. Under the settlement the credit reporting agencies agreed to increase monitoring of data furnishers, to require additional information from furnishers of certain types of data, to limit direct-to-consumer marketing, to provide greater protections for consumers who dispute information on their credit reports, to limit certain information that can be added to a credit report, to provide additional consumer education, and to comply with state and federal laws. Kansas was awarded \$113,110.07 in investigative fees.

Multi-State: Florists' Transworld Delivery, Inc. and FTD.com, Inc.

Shawnee County, 2015-CV-000475

Filed May 26, 2015

Consent Judgment obtained May 27, 2015

The Attorney General entered into a Consent Judgment with Florists' Transworld Delivery, Inc. and FTD.com, Inc. ("FTD") to resolve a multi-state investigation into FTD's misleading advertising practices. FTD agreed to pay \$224,540.93 in investigative fees and court costs to the Attorney General and to abide by certain injunctive terms.

Multi-State: FTC, 50 States, and DC v. Cancer Fund of America, Inc., et al.

D. Arizona, 2:15-CV-00884-NVW

Filed May 18, 2015

Stipulated Permanent Injunctions obtained against Children's Cancer Fund of America, The Breast Cancer Society, Kyle Effler, Rose Perkins, and James Reynolds, Jr. on May 19, 2015

The Attorney General, with 49 other states, the District of Columbia, and the Federal Trade Commission, filed suit against four cancer charities and the four individuals who ran them, alleging that all the Defendants participated in a massive, nationwide fraud, by fundraising under the guise of help people suffering from cancer, while using the lion's share of the funds for personal benefit and third-party solicitors. Plaintiffs entered into stipulated Injunctions with two of the charitable defendants, The Breast Cancer Society and Children's Cancer Fund of America, and three individual defendants, Kyle Effler, Rose Perkins, and James Reynolds, Jr., which were filed concurrently with the complaint. The stipulations require the dissolution of the two charitable organizations and placed them into receivership. The three individual defendants are enjoined from future charitable solicitation or control of charitable assets.

At the close of 2015, litigation and related discovery continued against non-settling parties, Cancer Fund of America, Cancer Support Services, and James Reynolds, Sr.

Multi-State: National Mortgage Settlement

US District Court for the District of Columbia; 1:12-CV-00361-RMC

Filed March 12, 2012

Consent Judgments obtained April 4, 2012

The Monitor continued to assess the servicers' ongoing compliance with the settlement's mortgage servicing standards. Additional information can be found on the Monitor's website at www.mortgageoversight.com.

Multi-State: Ocwen Financial Corporation et al.

US District Court for the District of Columbia, 1:13-CV-02025-ABJ

Filed December 19, 2013

Consent Judgment obtained February 26, 2014

Ocwen continued to provide relief to hundreds of Kansas homeowners, as detailed more fully in the Monitor's most-recent report available at <https://www.mortgageoversight.com/reports/>. As of December 31, 2015, Ocwen self-reported a total of \$3,836,308 in relief to distressed Kansas homeowners under the terms of this settlement (\$2,187,200 of which was provided during 2015). Additional information, including reports on the crediting of Ocwen's relief activities and ongoing compliance with the settlement's mortgage servicing standards, can be found on the Monitor's website at www.mortgageoversight.com.

Multi-State: Sprint Corporation

Assurance of Voluntary Compliance obtained June 30, 2015

The Attorney General, along with 49 other states and the District of Columbia, entered into an Assurance of Voluntary Compliance with Sprint Corporation to resolve an investigation into the placement of unauthorized third-party charges on consumers' wireless telephone bills. Sprint agreed to pay \$6,000,000 to the Federal Communication Commission, \$152,443.05 to the Kansas Attorney General for investigative fees and court costs, and to provide no less than \$50 million in refunds or credits to consumers nationwide. Sprint also agreed to refrain from certain business practices.

Multi-State: Suntrust Mortgage, Inc.

US District Court for the District of Columbia, 1:14-CV-01028 RMC

Filed June 17, 2014

Consent Judgment obtained September 30, 2014

Suntrust Mortgage, Inc. continued to provide relief to hundreds of Kansas homeowners, as detailed more fully in the Monitor's most-recent report available at <https://www.mortgageoversight.com/reports/>. As of December 31, 2015, Suntrust self-reported a total of \$3,469,241.65 in relief to distressed Kansas homeowners under the terms of this settlement, with the vast majority of this relief provided during 2015. The Settlement Administrator also mailed \$276,593.40 to 207 qualifying foreclosure victims in Kansas in December 2015. The Attorney General expects additional consumer relief to be provided in 2016. Additional information, including reports on the crediting of Suntrust's relief activities and ongoing compliance with the settlement's mortgage servicing standards, can be found on the Monitor's website at www.mortgageoversight.com.

Multi-State: T-Mobile, USA, Inc.

Assurance of Voluntary Compliance obtained December 18, 2014

The Attorney General, along with 49 other states and the District of Columbia, entered into an Assurance of Voluntary Compliance with T-Mobile, USA, Inc. to resolve an investigation into the placement of unauthorized third-party charges on consumers' wireless telephone bills. In 2015, restitution payments to 1,927 Kansas consumers totaled \$111,313.98. Additional Kansas consumers may receive refunds in 2016.

Antitrust Investigations

The State of Kansas conducted investigations of companies for potential antitrust violations in the following areas:

- Chain Retail Sales
- Computer Equipment
- Dairy Industry
- Financial Rate Setting
- Food Service & Distribution
- Health Insurance Services
- Movie Theater Industry
- Pharmaceutical Drugs
- Retail Grocery
- Telecommunications & Broadband

Antitrust Enforcement Actions

Multi-State: In re Electronic Books Antitrust Litigation

State, et al. v. Penguin Group (USA) Inc. et al.

S.D.N.Y., 12-CV-03394-DLC, Civil Action No. 11-md-02293 (DLC)

Second Amended Complaint Filed May 11, 2012

Judgment against Apple Granted July 10, 2013

Second Circuit, No. 13-3857-cv

Appeal Filed October 16, 2013

Judgment against Apple Granted June 30, 2015

U.S. Supreme Court, No. 15-565

Petition for Certiorari filed October 28, 2015

The Attorney General, with Attorneys General from 32 other states and territories, filed suit alleging that certain book publishers and their co-conspirators entered into an agreement to raise the retail price of electronic books (“e-books”) and Apple acted as facilitator of the conspiracy. The states settled with three of the publishers pre-suit and then with the remaining publishers in 2013. Kansas received a partial attorneys’ fees payment of \$53,665.50 in 2015 from monies paid pursuant to the publisher settlements.

The suit against Apple continued, and liability and damages issues were split into two separate proceedings. The liability trial was prosecuted jointly with the U.S. Department of Justice. The District Court ruled in favor of the States and the federal government. Apple appealed the decision to the Second Circuit. The Publisher Defendants joined the appeal, claiming the ruling adversely affected them. A hearing was held December 15, 2014 and in a split decision, the Court upheld the District Court ruling. Apple then filed for a petition for a writ of certiorari with the U.S. Supreme Court. At the end of 2015, the Supreme Court had not yet set the petition for conference. The States, in conjunction with the private consumer class, reached a settlement with Apple regarding damages on July 10, 2014. The District Court granted approval of the settlement on November 21, 2014. Pursuant to the terms of the settlement, the liability ruling of the Court dictates the amount of monetary damages awarded to the States and to the private class.

Kansas False Claims Act

State v. Robert Armstrong d/b/a Scholastic School Supply

Shawnee County, 2015-CV-11

Filed January 7, 2015

The Attorney General filed suit against the Defendant for violations of the Kansas False Claims Act. The case remains pending.

Kansas Roofing Registration Act

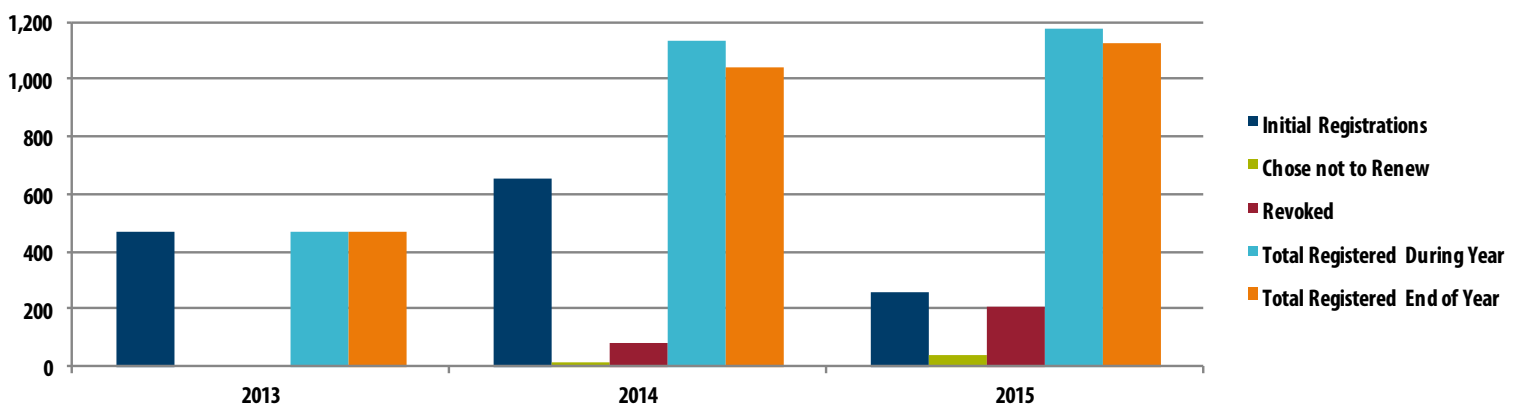
2015 was the second full year of operation for the Roofing Registration Unit. This was also the first year of the general contractor exemption amendment that was put into effect July 1, 2015. As a result of the new amendment, the Unit received 26 affidavits from companies that believed their company was exempt. The Unit also traveled to 15 different locations for public outreach and enforcement of violations of the act. The enforcement included speaking with consumers who were approached by unregistered roofing contractors and canvassing storm damaged locations.

In October, the Attorney General launched an improved online directory of registered roofers that allows consumers to easily search and ensure a roofer is registered before signing any contracts or having any work performed.

- Initial registration certificates issued: 257
- Total contractors registered during 2015: 1,173
- Contractors who chose not to renew: 44
- Registration certificates revoked: 211
- Total contractors in good standing end of 2015: 1,126

Note: Some contractors that initially registered in 2015 also had to renew in 2015, as the law requires the certificates to be renewed each fiscal year.

More information and a current list of registrants is available at www.ag.ks.gov/roofing.



Roofing Registration Act Enforcement Actions

State v. Mike's General Contracting, LLC

Mitchell County, 2015-CV-13

Filed May 13, 2015

Default Judgment entered July 27, 2015

The Attorney General filed suit against Mike's General Contracting, LLC, for violating the Roofing Registration Act and Kansas Consumer Protection Act. The Attorney General received default judgment in the amount of a \$40,000 civil penalty. Defendant is permanently enjoined from violating the Roofing Registration Act and the Kansas Consumer Protection Act. The Attorney General is currently negotiating with Defendant in order to allow the Defendant to register as a roofing contractor in the State of Kansas.

State v. Roof PRS, LLC, and Chanse Beinke

Shawnee County, 2015-CV-000495

Filed June 1, 2015

The Attorney General filed suit against Roof PRS, LLC, and Chanse Beinke for violating the Roofing Registration Act and Kansas Consumer Protection Act. The case is still pending.

State v. Super Siding, LLC, and Daniel J. Roberts, an individual

Reno County, 2015-CV-000181

Filed June 3, 2015

Consent Judgment entered August 25, 2015

The Attorney General filed suit against Super Siding, LLC, and Daniel J. Roberts, an individual, for violating the Roofing Registration Act and the Kansas Consumer Protection Act. Defendant agreed to pay a \$2,000 civil penalty and register with the Attorney General as a roofing contractor. Defendant is permanently enjoined from violating the Roofing Registration Act and the Kansas Consumer Protection Act.

State v. Taylor Made Exteriors, LLC

Sedgwick County, 2015-CV-001409-OT

Filed June 3, 2015

Consent Judgment entered August 21, 2015

The Attorney General filed suit against Taylor Made Exteriors, LLC, for violating the Roofing Registration Act and the Kansas Consumer Protection Act. Defendant agreed to pay a \$2,000 civil penalty and register with the Attorney General as a roofing contractor. Defendant is permanently enjoined from violating the Roofing Registration Act and the Kansas Consumer Protection Act.

State v. Gregory E. Wright, d/b/a Extreme Home Solutions

Shawnee County, 2015-CV-000492

Filed June 1, 2015

The Attorney General filed suit against Extreme Home Solutions and Gregory E. Wright for violating the Roofing Registration Act and the Kansas Consumer Protection Act. The case remains pending.

Other Amicus Filings

In re: Loestrin 24 FE Antitrust Litigation

First Circuit, No. 14-2071, 15-1250

The Attorney General joined 27 other states and the District of Columbia in filing an amicus brief asking the U.S. Court of Appeals for the First Circuit to reverse a lower court decision in a pay-for-delay pharmaceutical case brought under § 1 of the federal Sherman Act. The district court granted a motion to dismiss because it interpreted the U.S. Supreme Court's Actavis decision (*FTC v. Actavis*, 133 S.Ct. 3227 (2013)) to require cash consideration, as opposed to other forms of consideration, to trigger antitrust scrutiny. At the time of filing, eight different federal district courts had addressed the question of what constitutes "payment," with seven finding that Actavis extends to both cash and non-cash pay for delay agreements. On February 22, 2016, the First Circuit vacated and remanded the district court opinion.

Google, Inc. v. Hood

Fifth Circuit, No. 15-60205

The Attorney General joined 38 other states and the District of Columbia in filing an amicus brief in support of the Mississippi Attorney General, asking the U.S. Court of Appeals for the Fifth Circuit to reverse a lower court order granting Google a preliminary injunction prohibiting the Mississippi Attorney General from enforcing an Administrative Subpoena and/or from instituting civil or criminal proceedings against Google for making accessible third-party content to Internet users. The decision could have a significant impact on the authority of state attorneys general to investigate potential violations of state law. No decision had been issued as of the end of 2015.

Criminal Prosecutions

State v. Thomas Roe

Montgomery County, 2014-CR-191

Filed June 25, 2014

Sentenced on June 16, 2015

Defendant pleaded guilty to theft of resources with a value greater than \$25,000 but less than \$100,000 in the financial exploitation of his grandparents who lived in Caney. Roe was accused of misusing his grandparents' funds and assets after becoming their power of attorney in December 2010. Roe was sentenced to 24 months of probation with an underlying 12-month prison sentence and ordered to pay restitution in the amount of \$88,798.

State v. Dennis and Nancy Thummel

Atchison County, 2014-CR-93 and 2014-CR-94

Filed March 26, 2014

Defendants Sentenced on June 8, 2015

Defendant Dennis Thummel pleaded guilty on April 28, 2015, to felony conspiracy to commit theft valued greater than \$100,000, three counts of felony mistreatment of a dependent adult valued greater than \$1,000 but less than \$25,000, and three misdemeanor counts of theft valued less than \$1,000. Dennis Thummel was sentenced to 24 months of probation with an underlying 30-month prison sentence. On August 6, 2015, the Court found Dennis Thummel violated his probation and ordered a jail sanction of three days and returned the probation as previously ordered.

Defendant Nancy Thummel pleaded guilty on the April 28, 2015, to one count of conspiracy to commit theft valued greater than \$100,000. Nancy Thummel was sentenced to 24 months of probation with an underlying 12-month prison sentence. The Defendants were jointly ordered to pay restitution of \$308,518.55.

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