



KANSAS ATTORNEY GENERAL
Derek Schmidt

**Consumer Protection &
Antitrust Division**

**IN YOUR
CORNER
KANSAS**

Annual Report

January 1 – December 31, 2013

www.InYourCornerKansas.org

Message from Kansas Attorney General Derek Schmidt



STATE OF KANSAS
OFFICE OF THE ATTORNEY GENERAL

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Dear Fellow Kansans:

It is my pleasure to present the 2013 annual report for our Consumer Protection Division as required by K.S.A. 50-628.

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 – more than 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 co-chair 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, 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.

For the second year in a row, our office recovered nearly \$50 million for Kansas consumers and taxpayers. That is the largest single-year recovery in Kansas history, surpassing last year's record. We also have stepped up our efforts to educate consumers on scam prevention, and launched a new consumer-friendly website to better share this information.

Thank you for the privilege of serving.

Best wishes,

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

Derek Schmidt
Kansas Attorney General

2013... By the Numbers

Consumer Savings

\$2,102,813.10 – without litigation
\$41,603,706.93 – through litigation
\$43,706,520.03 – Total Consumer Savings

Penalties, Fees and Other Recoveries

\$2,312,864.89 – Civil penalties and fees awarded
\$3,439,000.00 – No-call penalties awarded
\$148,193.12 – Antitrust recoveries
\$5,000.00 – False claims recoveries
\$5,905,058.01 – Total Penalties, Fees and Other Recoveries

**Total Savings and Recoveries:
\$49,611,578.04**

Investigative Requests

4,383 Investigative Requests Received

Top Categories

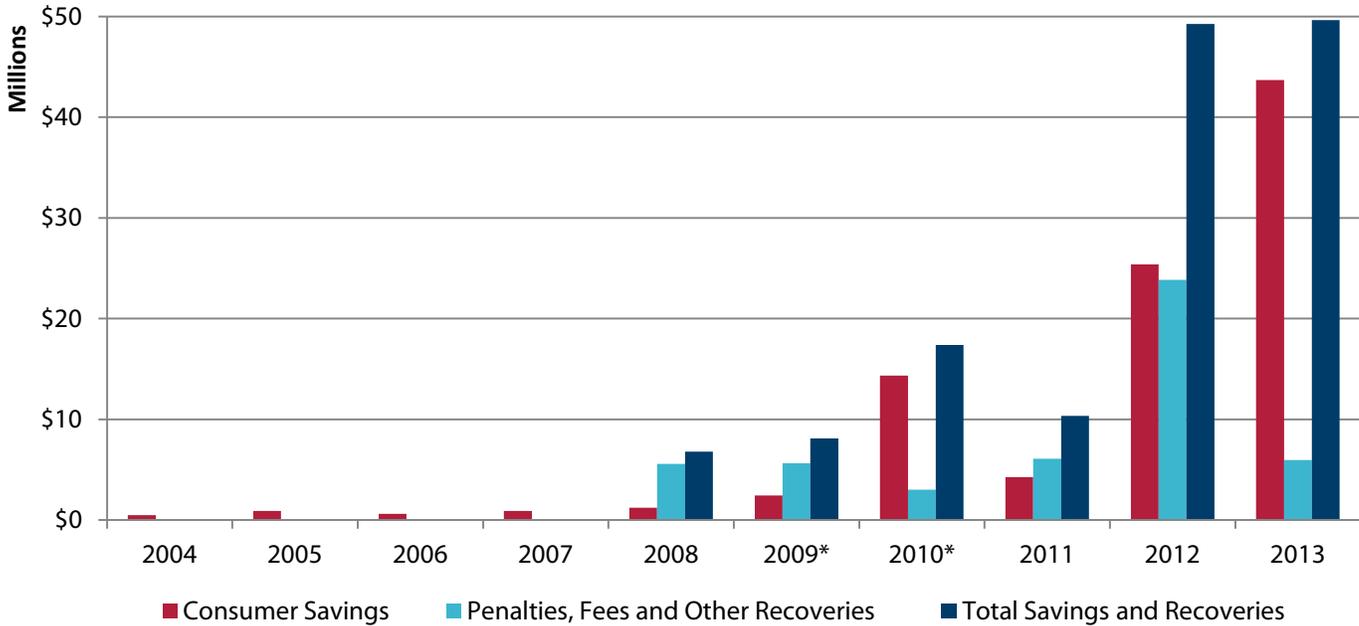
1. No-Call
2. Collection by Agencies
3. Computer – Internet Sales
4. Cellular Phones and Pager Services
5. Used Car Sales Practices
6. Credit
7. Health Services
8. General Services
9. Mortgages
10. Advertising

4,442 Investigative Requests Closed

Top Categories

1. No-Call
2. Collection by Agencies
3. Computer – Internet Sales
4. Cellular Phones and Pager Services
5. Used Car Sales Practices
6. Credit
7. General Services
8. Advertising
9. Health Services
10. Mortgages

Recovery Trends

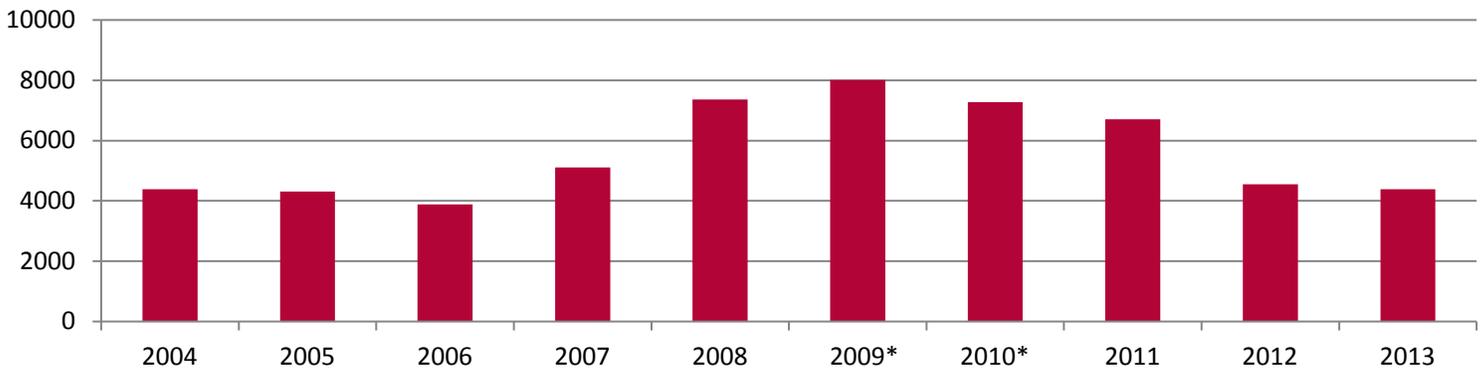


Consumer Savings includes savings without litigation, and restitution ordered.

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

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

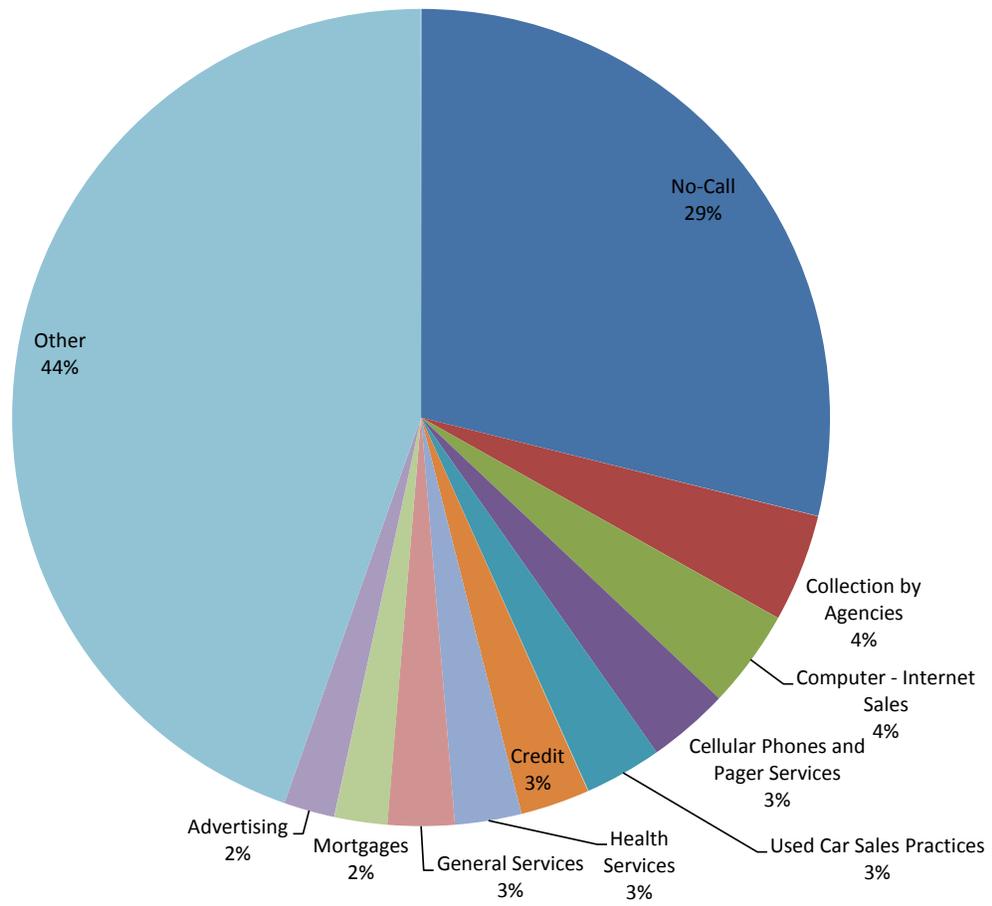
Investigative Requests Received: Trends



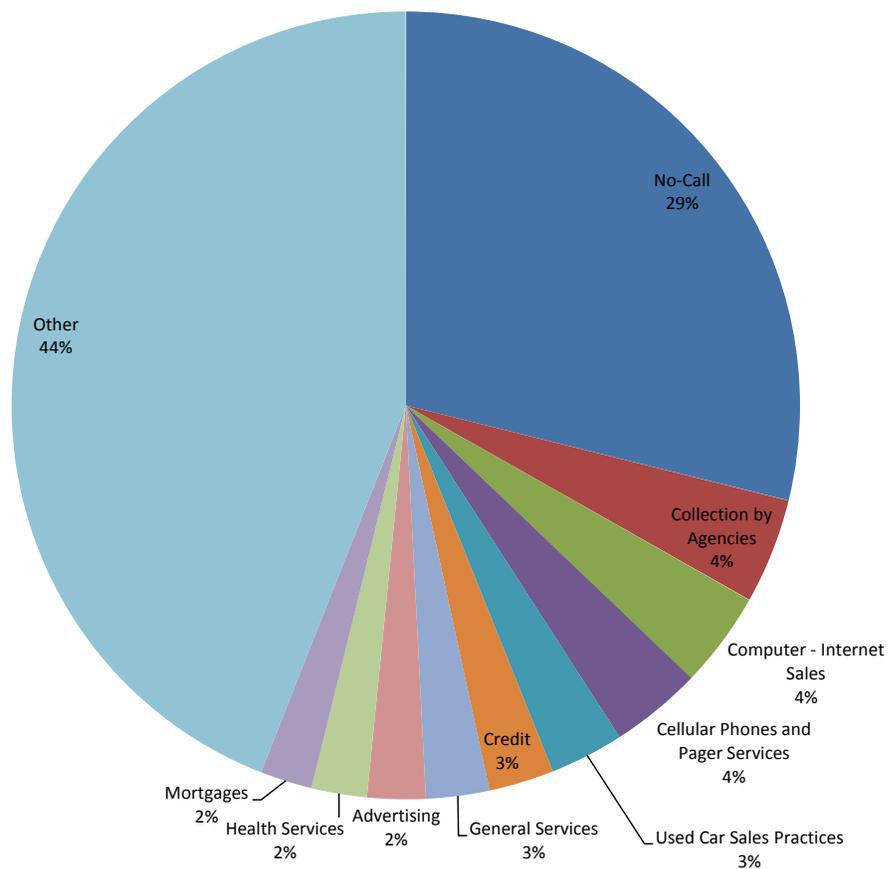
*2009 and 2010 data were reported based on Fiscal Years.

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: 4,383)

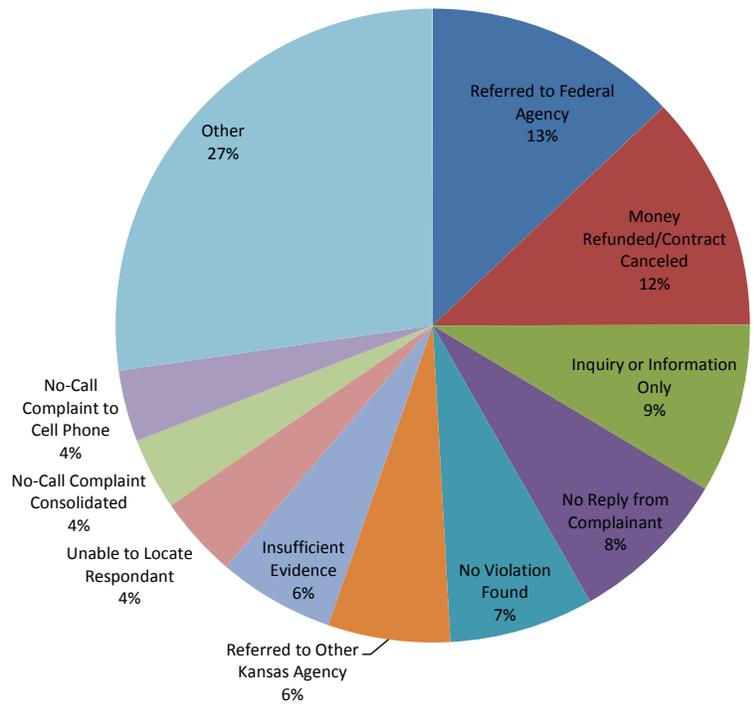


Investigative Requests Closed by Category (Total: 4,442)



Disposition of Complaints

1. Referred to Federal Agency
2. Money Refunded/Contract Canceled
3. Inquiry or Information Only
4. No Reply from Complainant
5. No Violation Found
6. Referred to Other Kansas Agency
7. Insufficient Evidence
8. Unable to Locate Respondant
9. No-Call Complaint Consolidated
10. No-Call Complaint to Cell Phone



Consumer Education and Outreach

The Consumer Protection Division had a busy year of reaching out to Kansas consumers in 2013. There were 92 presentations made by Attorney General Schmidt and his staff across the state to more than 8,400 Kansans on various topics ranging from identity theft to scam prevention. The division held outreach events throughout the state to commemorate National Consumer Protection Week and National Missing Children's Week to help Kansans in their communities and raise awareness on important safety concerns. The division also provided more than 550 hours at state, county and local fair booths to answer questions and provide visitors with useful materials. The division hosted the 2013 National Association of Attorneys General Consumer Protection Conference in Wichita in October. This three-day conference brought in visitors from 46 states and territories and provided training on multiple consumer-related areas including mobile phone cramming, patent trolling and debt buying. Articles with timely tips and updates, known as "Consumer Corners," were again distributed to state-wide media each month and covered topics including online data caution, summer travel plan warnings and common scam alerts.

This Office continues to believe that education is the number one defense to most of the scams that take advantage of Kansas consumers and communicating information is a top priority for this office. A new effort to help Kansans avoid falling victim to scams and deceptive business practices was launched in October. The "In Your Corner Kansas" initiative will make the process of seeking information and filing complaints for further investigation more user-friendly. The new consumer protection website, www.InYourCornerKansas.org, saw a 293 percent increase in pageviews per month from the previous consumer protection site.

This year, the Kansas Legislature approved changes to classify identify theft as a violation of the Kansas Consumer Protection Act. This allows the Consumer Protection Division to investigate complaints, in addition to seeking injunctions and imposing fines on identity thieves. Identity theft continues to be the number-one complaint on the federal level and now the Consumer Protection Division will be able to assist Kansans with these cases.

AG Schmidt announced the launch of a new consumer protection website and outreach initiative, In Your Corner Kansas, during the National Association of Attorneys General Consumer Protection Conference in Wichita in October.



Litigation Summary

State v. Adam Shryock and Boobies Rock! Inc.

Shawnee County, 13C1213

Filed October 22, 2013

Permanent Injunction entered December 17, 2013

The Attorney General filed a petition seeking a temporary restraining order alleging the Defendants failed to obey and adequately respond to subpoenas issued by the Attorney General. Defendants failed to appear at hearing on December 17, 2013, and the Court entered a Permanent Injunction prohibiting the Defendant from conducting business or soliciting donations in the State, until it substantially complies with the subpoenas.

State v. Bene-Fit Health Products, Inc.

Shawnee County, 13-C-536

Filed May 3, 2013

Default Judgment obtained July 19, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$80,000.00 in No Call penalties and \$1,500.00 in investigative fees to the Attorney General.

State v. Bullseye Target Marketing LLC

Shawnee County, 13-C-199

Filed February 14, 2013

Default Judgment obtained May 6, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$600,000.00 in No Call penalties and \$2,500.00 in investigative fees to the Attorney General.

State v. The Buzz Marketing and Communications, LLC et al.

Shawnee County, 13-C-479

Filed April 23, 2013

Default Judgment obtained August 2, 2013

The Attorney General filed suit against the Defendants for violations of the Kansas No Call Act. On June 21, 2013, the Attorney General dismissed Defendant BransonVacationLand LLC due to inability to obtain service. When Defendant Buzz Marketing and Communications LLC failed to answer the allegations made in the Attorney General's petition, the Court entered a default judgment against the Defendant. The Court awarded \$950,000.00 in No Call penalties and \$2,000.00 in investigative fees to the Attorney General.

State v. Defense Law Group

Shawnee County, 13-C-268

Filed March 5, 2013

Consent Judgment Obtained March 13, 2013

The Attorney General entered into a Consent Judgment with the Defendant for violations against the Kansas Consumer Protection Act. The Court awarded \$17,681.00 in Restitution and \$5,000.00 in Investigative Fees.

State v. Duran-Duran Roofing and Gutters

Shawnee County, 12-C-1227

Filed November 14, 2012

Default Judgment obtained April 24, 2013

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. The Court awarded \$50,953.72 in Restitution and \$80,000 in civil penalties to the Attorney General.

State v. Energy Guard, LLC

Sedgwick County, 13-CV-502

Filed February 15, 2013

Consent Judgment obtained February 15, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of home repair and home improvement services. The Defendant agreed to pay \$20,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

State v. K Simon Construction, Inc. et al.

Shawnee County, 12-C-732

Filed June 29, 2012

Consent Judgment filed August 2, 2013

The Attorney General entered into a consent judgment with Defendant K Simon Construction, Inc. regarding violations of the Kansas No Call Act related to the telemarketing of home repair and restoration services, in exchange for the dismissal of Defendant Kelly J. Simon. Defendant K Simon Construction agreed to pay \$9,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices. An additional default judgment against a second defendant, Robert Cannon, resulted in an additional amount of \$20,000 in No Call civil penalties and \$1,500 in investigative fees.

State v. Magical Dream Escapes, Inc.

Shawnee County, 13-C-772

Filed July 9, 2013

Default Judgment obtained September 12, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$20,000.00 in No Call penalties and \$1,500.00 in investigative fees to the Attorney General.

State v. Moore Water Treatment Inc.

Shawnee County, 13-C-1107

Filed September 26, 2013

Consent Judgment obtained September 30, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of water filtration products and services. The Defendant agreed to pay \$10,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

State v. Outreach Marketing Group, LLC et al.

Shawnee County, 13-C-1467

Filed December 30, 2013

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

State v. The Pisa Group, Inc.

Shawnee County, 12-C-1399

Filed December 28, 2012

Consent Judgment filed April 18, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of newspaper subscriptions. The Defendant agreed to pay \$15,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

State v. Prairie Life Fitness, LLC

Shawnee County, 13-C-37

Filed January 11, 2013

Consent Judgment obtained January 11, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of health club memberships. The Defendant agreed to pay \$10,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

State v. Precise Enterprises, LLC

Shawnee County, 13-C-1149

Filed October 7, 2013

Default Judgment obtained December 20, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$310,000.00 in No Call penalties and \$1,500.00 in investigative fees to the Attorney General.

State v. Pro Turf Lawn Service, Inc.

Shawnee County, 13-C-1282

Filed November 8, 2013

Consent Judgment obtained November 8, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of lawn and landscaping products and services. The Defendant agreed to pay \$10,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

State v. Retirement Solutions Group, Inc.

Johnson County, 13-CV-1178

Filed February 14, 2013

Consent Judgment obtained February 15, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of insurance products and services. The Defendant agreed to pay \$10,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

State v. Roof N Tops

Shawnee County, 13-CR-180

Filed January 31, 2013

Order of Restitution obtained May 15, 2013

The Attorney General filed suit against the Defendant for violations against the Kansas Consumer Protection Act. The Court awarded \$27,656.10 in Restitution to the Attorney General and imposed a permanent injunction on Roof N Tops.

State v. Solar Bear, LLC

Shawnee County, 13-C-950

Filed August 16, 2013

Default Judgment obtained December 2, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$400,000.00 in No Call penalties and \$1,500.00 in investigative fees to the Attorney General.

State v. Synergy Voice Solutions, LLC et al.

Shawnee County, 13-C-1057

Filed September 17, 2013

Default Judgment obtained December 5, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$930,000.00 in No Call penalties and \$1,500.00 in investigative fees to the Attorney General.

State v. Vacations Digest, LLC

Shawnee County, 13-C-539

Filed May 6, 2013

Default Judgment obtained June 24, 2013

The Attorney General filed suit against the Defendant for violations of the Kansas No Call 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. The Court awarded \$20,000.00 in No Call penalties and \$1,500.00 in investigative fees to the Attorney General.

State v. Vivint dba APX Alarm

Shawnee County, 13-C-298

Filed March 11, 2013

Consent Judgment obtained March 11, 2013

The Attorney General entered into a Consent Judgment with the Defendant for violations of the Kansas Consumer Protection Act. The Court awarded \$1,769.51 in Restitution, \$20,000.00 in Civil Penalties and \$35,000.00 in Investigative Fees to the Attorney General.

State v. WordSmart Corporation

Shawnee County, 13-C-936

Filed August 15, 2013

Consent Judgment obtained August 15, 2013

The Attorney General entered into a consent judgment with the Defendant regarding violations of the Kansas No Call Act related to the telemarketing of standard test preparation materials. The Defendant agreed to pay \$10,000.00 in No Call penalties and investigative fees to the Attorney General, and to refrain from certain business practices.

Multistate Litigation

Multi-State: Affinion Group, Inc. et al.

Shawnee County, 13-C-1165

Filed October 10, 2013

Consent Judgment obtained October 10, 2013

The Attorney General entered into a consent judgment with the Defendants to resolve a multi-state investigation concerning the promotion, enrollment, and fulfillment of Defendants' various membership programs. The Defendants agreed to pay \$450,000.00 to the Attorney General, abide by a number of injunctive terms, and pay qualifying consumer claims for restitution.

Multi-State: Google, Inc.

AVC obtained March 8, 2013

The Attorney General entered into a consent judgment with Google to resolve a multi-state investigation concerning Google Street View cars collecting information transmitted over unsecured wireless networks. Google agreed to pay \$114,368.48 to the Attorney General, and to abide by a number of injunctive terms.

Multi-State: Google, Inc.

Joined Investigation: October 15, 2012

Assurance of Voluntary Compliance obtained November 8, 2013

The Attorney General joined an investigation relating to Google, Inc. for violation of the Kansas Consumer Protection Act by placing cookies on Safari Browsers. Google Inc. entered into an Assurance of Voluntary Compliance with the Attorney Generals of the states involved. Google Inc. paid the Attorney General \$271,337.94.

Multi-State: Lender Processing Services, Inc. et al.

Shawnee County, 13-C-123

Filed January 31, 2013

Consent Judgment obtained February 1, 2013

The Attorney General entered into a consent judgment with Defendants to resolve a multi-state investigation concerning the default servicing of residential mortgage loans, including mortgage loan document creation, execution, recordation and notarization. The Defendants agreed to pay \$581,665.00 in investigative fees to the Attorney General, review and correct previously executed documents, and abide by certain injunctive terms.

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 nation's largest mortgage servicers continued to provide relief to thousands of Kansas homeowners, as detailed more fully in the Monitor's most-recent report available at <https://www.mortgageoversight.com/reports/>. As of the last Consumer Relief Report provided by the Monitor, a total of \$56,156,662 has been provided in consumer relief to distressed Kansas homeowners under the terms of this settlement, of which \$31,736,321 was reported in 2013. The Settlement Administrator also mailed \$9,041,807.32 to 6,350 qualifying foreclosure victims in Kansas in June 2013. The Attorney General expects additional consumer relief to be provided in 2014. Additional information, including reports on the crediting of the servicers' 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: Ocwen Financial Corporation et al.

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

Filed December 19, 2013

The Attorney General, along with 49 other states and the Consumer Financial Protection Bureau, filed suit against Ocwen Financial Corporation and Ocwen Loan Servicing LLC related to residential mortgage servicing misconduct. The Defendants agreed to enter into a Consent Judgment to resolve the multi-state investigation, wherein the Defendants agreed to abide by new mortgage servicing standards, provide first lien principal reductions to Kansas homeowners, and make cash payments to qualifying victims of foreclosure in Kansas. The parties are awaiting Court approval of the Consent Judgment.

Multi-State: Skechers USA, Inc.

Shawnee County, 12-C-544

Filed May 16, 2012

Consent Judgment obtained May 17, 2012

In July 2013, the Settlement Administrator mailed \$295,827.56 to 4,169 Kansas consumers who submitted qualifying claims under the Attorney General's 2012 settlement with the Defendant.

Multi-State: Toyota Motor Sales USA, Inc.

Shawnee County, 13-C-200

Joined Investigation May 17, 2010

Consent Judgment obtained February 14, 2013

The Attorney General joined an investigation in regards to Toyota Motor Sales USA, Inc. for violation of the Kansas Consumer Protection Act. Toyota Motor Sales USA, Inc. entered into a Consent Judgment with the Attorney Generals of the states involved. The Court awarded \$574,029.03 in Civil Penalties to the Attorney General.

Multi-State: US Fidelis Inc. et al.

Shawnee County, 10-C-646

Filed April 28, 2010

Consent Judgment obtained September 25, 2012

In December 2013, the U.S. Fidelis Consumer Restitution Fund Administrator mailed \$20,382.69 to 34 Kansas consumers who submitted qualifying claims under the Attorney General's 2012 settlement with the Defendant.

Antitrust Investigations

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

Agricultural Services

Financial Rate Setting

Internet Services

Retail Gasoline

Multi-State: E-books Multistate Investigation

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

State, et al. v. Penguin Group (USA) Inc. et al., 12-cv-03394-DLC; 13-3857 (2nd Circuit)

Proposed Second Amended Complaint Filed May 5, 2012

Final Approval of Settlements with Penguin and Holtzbrinck Granted December 9, 2013

Judgment against Apple Granted July 10, 2013

Appeal Filed October 16, 2013

The Attorney General, with Attorneys General from 32 other states and territories, filed a second amended antitrust action against three Defendants—Penguin Group (USA) Inc., Holtzbrinck Publishers, LLC d/b/a Macmillan, and Apple, Inc.—alleging the 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. Penguin and Macmillan settled with the states prior to trial. Liability and damages issues were split into two separate proceedings. The liability trial against the remaining defendant Apple was held June 3-20, 2013 and was prosecuted jointly with the U.S. Department of Justice. The Court ruled in favor of the States on July 10, 2013. However, Apple has appealed the decision to the Second Circuit. Two publishers, Simon & Schuster, Inc. and Macmillan, also filed appeals of the Apple judgment on October 16, 2013, due to provisions they feel affect their business. An intervenor, Bob Kohn, filed an appeal of the permanent injunctions against Penguin and Macmillan. The Final Judgment and Order denying his motion to intervene for purposes of appeal was signed on December 20, 2013. A damages trial to determine Apple’s monetary liability to the states, their consumers, and the private class is tentatively set to be held in May 2014 in the Southern District of New York.

State, et al. v. Hachette Book Group et al., 12-cv-06625-DLC

Motion for Settlement Approval Filed August 20, 2012

Final Approval of Settlements Granted December 6, 2013

Intervenor’s Appeal Filed December 20, 2013

The Attorney General, along with 49 states and six territories, agreed to settle with the other alleged conspiring publishers, Hachette Book Group, Inc., HarperCollins Publishers, L.L.C., and Simon & Schuster, Inc. The settlements were filed with the court for approval on August 20, 2012. The Court preliminarily approved the settlements on September 13, 2012 and granted final approval on December 6, 2013. Private party, Bob Kohn’s motion to intervene was denied by the court, and he appealed the decision December 20, 2013. Kansas received \$47,117.00 in 2013 from the settlement funds. No consumer restitution has yet been distributed due to the various pending appeals.

Multi-State: Municipal Bonds

Out-of-Court Settlements

Settlement with Bank of America Corporation entered on December 7, 2010

Settlement with UBS AG entered on May 4, 2011

Settlement with JP Morgan Chase & Co. entered on July 7, 2011

Settlement with Martin Kanefsky entered on July 27, 2011

Settlement with Wachovia Bank N.A. entered on December 8, 2011

Settlement with GE Funding Capital Market Services, Inc. entered on December 23, 2011

The Attorney General, along with Attorneys General from 23 other states and the District of Columbia, entered into settlements with various financial institutions and a broker, accused of participating in a nationwide scheme to rig bids and engage in other anticompetitive conduct that defrauded state agencies, municipalities, school districts and not-for-profit entities in their purchase of municipal bond investments. Settlement agreements with Bank of America Corporation, UBS AG, JPMorgan Chase & Co., Wachovia Bank N.A., a wholly-owned subsidiary of Wells Fargo & Company, GE Funding Capital Market Services, Inc. and Martin Kanefsky, an individual broker, were entered into in 2010 and 2011. Settlements were also entered into between many of the financial institutions concurrently with the Securities and Exchange Commission, the Office of the Comptroller of the Currency, the Internal Revenue Service and the Federal Reserve.

Bank of America settlement restitution checks were distributed to affected Kansas entities in 2012. JP Morgan settlement restitution checks, totaling \$87,288.49, were distributed to four affected Kansas entities in January 2013. In February 2013, GE Funding settlement checks, totaling \$204,163.30, were sent to eight Kansas entities and Wachovia settlement checks, totaling \$222,683.25, were sent to seven affected Kansas entities. No Kansas entities were found to be harmed by UBS or Kanefsky during the settlement period. A combined total of \$717,001.16 was recovered for twenty-four Kansas governmental and not-for-profit entities under these settlements, of which \$514,135.04 was distributed in 2013. The Attorney General's Office also collected \$179,713.55 in civil penalties in 2013, which were distributed pursuant to the requirements of K.S.A. 75-715.

Kansas False Claims Act

State v. Commercial Maintenance Chemical Corporation

Lyon County, 13-CV-58

Filed March 15, 2013

Consent Judgment obtained March 15, 2013

The Attorney General entered into a Consent Judgment with the Defendant for violations of the False Claims Act. The Court awarded \$2,412.88 in Restitution and \$2,587.12 in Investigative and Attorney's Fees to the Attorney General.

State v. UST

Shawnee County, 13-C-1157

Filed October 8, 2013

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

Kansas Roofing Registration Act

In 2013, the Kansas Legislature passed a new law requiring roofing contractors in Kansas to register with the Attorney General's Office. An online directory was launched to assist Kansas consumers to easily identify which roofing companies are compliant with this new law. The Roofing Registration Unit registered 468 companies by the end of the year. The Unit continues to provide Public Service Announcements and outreach presentations to educate both consumers and roofing companies about this new requirement.

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

Other Amicus Filings

In re Payment Card Interchange Fee and Merchant Discount Antitrust Litigation

Eastern District of New York, MDL No. 1720(JG)(JO)

Amicus Brief Filed May 28, 2013

The Attorney General joined 47 states and the District of Columbia in filing an amicus brief asking the Court to require that the class settlement be modified to limit the scope of the governmental claims subject to release to only those that arise in the entity's capacity as a merchant and to provide expressly that *parens patriae* and other law enforcement claims were not impaired. In its opinion issued December 13, 2013, the Court found "claims brought by States to vindicate interests in their sovereign capacity are not barred by the release," but also ruled in favor of the Defendants that the settlement releases bar claims that States may assert in a representative capacity on behalf of state residents or on behalf of state, quasi-state, or local governmental entities that were members of the settlement class.

State of Mississippi v. AU Optronics, et al.

U.S. Supreme Court, No. 12-1036

Amicus Brief Filed July 29, 2013

The Attorney General joined 45 states in filing an amicus brief in support of the State of Mississippi, asking the U.S. Supreme Court to reverse a lower court decision finding that a state's *parens patriae* action is removable as a "mass action" under the federal Class Action Fairness Act of 2005, when the state is the sole plaintiff, all claims arise under state law, and the state attorney general has statutory and common-law authority to assert all claims in the complaint. The Supreme Court unanimously reversed the Fifth Circuit judgment, ruling in favor of Mississippi on January 14, 2014, finding that a state action, in which the state is the only named party, does not constitute a "mass action" and is not subject to removal under the Class Action Fairness Act.

Criminal Prosecution of Fraud and Abuse

In 2013, the Attorney General for the first time in recent memory assigned a criminal prosecutor to the Consumer Protection Division to handle cases of financial fraud and abuse.

State v. Derrick White

Shawnee County, 13CR182

Osage County, 13CR180

Filed January 31, 2013

Order of Restitution entered May 15, 2013

The Attorney General filed a criminal complaint against Derrick White for Theft, K.S.A. 21-5801 (a)(2). White operated as "Roof N Tops" and would collect a deposit for materials and then fail to return to do the work. White was found guilty of contracting with homeowners to shingle their roofs and providing a fraudulent certificate of insurance to obtain a City of Topeka contractor license. White was ordered to pay \$27,656 in restitution to consumers and was sentenced to two years of probation.

Consumer Protection Division Staff

(January 1, 2013 through December 31, 2013)

DEREK SCHMIDT
KANSAS ATTORNEY GENERAL

James J. Welch	Deputy Attorney General
Lynette Bakker	Assistant Attorney General
*Travis Harrod	Assistant Attorney General
Robert Hiatt	Assistant Attorney General
Adrian Serene	Assistant Attorney General
Meghan Stoppel	Assistant Attorney General
Jackie Williams	Assistant Attorney General
Tonya Hutchings	Director of Investigations
Marc McCune	Special Agent
Patrick Firebaugh	Investigator
Maggie Provost	Investigator
Kayla Stansbury	Investigator
Nancy Tellez	Investigator
Anne Zajic	Investigator
Kathryn Carter	Director, Racial and Bias-Based Policing Unit
Monicka Richmeier	Director, Roofing Registration Unit
Brian Hess	Investigator
Crystal Moe	Director
Kortney Burgen	Administrative Assistant
Yvette Montgomery	Administrative Assistant
*Arin Turvey Evans	Administrative Assistant
Nyvya Walsh	Office Specialist Intern

* Denotes that staff member is no longer with the Consumer Protection Division.