

2020

**IN YOUR
CORNER
KANSAS**

Consumer Protection & Antitrust Division Annual Report

January 1 – December 31, 2020

www.InYourCornerKansas.org



**KANSAS
ATTORNEY GENERAL**

DEREK SCHMIDT

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Message from Kansas Attorney General Derek Schmidt



STATE OF KANSAS
OFFICE OF THE ATTORNEY GENERAL
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September 2021

Dear Fellow Kansans:

It is my pleasure to present the 2020 annual report for our Consumer Protection Division as required by K.S.A. 50-628. This document also includes annual reports for the Kansas No-Call Act, the Kansas False Claims Act, the Kansas Roofing Registration Act, and antitrust enforcement.

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.

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

During 2020, our office recovered more than \$13 million for Kansas consumers and taxpayers. Of course, the best outcome is preventing fraud in the first place, so we have continued our efforts to educate consumers on scam prevention through literature and our interactive consumer protection website at www.InYourCornerKansas.org. Our in-person presentations were interrupted by the COVID-19 pandemic.

Thank you for the privilege of serving.

Best wishes,

Derek Schmidt
Kansas Attorney General



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2020 By the Numbers

Consumer Savings

\$1,967,210.41 – without litigation

\$6,810,001.62 – through litigation

\$8,777,212.03 – Total Consumer Savings

Penalties, Fees and Other Recoveries

\$4,573,518.24 – Civil penalties and fees awarded

\$10,000.00 – No-call penalties awarded

\$88,000.00 – Roofing registration violation penalties awarded

\$4,671,518.24 – Total Penalties, Fees and Other Recoveries

Total Savings and Recoveries

\$13,448,730.27

Investigative Requests

3,990 Investigative Requests Received

Top Categories

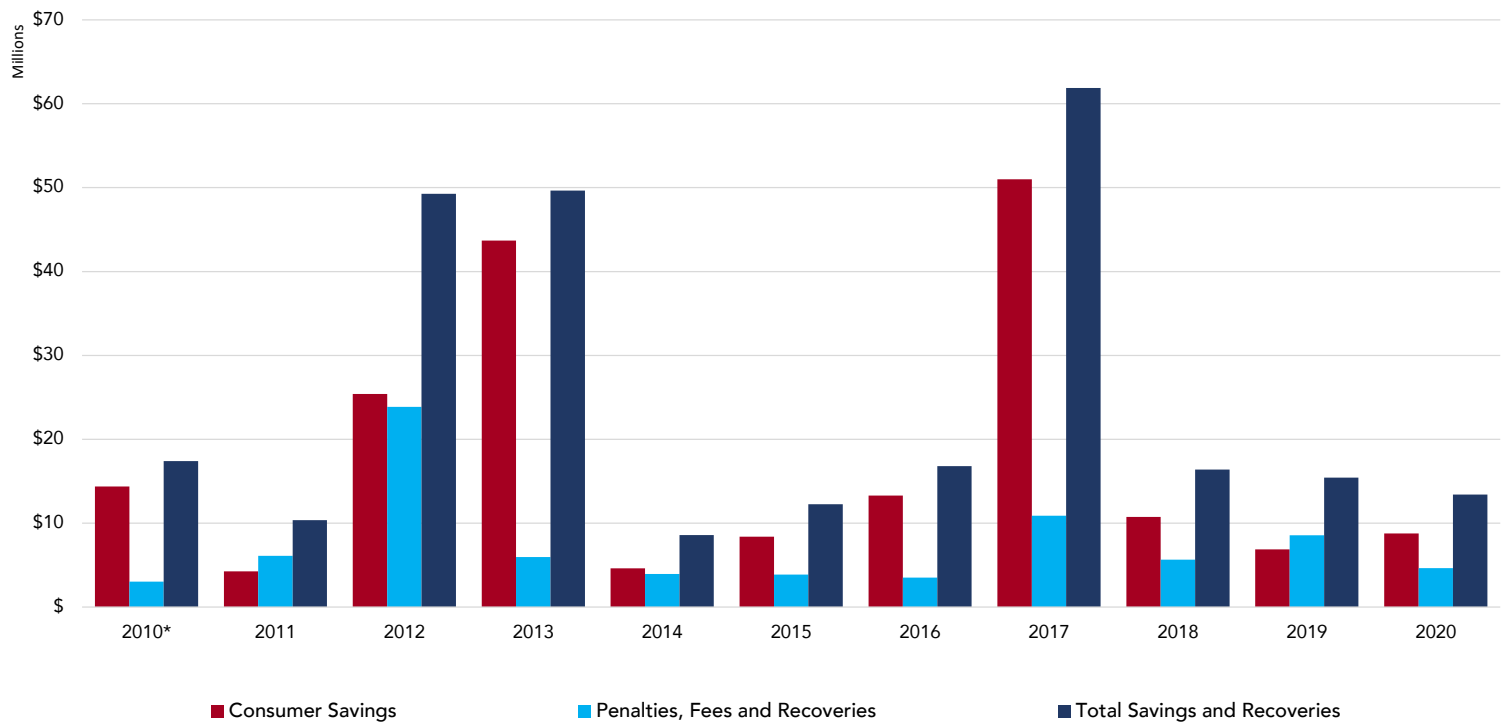
1. Identity Theft
2. Profiteer from a Disaster
3. No-Call
4. General Services
5. Internet Sales
6. Internet Scams
7. Used Car Sales Practices
8. Auto Repair and Service Problems
9. Roofing Registration Violations
10. Warranty Problems

3,940 Investigative Requests Closed

Top Categories

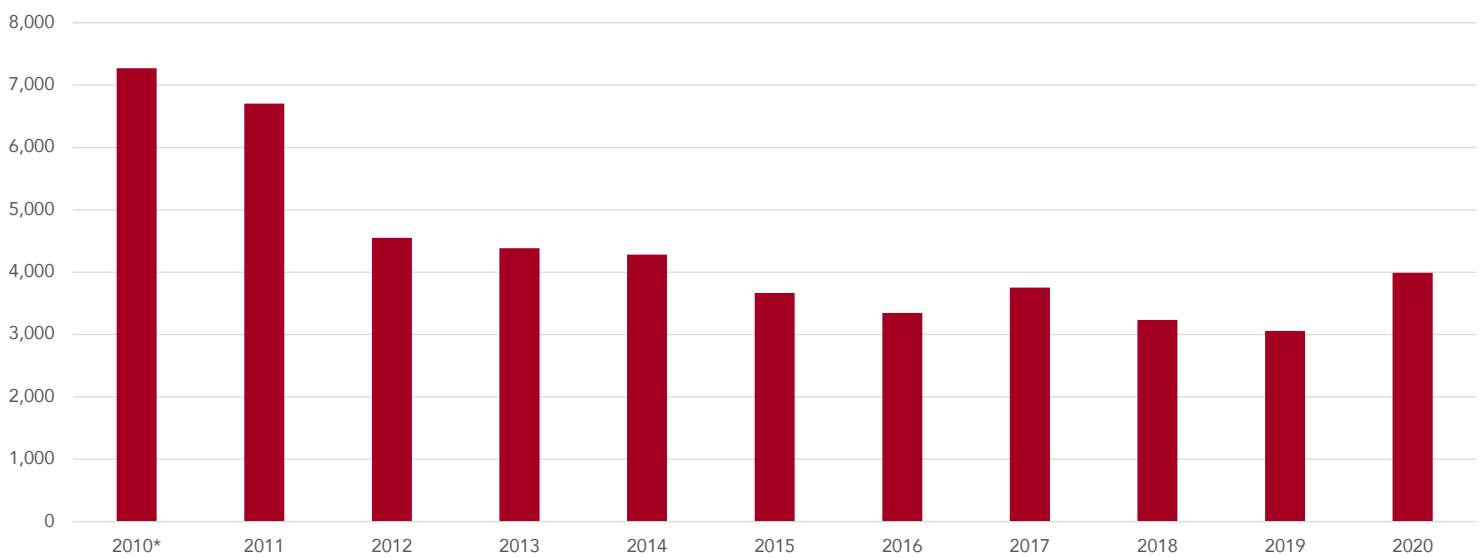
1. Identity Theft
2. General Services
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4. Profiteer from a Disaster
5. Internet Sales
6. Used Car Sales Practices
7. Internet Scams
8. Roofing Registration Violations
9. Auto Repair and Service Problems
10. Warranty Problems

Recovery Trends



Consumer Savings includes savings without litigation and restitution ordered.

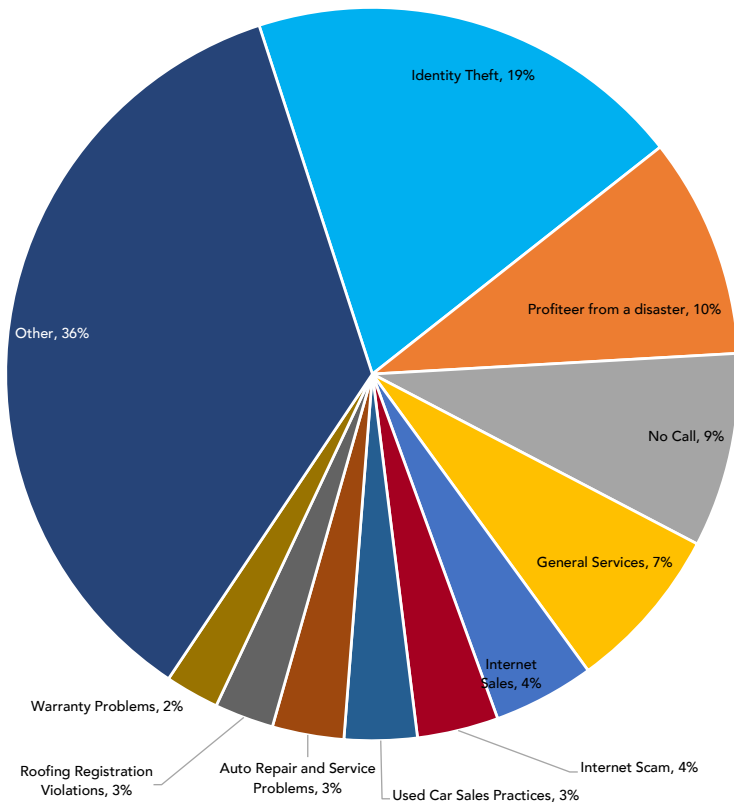
Investigative Request Trends



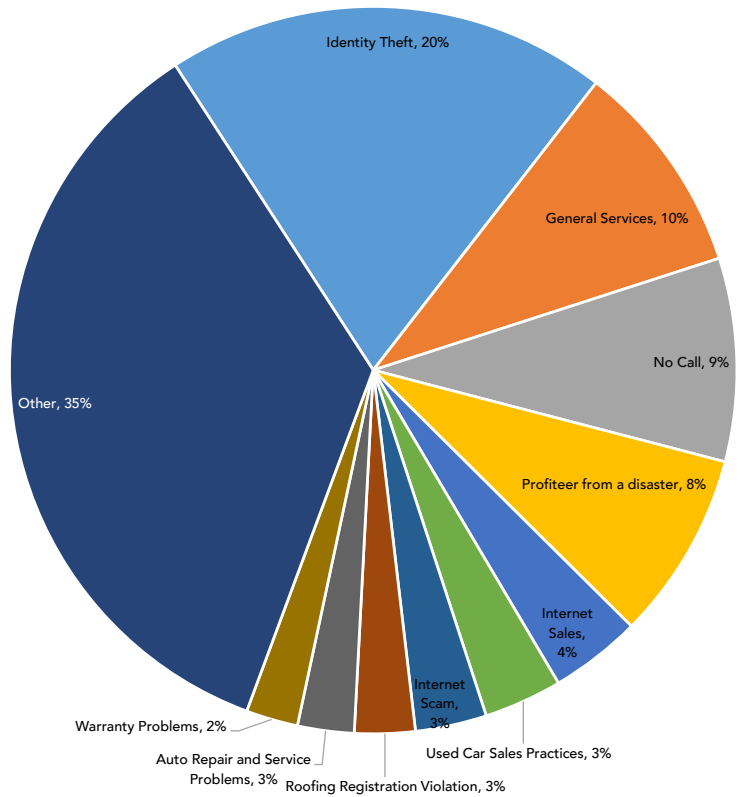
A new online investigation request system introduced in 2012 reduced the number of investigation requests by more accurately directing requests to other agencies in areas where the Attorney General's Office does not have jurisdiction.

*2010 data were reported based on Fiscal Years.

Investigative Requests Received by Category (Total: 3,990)

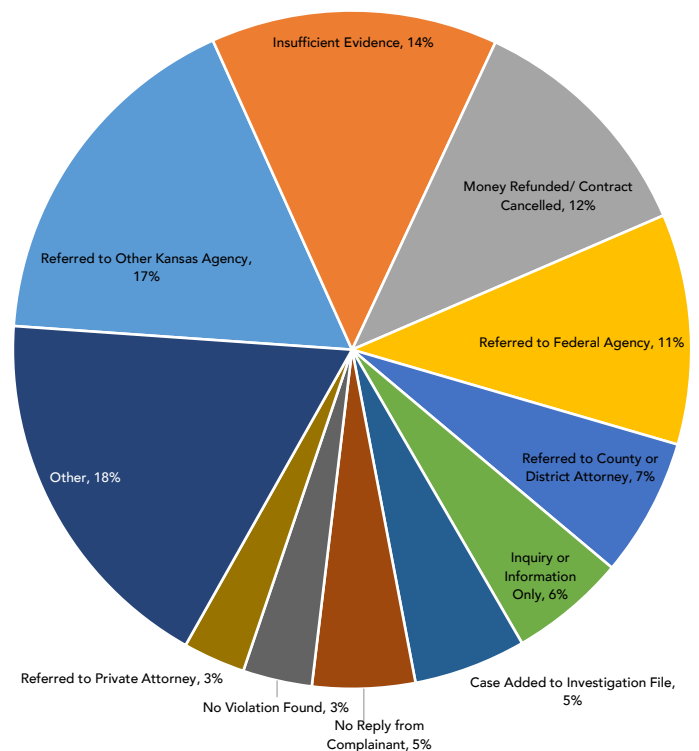


Investigative Requests Closed by Category (Total: 3,940)



Disposition of Complaints

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



Consumer Education and Outreach

In addition to investigating and prosecuting violations of the Kansas Consumer Protection Act, the Division is responsible for providing educational presentations and sharing free materials with Kansas consumers. In 2020, Attorney General Schmidt and his staff participated in 16 events around Kansas. Many events at which the office traditionally provides consumer education and outreach were canceled due to COVID-19.

Additionally, the Consumer Protection Division staff fielded more than 20,000 phone calls and 18,000 emails.

The *In Your Corner Kansas* website continues to provide resources every hour of every day to consumers who need assistance. In 2020, the website was visited by more than 37,000 unique users, with a total of 186,808 page views. Monthly Consumer Corner articles distributed state-wide provide timely warnings and updates on scams and important protection information.

National Consumer Protection Week was again observed by providing consumers the opportunity to shred important personal documents for free in 10 locations throughout the state. More than 1,600 Kansans dropped off 77,000 pounds of documents for destruction.

COVID-19 Response

On March 12, 2020, Governor Laura Kelly declared a state of disaster emergency in response to the COVID-19 pandemic. The issuance of the state of disaster emergency triggered the state profiteering from a disaster statute, K.S.A. 50-6,106.

In response to this statute coming into effect, the office launched a special complaint form for Kansans to report potential profiteering, as well as any COVID-related scams. As reflected in the complaint numbers above, profiteering from a disaster became the second-largest category of complaint during the 2020 calendar year.

Litigation Summary

Schmidt v. Alta Care Corporation, et al.

Allen County, 2017-CV-000033

Filed on 5/8/2017

Consent Judgment obtained on 2/12/2020, AVC obtained on 1/31/2020

The attorney general filed suit for violations of the Wayne Owen Act involving abandoned patient and employee records at the closure of Pine Crest Nursing Home. [Default judgment was granted previously against Florida Senior Housing Council, Inc., the previous owner of the nursing facility, in January 2018 for \$750,000 civil penalties and \$19,869.12 investigative fees.] In addition to enjoining the company from operating in Kansas for ten years, the court granted judgment in the amount of \$225,000, which included \$25,000 investigative fees and expenses. On the condition that Defendants comply with the terms of the Default Judgment, \$125,000 of the judgment is suspended. In addition, AltaCare owner Douglas Mittleider signed an Assurance of Voluntary Compliance guaranteeing the payment of the judgment against AltaCare Corporation.

Schmidt v. Jesus Barroteran d/b/a Auto Delicias Dos a/k/a Auto Delicias II

Cowley County, 2020-CV-000058-A

Filed on 6/29/2020

Consent Judgment obtained on 6/29/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act during vehicle sales transactions involving material misrepresentations in Buyers Guides, and immediate seizure of vehicles for nonpayment. The court awarded \$2,500 in investigative fees.

Schmidt v. Douglas Bell III and Custom Concrete Contractors LLC

Shawnee County, 2020-CV-000562

Filed on 10/27/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving failure to honor the contractor warranty to remedy a defective driveway installation and failure to complete construction of a driveway after being paid. The case is pending.

Schmidt v. Guadalupe Belmares, LB Services

Seward County, 2020-CV-000088

Filed on 11/16/2020

Consent Judgment obtained on 11/17/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving violations of the notario publico statute for failing to include the required disclosures for individuals who are notaries public and offer services in more than one language. The court awarded \$2,500 in investigative fees.

Schmidt v. Fred Bruce, d/b/a Integrity Contracting Inc.

Shawnee County, 2020-CV-000165

Filed on 2/28/2020

Consent Judgment obtained on 7/22/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving material misrepresentations in door-to-door sales, including proper licensure to perform arbor services. The court awarded \$5,000 in investigative fees.

Schmidt v. Caney Guest Home, Inc., a corporation dba Caney Nursing Center and James R. Laidler, an individual

Montgomery County, 2017-CV-000059C

Filed on 12/6/2017

Consent Judgment obtained on 7/20/2020

The attorney general filed suit for violations of the Wayne Owen Act involving abandoned patient and employee records at the closure of Caney Nursing Center. The court granted judgment in the amount of \$50,000 plus \$6,379.28 in investigative fees.

Schmidt v. Terry Clay, Prestige Contracting Services LLC

Shawnee County, 2020-CV-000615

Filed on 12/3/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving misrepresentations in regards to registrations they held, entering into excessively one-sided transactions with consumers, entering into transactions from which the consumer was unable to obtain a material benefit, and door-to-door violations for failure to properly notify consumers of their rights of cancellation. This action is pending against all Defendants.

Schmidt v. Philip Colwell Jr., d/b/a Novelties by Jr.

Shawnee County, 2020-CV-000090

Filed on 1/30/2020

Default Judgment obtained on 4/20/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the sale of counterfeit Kansas City Chiefs merchandise and defendant's door-to-door sales practices. The court awarded \$5,812.50 in Investigative fees and \$30,000.00 in civil penalties.

Schmidt v. James Curry d/b/a Midwest Asphalt and Billy Curry d/b/a Midwest Asphalt

Jackson County, 2020-CV-000003

Filed on 1/16/2020

Default Judgment obtained on 2/11/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving violations of the door-to-door statute, including failing to provide consumers with their three day right to cancel the transaction and misrepresentations regarding asphalt quality. The court awarded \$2,800 in restitution, \$5,000 in investigative fees, and \$120,000 in civil penalties.

Schmidt v. James Curry and Linda Curry d/b/a Midwest Asphalt

Shawnee County, 2020-CV-000106

Filed on 2/5/2020

Default Judgment obtained on 6/11/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving violations of the door-to-door statute, including failing to provide consumers with their three day right to cancel the transaction, misrepresentations regarding asphalt quality and price, and failing to complete the job while accepting full payment, which left the consumer unable to receive a material benefit of the transaction. The court awarded \$100,000 in civil penalties, \$2,500 in investigative fees, and \$4,000 in restitution.

Schmidt v. Harlan Wayne Dilday, et al.

Leavenworth County, 2020-CV-000168

Filed on 8/5/2020

Consent Judgment obtained on 8/11/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving door-to-door violations for failing to properly advise consumers of their rights of cancellation, as well as taking advantage of consumer's inability to protect their interests due to inability to understand the language of the agreement. Defendants also violated the Kansas Consumer Protection Act by entering into excessively one-sided transactions with consumers. The court awarded \$8,000.00 in consumer restitution, \$1,705.50 in investigative fees, and \$10,000.00 in civil penalties.

Schmidt v. Aaron Dune d/b/a Smoke Stax LLC

Sedgwick County, 2020-CV-001251-OT

Filed on 8/4/2020

Consent Judgment obtained on 10/15/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the sale of counterfeit vaping products. The court awarded \$1,687.50 in investigative fees and \$5,000 in civil penalties.

Schmidt v. Energy Guard Midwest LLC

Thomas County, 2018-CV-10

Filed on 3/16/2018

Dismissed on 2/12/2020

Sheridan County, 2018-CV-4

Filed on 3/16/2018

Consent Judgment obtained on 2/14/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the sale of roofing and contracting services including improperly abandoning contracts and accepting payment for services they did not perform. The court awarded \$183,986.20 in restitution, suspended \$10,000 in investigative fees and suspended \$150,000 in civil penalties.

Schmidt v. Dustin Gregory d/b/a CPR Street Machines

Shawnee County, 2020-CV-000612

Filed on 12/1/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the failure to deliver custom vehicle parts after receiving payment. The case is pending.

Schmidt v. Vineeth Kanti, Gayatri Kanti, and Morani Inc

Franklin County, 2020-CV-000062

Filed on 8/4/2020

Consent Judgment obtained on 9/10/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the sale of counterfeit vaping products. The court awarded \$2,156.25 in investigative fees and \$7,500 in civil penalties.

Schmidt v. Land Run Ads, LLC

Shawnee County, 2020-CV-000487

Filed on 9/17/2020

The attorney general filed suit for failure to respond to an investigative subpoena which was issued in the course of investigating violations of the Kansas No-Call Act. The case is pending.

Schmidt v. SearchTec, Inc. et al.

Shawnee County, 2017-CV-000023

Filed on 1/10/2017

AVC obtained against Candace Littich on 4/8/2020

AVC obtained against Samantha Milner on 5/6/2020

The attorney general filed suit for violations of the Wayne Owen Act involving the failure to implement and maintain reasonable practices and procedures in place to protect personal information, failure to exercise reasonable care to protect personal information, failure to take reasonable steps to destroy records, as well violations of the previous statute, K.S.A. 50-7a03, for conduct prior to the enactment of the Wayne Owen Act. Our office obtained an Assurance of Voluntary Compliance against Candace Littich in the amount of \$15,000.00 in investigative fees/court costs/consumer education. Our office obtained an Assurance of Voluntary Compliance against Samantha Milner in the amount of \$10,000.00 in investigative fees/court costs/consumer education. The case is pending against Farven Inc. f/k/a SearchTec, Inc., SearchTec Inc., ST2, Inc. d/b/a SearchTec Inc., CT Corporation System., and The Corporation Company.

Schmidt v. Judy Srca d/b/a Collections Unlimited

Geary County, 2020-CV-000141

Filed on 9/11/2020

Consent Judgment obtained on 9/12/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving unauthorized practice of law. The court awarded \$5,000 in investigative fees and the defendant was permanently enjoined from engaging in the unauthorized practice of law.

Schmidt v. Steven Motors, Inc.

Shawnee County, 2020-CV-000117

Filed on 2/12/2020

Consent Judgment obtained on 2/19/2020

The attorney general filed suit for violations of the Kansas No-Call Act involving unsolicited marketing calls to consumers on the No Call Registry. The court awarded \$10,000 in no-call penalties.

Schmidt v. Jennifer Sugg d/b/a Sports Connection Plus, and Edward Sugg d/b/a Sports Connection Plus

Shawnee County, 2020-CV-000091

Filed on 1/30/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the defendants' door-to-door sales practices including failure to give consumers notice of the three day right to cancel and failure to provide written receipt containing the address of defendants and the notice of the right to cancel the transaction. The case is pending.

Schmidt v. Estanya Tenhue and America for Humanity Inc d/b/a Bargain Hunters

Wyandotte County, 2020-CV-000457

Filed on 8/4/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the sale of counterfeit vaping products. The case is pending.

Schmidt v. Marvin Wood and MWA Machine Co. Inc.

Shawnee County, 2019-CV-000893

Filed on 12/4/2019

Default Judgment obtained on 2/26/2020

The attorney general filed suit for violations of the Kansas Consumer Protection Act involving the failure to deliver a machine after receiving payment. The court awarded \$843.75 in investigative fees, \$12,780.00 in consumer restitution, and \$20,000.00 in civil penalties.

Schmidt v. 4-5-6 Chevy Trucks, LLC

Wyandotte County, 2019-CV-000809

Filed on 10/22/2019

Default Judgment obtained on 9/29/2020

The attorney general filed suit for violations of the Kansas Consumer Protection involving Defendant entering into excessively one-sided transactions with consumers and entering into transactions from which consumers were unable to obtain a material benefit. The court awarded default judgment ordering payment of \$7,925.00 in consumer restitution, \$2,043.75 in investigative fees and \$60,000 in civil penalties which included \$40,000 in enhanced penalties as one consumer was in a protected class. Defendant was enjoined from entering into consumer transactions until such time consumer restitution was paid in full.

Multistate Litigation

Schmidt v. American Honda Motor Co., Inc., and Honda of America Mfg., Inc.

Shawnee County, 2020-CV-000446

Filed on 8/25/2020

Consent Judgment obtained on 8/27/2020

The attorney general filed suit, with 44 other states and territories, for violations of the Kansas Consumer Protection Act involving false, deceptive, or misleading representations regarding its airbags, the safety of its airbags, the safety of any components of its airbags, including ammonium nitrate, and the overall safety of its vehicles. The court awarded \$1,216,859.16 in consumer protection enforcement funds.

Anthem Blue Cross, Blue Cross Blue Shield of Kansas

AVC obtained 9/30/2020

The attorney general, in cooperation with 41 other states and territories, investigated Anthem Blue Cross and Blue Cross Blue Shield of Kansas for violations of the Kansas Consumer Protection Act involving a cyberattack in which the attacker gained unauthorized access to Anthem's network and infiltrated an internally hosted enterprise data warehouse containing personal information and protected health information. Kansas obtained an Assurance of Voluntary Compliance in which Defendants paid \$272,115.60 in consumer protection enforcement funds.

Schmidt v. Apple Inc.

Shawnee County, 2020-CV-000599

Filed on 11/18/2020

Consent Judgment obtained on 11/19/2020

The attorney general filed suit, with 31 other states and territories, for violations of the Kansas Consumer Protection Act involving the use of a system update to throttle older iPhones without consumers' knowledge. The court awarded \$1,517,958.92 in consumer protection enforcement funds, consumer education funds, and investigative fees.

Schmidt v. C.R. Bard, Inc.

Shawnee County, 2020-CV-000500

Filed on 9/24/2020

Consent Judgment obtained on 9/24/2020

The attorney general filed suit with 47 other states and Washington D.C. for violations of the Kansas Consumer Protection Act involving Bard's marketing, sales, advertising, training, and research into surgical mesh products. The court awarded judgment of \$789,796.00 to the State of Kansas solely to enforce and implement the consumer protection laws of the State of Kansas. As part of the judgment, the court ordered Bard to leave the surgical mesh market, and to comprehensively disclose both the risks of surgical mesh and its participation in any research or development of new surgical mesh products, should the company decide to reenter the market.

The Home Depot

AVC obtained 11/25/2020

The attorney general, in cooperation with 46 other states, investigated The Home Depot for violations of the Kansas Consumer Protection Act involving the failure to safeguard personal information. Kansas obtained an Assurance of Voluntary Compliance which provided \$146,160.03 in investigative fees.

ITT Technical Institute, PEAKS

AVC obtained 9/15/2020

The attorney general, in cooperation with 45 other states and the District of Columbia, investigated ITT Technical Institute and PEAKS for violations of the Kansas Consumer Protection Act involving material misrepresentations to consumers regarding their student loans. Kansas obtained an Assurance of Voluntary Compliance which provided injunctive relief and regulation authority over the entities.

Nationstar Mortgage d/b/a Mr. Cooper

District of Columbia, 1:20-cv-3551

Consent Judgment obtained on 12/8/2020

The attorney general joined a multi-state settlement with attorneys general from all 49 other states and the District of Columbia, in addition to other federal and state agencies, by which 465 Kansas mortgage holders will receive \$547,158.86 in restitution.

PayPal Charitable Giving Fund, Inc.

AVC obtained 1/14/2020

The attorney general, in cooperation with 21 other states and the District of Columbia, investigated PayPal for violations of the Kansas Consumer Protection Act involving material misrepresentations in regards to which charities consumers' funds were being distributed. Kansas obtained an Assurance of Voluntary Compliance which provided injunctive relief including requiring clearer disclosure regarding the distribution of charitable funds.

Santander Consumer USA Inc.

Shawnee County, 2020-CV-000277

Filed on 9/19/2020

Consent Judgment obtained on 9/19/2020

The attorney general filed suit with 33 other states for violations of the Kansas Consumer Protection Act involving subprime auto loan financing that exposed consumers to unnecessarily high levels of risk and placed these consumers into loans Santander knew had a high probability of default. Going forward, Santander will be required to revise internal policies to use realistic income calculations when qualifying consumers for loans, and will be subject to compliance monitoring. Total monetary relief to Kansas consumers will exceed \$4.5 million in the form of consumer restitution, deficiency waivers and loan forgiveness. The court awarded \$30,000 in consumer protection enforcement funds.

Schmidt v. Volkswagen

Shawnee County, 2017-CV-330

Filed 5/16/2017

Consent Judgment obtained 5/19/2017

The attorney general entered into a Consent Judgment with Volkswagen settling claims the defendants violated the Kansas Consumer Protection Act prohibiting unconscionable or deceptive trade practices by marketing, selling and leasing diesel vehicles equipped with illegal and undisclosed defeat device software. Since the judgment was originally entered in 2017, over \$56 million in restitution has been issued to Kansas consumers. Restitution payments continued to be paid out to consumers in 2020. Payments to the State of Kansas from the Volkswagen Environmental Mitigation Trust Fund are being overseen by the Kansas Department of Health and Environment (KDHE) for specified projects to reduce nitrogen oxide emissions. In 2020, KDHE offered school bus replacement and non-road equipment replacement opportunities for funding. Future opportunities for related funding have been and will continue to be announced by KDHE.

Antitrust Investigations

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

- Pharmaceutical Drugs
- Technology Industry
- Telecommunications Industry

Anti-Trust Enforcement Actions

New York, et al. v. Facebook

1:20-cv-03589-JEB (DDC)

Filed on 12/9/2020

The attorney general filed suit with 47 other states and territories for violations of federal antitrust law alleging the company is engaging in business activities that stifle competition to protect its monopoly while at the same time reducing user privacy and online options. This case is pending.

Generic Pharmaceutical Pricing Antitrust Litigation

Cases consolidated in Multidistrict Litigation in U.S. District Court for the Eastern District of Pennsylvania

State of Connecticut, et al. v. Aurobindo Pharma USA, Inc., et al.

Complaint filed 12/14/2016 in District of Connecticut

Amended Complaint filed 3/1/2017 in District of Connecticut

Case Transferred to Multidistrict Litigation on 4/25/2017

Consolidated Amended Complaint filed 6/18/2018

State of Connecticut, et al. v. Teva, Inc., et al.

Complaint filed 5/10/2019 in District of Connecticut

Case Transferred to Multidistrict Litigation on 5/22/2019

Amended Complaint filed 11/4/2019

State of Connecticut, et al. v. Sandoz, Inc., et al.

Complaint filed 6/10/2020 in District of Connecticut

Case Transferred to Multidistrict Litigation on 7/7/2020

The Kansas attorney general and attorneys general of 19 other states and territories filed suit under seal against six pharmaceutical companies in the District of Connecticut in December 2016, alleging that they entered into illegal conspiracies in order to unreasonably restrain trade, artificially inflate and manipulate prices and reduce competition in the United States for two drugs. Amended filings added additional corporate and individual executive defendants, additional drugs to the allegations, and additional state and territory plaintiffs.

A second complaint was filed in May 2019 by the Kansas attorney general and 43 other states and territories raising allegations about more than 100 additional generic drugs. The second action was also transferred to the Eastern District of Pennsylvania as part of the multidistrict litigation proceeding. An amended complaint, filed in November 2019, added nine additional plaintiff states and territories and an additional defendant.

A third complaint was filed in June 2020 by the Kansas attorney general and 50 other states and territories raising allegations about anticompetitive conduct regarding 80 topical generic drugs. The third action was also transferred to the Eastern District of Pennsylvania as part of the multidistrict litigation proceeding. All three cases remain pending.

Colorado, et al. v. Google LLC

1:20-CV-03715-APM (DDC)

Filed on 12/17/2020

The attorney general filed suit with 34 other states and territories against Google LLC for violations of federal antitrust law involving the unlawful restraint of trade and monopoly maintenance in the search services, search text advertising and search advertising markets. This case is pending.

Sprint Executive and Regulatory Services, and T-Mobile USA, Inc.

Filed on 7/26/19

Consent Judgment obtained on 4/1/2020

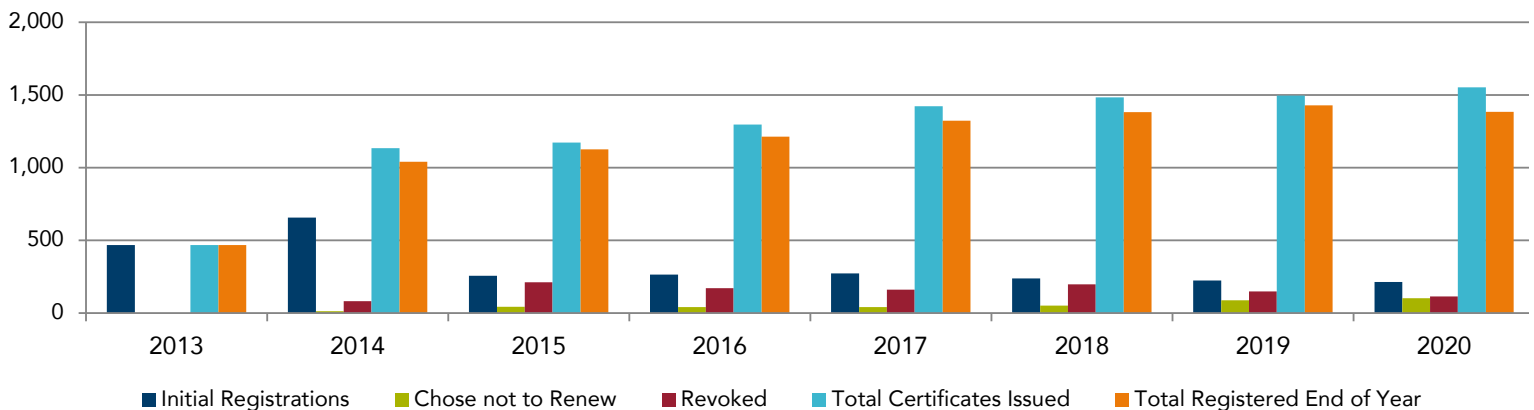
The attorney general filed suit with four other states and the U.S. Department of Justice alleging the merger of T-Mobile USA and Sprint would lessen competition in the mobile wireless telecommunications services market. Five additional states joined the suit and settlement. The court approved a consent judgment requiring divestiture of Sprint's prepaid business, including the Boost Mobile, Virgin Mobile, and Sprint prepaid brands, as well as certain spectrum assets, cell sites and retail locations, to DISH Network Corp.

Kansas Roofing Registration Act

2020 was the seventh full year of operation for the Roofing Registration Unit. In addition to processing registrations, staff from the unit traveled seven times to six different locations in 2020. Travel was significantly reduced due to COVID-19 in 2020. Staff traveled to canvass storm-damaged locations to speak with consumers who were approached by roofing contractors. They also traveled to locations where complaints were filed against unregistered roofers in order to investigate potential violations of the Act.

- Initial registration certificates issued: 214
- Total registration certificates issued during 2020: 1,552
- Roofing contractors who chose not to renew: 102
- Registration certificates revoked: 115
- New exempt general contractor affidavits: 14
- Total contractors in good standing at the end of 2020: 1,383

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



Roofing Registration Act Enforcement Actions

Schmidt v. Cheto's Roofing, Inc.

Lyon County, 2020-CV-000122

Filed on 12/30/2020

Consent Judgment obtained on 12/30/2020

The attorney general filed suit for violations of the Kansas Roofing Registration Act involving the Defendant performing roofing related services at a time that they did not hold a valid registration issued by the Office of the Kansas Attorney General as the Defendant's registration had been revoked. The parties entered into a consent judgment, and the court awarded \$15,000.00 in civil penalties.

Schmidt v. Dolan Restoration & Construction, Inc.

Shawnee County, 2020-CV-000611

Filed on 11/30/2020

Consent Judgment obtained on 12/4/2020

The attorney general filed suit against the Defendant for violating the Kansas Roofing Registration Act by performing roofing related services at a time in which they did not hold a valid registration issued by the Office of the Kansas Attorney General. The court awarded \$6,000.00 in civil penalties.

Schmidt v. Henry Construction LLC

Shawnee County, 2020-CV-000382

Filed on 7/16/2020

Consent Judgment obtained on 7/16/2020

The attorney general filed suit against the Defendant for violating the Kansas Roofing Registration Act by performing roofing related services at a time in which they did not hold a valid registration issued by the Office of the Kansas Attorney General, as Defendant's registration had previously been revoked. The court awarded \$5,000.00 in civil penalties.

Schmidt v. Hometown Roofing, LLC

Johnson County, 20-CV-001696

Filed on 5/7/2020

Consent Judgment obtained on 5/8/2020

The attorney general filed suit against the Defendant for violating the Kansas Roofing Registration Act by performing roofing related services at a time in which they did not hold a valid registration issued by the Office of the Kansas Attorney General. The court awarded \$3,500.00 in civil penalties.

Schmidt v. JDQ Construction, LLC

Bourbon County, 2020-CV-41

Filed on 7/17/2020

Consent Judgment obtained on 7/17/2020

The attorney general filed suit against the Defendant for violating the Kansas Roofing Registration Act by performing roofing related services at a time in which they did not hold a valid registration issued by the Office of the Kansas Attorney General, as the Defendant's registration had been previously revoked. The parties entered into a consent judgment, and the court awarded \$2,000.00 in civil penalties.

Schmidt v. Marathon Roofing, LLC

Shawnee County, 2019-CV-000584

Filed on 8/7/2019

Dismissed on 11/3/2020

Douglas County, 2020-CV-000312

Filed on 8/7/2019

Consent Judgment obtained on 11/16/2020

In 2019, the attorney general filed suit against the Defendant to enforce a subpoena. The petition was filed to prevent defendant from doing business in the State of Kansas until Defendant complied with the previously issued subpoena. On September 25, 2019, the court banned the Defendant from soliciting, advertising or otherwise engaging in consumer transactions until Defendant complied with the subpoena. The Defendant complied, and the enforcement action was dismissed on November 3, 2020. The Attorney General then filed suit against Defendant for violating the Kansas Roofing Registration Act, for performing roofing related services at a time in which he did not hold a valid registration. The parties entered into a consent judgment, and the court awarded the State of Kansas \$9,000.00 in civil penalties. The court also ordered the Defendant to pay \$5,000.00 for violating the Roofing Registration Act.

Schmidt v. Carlos Marquez d/b/a Marquez Construction

Decatur County, 2020-CV-000002

Filed on 1/2/2020

Consent Judgment obtained on 1/3/2020

The attorney general filed suit for violations of the Kansas Roofing Registration Act involving the Defendant performing roofing related services at a time that he did not hold a valid registration issued by the Office of the Kansas Attorney General. The parties entered into a consent judgment, and the court awarded \$15,000.00 in civil penalties.

Schmidt v. Jose L Nunez-Vazquez dba Nunez Roofing

Miami County, 2020-CV-000019

Filed on 2/3/2020

Consent Judgment obtained on 2/3/2020

The attorney general filed suit for violations of the Kansas Roofing Registration Act involving the Defendant performing roofing related services at a time that he did not hold a valid registration issued by the Office of the Kansas Attorney General, as Defendant's registration had previously been revoked. The parties entered into a consent judgment, and the court awarded \$15,000.00 in civil penalties.

Schmidt v. Premier Roofing, LLC

Brown County, 2020-CV-26

Filed on 9/9/2020

Consent Judgment obtained on 9/10/2020

The attorney general filed suit for violations of the Kansas Roofing Registration Act involving the Defendant failing to abide by local ordinances and failing to obtain all required local permits. The parties entered into a consent judgment, and the court awarded \$2,500.00 in civil penalties.

Schmidt v. Triad, Inc.

Miami County, 2020-CV-000067

Filed on 8/6/2020

Consent Judgment obtained on 8/7/2020

The attorney general filed suit for violations of the Kansas Roofing Registration Act involving the Defendant sharing their roofing contractor registration with unregistered roofing contractors. The parties entered into a consent judgment, and the court awarded \$10,000.00 in civil penalties.

Schmidt v. Ultimate Roofing Consulting & Development, LLC

Shawnee County, 2020-CV-000557

Filed on 10/21/2020

Consent Judgment obtained on 10/21/2020

The attorney general filed suit against Defendant for violating the Kansas Roofing Registration Act by performing roofing related services at a time in which he did not hold a valid registration issued by the Office of the Kansas Attorney General. The court awarded \$2,500.00 in civil penalties.

Schmidt v. Winterstone, LLC

Shawnee County, 2020-CV-000308

Filed on 6/10/2020

Consent Judgment obtained on 6/12/2020

The attorney general filed suit against Defendant for violating the Kansas Roofing Registration Act by performing roofing related services at a time in which he did not hold a valid registration issued by the Office of the Kansas Attorney General. The parties entered into a consent judgment, and the court awarded \$2,500.00 in civil penalties.

Scrap Metal Theft Reduction Act

In 2019, the Legislature passed House Bill 2248, which amended and delayed implementation of certain provisions of the Scrap Metal Theft Reduction Act (K.S.A. 50-6,109 et seq.) until July 1, 2020. Among those provisions amended by HB 2248 were:

- the responsibility to establish and maintain a database as a central repository for information required to be provided under the Act was transferred from the attorney general to the Kansas Bureau of Investigation with implementation to be in place by July 1, 2020;
- the statutory cap on the registration fee for scrap metal dealers was lowered from \$1,500 to \$500 and registration is not required until July 1, 2020;
- provisions allowing the attorney general to conduct a criminal history background check on scrap metal dealer registration applicants to ensure compliance with the disqualifying criminal history requirements of the statute were repealed.

The KBI's transactional database went live on schedule on July 1, 2020.

During the 2020 calendar year, 52 scrap metal dealers in 66 locations completed the registration process with the attorney general's office. The attorney general's office continues to work to assist scrap metal dealers to come into compliance with the law, and accept and investigate complaints from Kansans regarding potential violations of the law.

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* Denotes that staff member was no longer
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