



KENTUCKY

# General News



February 2012

## Attorney General Conway Testifies Before Congressional Subcommittee

Attorney General Jack Conway appeared before a Congressional subcommittee on March 1 to discuss Kentucky's efforts to fight prescription drug abuse. He outlined his creation of Kentucky's first and only statewide Prescription Drug Diversion Task Force and his efforts to educate Kentucky kids about the dangers of illicit prescription drugs. General Conway told lawmakers prescription drug abuse has become a public health epidemic and "an American tragedy."

"This insipid addiction is killing our people and the time to act is now –before we lose another generation to prescription drug abuse."

General Conway and Florida Attorney General Pam Bondi, who also testified, briefed the committee about their successful partnership to stem the flow of prescription pills into Kentucky from Florida, once home to 97 of the nation's top 100 prescribers of Oxycodone. They also worked closely to ensure that Florida implemented a prescription drug monitoring program, similar to Kentucky's KASPER system.



"The key to tackling this issue that bleeds across state lines is for each state to implement prescription drug monitoring programs," General Conway said.

General Conway urged lawmakers to support federal grant funding to help implement electronic prescription drug monitoring programs in every state and to upgrade software in states that have existing programs to all for the sharing of data.

More information — <http://migration.kentucky.gov/Newsroom/ag/rxcongressionaltestimony.htm>

## Prescription Drug Abuse Legislation Clears Legislative Hurdle

Legislation drafted by House Speaker Greg Stumbo, Gov. Beshear and Attorney General Conway to combat the scourge of prescription drug abuse has cleared its first legislative hurdle. The House Judiciary Committee approved House Bill 4 on February 29. The measure now moves to the full House for consideration.



"This legislation would allow my office and other law enforcement agencies to have increased access to KASPER data that will allow us to spot trends and make our investigations more targeted and efficient," General Conway said.

House Bill 4, sponsored by Speaker Stumbo, would significantly expand the reach of the KASPER system by requiring all prescribers to register and use the system, create new standards for information sharing among licensure boards and investigators and would keep entrepreneurs out of the pill mill business by requiring that all pain management centers be owned by a licensed medical professional or hospital.

More information — <http://goo.gl/pSalH>

## A Matter of Life or Death

Attorney General Conway took his Keep Kentucky Kids Safe program to schools in Oldham, Henry, Hardin and Washington counties in February to warn students about the devastating consequences of prescription drug abuse.

“This is a matter of life and death,” said General Conway. “I want Kentucky kids to know that it is never okay to take a pill that is not prescribed to them. These are some of the most dangerous and addictive substances on the planet. They will take your appetite, your mind and eventually your life.”

Joined by concerned parents, Dr. Karen Shay and Mike Donta, and other Keep Kentucky Kids Safe partners, General Conway spoke to nearly 2,000 students at North Oldham High, Washington County High, John Hardin High and Bluegrass Middle School in Elizabethtown, as well as middle school students in Washington County.



“Taking on the formidable battle against illegal substances, especially prescription drug abuse, requires committed teamwork between kids, their families, educators, the community and law enforcement,” said Dan Orman, Assistant Superintendent for Student Services with Oldham County Schools. “General Conway’s direct involvement in this critical fight personifies the commitment necessary throughout Kentucky to keep our children safe.”

Attorney General Conway launched the Keep Kentucky Kids Safe program in 2010 with the Kentucky Justice Cabinet and its Office of Drug Control Policy, the Kentucky Pharmacists Association, NADDI, Operation UNITE and concerned parents, Dr. Karen Shay and Lynn Kissick.

For more information about the Keep Kentucky Kids Safe program, visit <http://ag.ky.gov/rxabuse>

## Kentucky to Receive \$58.8 Million in National Mortgage Foreclosure Settlement

Calling it the “first step in holding banks accountable for the mortgage foreclosure crisis,” Attorney General Conway announced on February 9, 2012 that Kentucky would participate in the \$25 billion settlement with five of the nation’s largest banks. As a result of the settlement with Bank of America, JP Morgan Chase, Wells Fargo, Citi and Ally/GMAC, Kentucky will receive \$58.8 million to provide direct relief to homeowners for loan-term modifications, principal write-downs, payments to borrowers for mortgage servicing abuses and refinancing for underwater borrowers. A portion of the settlement will also fund consumer protection programs in the Commonwealth.

The settlement also preserves the rights of states to pursue criminal and civil actions against the banks.

“Our efforts made a difference, and I will use a significant portion of the money that Kentucky receives from the banks to continue going after them on behalf of Kentucky homeowners,” General Conway said.

Attorney General Conway has subpoenaed the Mortgage Electronic Registration System Inc. (MERS), to determine whether MERS may have circumvented Kentucky law by failing to properly record mortgage assignments and pay filing fees with county clerks throughout the Commonwealth.

It is important to note that banks will be directly contacting consumers who qualify for payments or assistance. Additional information about the settlement is also available at [www.NationalMortgageSettlement.com](http://www.NationalMortgageSettlement.com) or [www.ag.ky.gov/mortgagesettlement](http://www.ag.ky.gov/mortgagesettlement) .



## Abusive Collection Practices Affecting Former Movie Gallery and Hollywood Video Customers

Attorney General Jack Conway reminds former customers of Hollywood Video and Movie Gallery that an Agreed Order reached with the bankrupt video rental stores in 2011 offers protections from certain collection practices. Kentucky, along with all other states and the District of Columbia, joined in the Agreed Order with the bankruptcy trustee overseeing the collection of these customer accounts.

Hollywood Video and Movie Gallery filed bankruptcy in 2010, and the court appointed a trustee to oversee the collection of more than three million accounts. That includes the accounts of more than 49,000 Kentuckians allegedly owed for late return fees or product charges.

“This settlement helps protect Kentucky consumers from abusive collection practices and gives them a better opportunity to object to charges that they dispute,” General Conway said.

Consumers should know that collection fees or interest should not be added to these accounts by the debt collection companies, and negative credit reports should not be made about the accounts. The Agreed Order was reached after the states contacted the trustee about numerous consumer complaints regarding Credit Control Services, Inc. (CCS) and National Credit Solutions, LLC (NCS) the independent debt collection companies hired by the trustee.

Consumers wanting more information about their rights under federal debt collection practice laws should visit the Federal Trade Commission's website at <http://www.ftc.gov/bcp/menus/consumer/credit/debt.shtm> .

## **Agreement Reached With Southern Ohio Medical Center Over Misleading Advertising**

Attorney General Conway has reached agreement with a Portsmouth, Ohio hospital over allegations of misleading advertising in the marketing of its services to Kentucky consumers. Under the agreement, known as an Assurance of Voluntary Compliance and tendered in Franklin Circuit Court, Southern Ohio Medical Center will pay \$2,000 to the Commonwealth following the center's promotion of its "Hybrid Room," offering heart catheterization and an operating room in one room.

The Attorney General alleged that the advertisements were misleading because the spots represented that the hybrid Room for heart procedures was not available at other hospitals; "The hybrid room is something you won't find at other institutions." In fact, King's Daughters Hospital in Ashland, Ky. also offers a hybrid operating/heart catheterization room. Southern Ohio Medical Center has corrected the representations and agreed to cease further misleading advertising.

Under Kentucky law, KRS 367.170, any false, misleading, deceptive or unfair act in trade or commerce is prohibited. All companies are required to have prior substantiation for claims they make, or that a reasonable consumer would understand to be made when reading, hearing or watching an advertisement. The Attorney General has alleged that the advertisements violated this statute.

## **Former Golden Years Administrator Ordered to Pay \$340,000 in Restitution**



James Tackett, the former administrator of Golden Years Rest Home has been ordered to pay \$340,000 in restitution under a plea agreement on theft and exploitation charges in connection with the operation of the Jenkins, Ky. facility. Tackett's conviction and sentencing on February 23, 2012 marked the end of a nearly three-year investigation and prosecution by General Conway's Department of Criminal Investigations and Office of Special Prosecutions.

Special Letcher Circuit Judge Ron Johnson sentenced the 70-year-old Tackett to 10 years in prison and ordered him to pay \$340,000 in restitution to various victims, including former residents of Golden Years Rest Home, former employees of the facility and the Kentucky Department of Revenue. Under terms of a plea agreement, Tackett will be placed on probation for 10 years after his release from federal prison. Tackett was sentenced on February 16 to serve two years in federal prison on charges of theft of Social Security funds in connection with the operation of Golden Years.

"The residents of Golden Years Rest Home suffered while Mr. Tackett spent money intended for resident care on new vehicles, property and a lavish lifestyle," General Conway said. "I appreciate the hard work of my investigators and prosecutors in bringing this case to a successful close and ensuring that restitution is provided to the innocent victims and former employees of Golden Years."

Tackett paid \$100,000 in restitution at his sentencing and will pay the remainder of \$240,000 in restitution to former residents and the Kentucky Department of Revenue while on probation.

More information — <http://goo.gl/yoHls>

## **Attorney General Conway Announces Final Conviction in Immigration and Identity Theft Probe**

The February 15, 2012 guilty plea of 35-year-old Antonio Lopez-Rodriguez marked the fifth and final conviction in the immigration and identity theft probe by Attorney General Conway's Department of Criminal Investigations (DCI) and other agencies.

Lopez-Rodriguez pled guilty in Jefferson Circuit Court in Louisville to one felony count of theft of identity and was sentenced to three years to serve and a \$1,000 fine. The sentence was probated to allow for his deportation.

"I am pleased to see this case come to a close," General Conway said. "The five convictions we successfully achieved in this matter are a testament to the hard work of my investigators and prosecutors."

The Attorney General's investigation revealed that Lopez-Rodriguez illegally bought stolen identification documents from a United States' citizen living in Puerto Rico. The documents were used unlawfully to cause the issuance of official Kentucky identification cards. The Kentucky IDs were allegedly intended to be used for various purposes, including employment. General Conway's DCI unit began investigating the allegations after receiving information from the Department of Defense (DOD) and concerned citizens in Kentucky.

## Google's New Privacy Policy Prompts Letter from Attorneys General

Attorney General Jack Conway joined the attorneys general of 35 other states in expressing concern over Google's new privacy policy. In a letter to Google Chief Executive Larry Page, the attorneys general outlined multiple concerns with recently announced changes to Google's privacy policy that went into effect for all users of Google products and services on March 1, 2012.

"We are concerned about Google's effort to force this major privacy change on consumers without giving them the opportunity to opt out," General Conway said. "Google has billed itself as committed to meaningful privacy choices. We want to know why Google doesn't now give consumers the option of saying no to a privacy policy change of this magnitude."



Under the new privacy policy, Google gives itself the freedom to combine users' personal information from services like Web History and YouTube with all other Google Products, and precludes existing users from opting out of this policy change without opting out of the Google ecosystem entirely.

Letter to Google Inc — <http://goo.gl/ZZ4Fi>



### Former Morehead State University Student Indicted on Child Pornography Charges



An investigation by Attorney General Conway's Cybercrimes Unit resulted in the indictment of 21-year-old Eric LeMaster, a former student at Morehead State University. A Rowan County grand jury indicted LeMaster, of Staffordsville, Ky. on one count of distribution of matter portraying a sexual performance by a minor. A search warrant was executed on January 31 at LeMaster's residence at Morehead State, with assistance from campus police. LeMaster turned himself over to police on February 24.

The charges against LeMaster are the result of an undercover investigation that began on January 23 by General Conway's Cybercrimes Unit. Prosecution of this case is being handled by the office of Keen Johnson, Commonwealth's Attorney for the 21st Judicial Circuit.

### Other Cybercrimes News

A Lexington man is facing charges of possession and distribution of child pornography. The Fayette County Sheriff's Department arrested 27-year-old Brett Michael Compton on February 8, 2012.

Compton is charged with one count of possession of matter portraying a sexual performance by a minor and two counts of distribution of matter portraying a sexual performance by a minor. The charges against Compton, a server at a Lexington Applebee's restaurant, stem from an undercover investigation by the Attorney General's cybercrimes investigators that began on October 14, 2011.

A charge is merely an accusation, and a person is innocent until and unless proven guilty.



**Since its creation in June 2008, General Conway's Cybercrimes Unit, a member of the Internet Crimes against Children Task Force, has launched more than 230 investigations and seized nearly 300,000 child pornographic images and videos from the Internet.**

**For additional information on cybersafety in Kentucky, visit General Conway's Cybersafety Page at <http://ag.ky.gov/cybersafety> . To report cyber abuse, visit the CyberTipline or call 1-800-843-5678.**