



KENTUCKY

General News



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Attorney General Conway Talks Consumer Protection Issues with Fort Campbell Troops



Attorney General Jack Conway, Tennessee Attorney General Herbert Slatery, and Holly Petraeus, director of the Consumer Financial Protection Bureau's (CFPB) Office of Servicemember Affairs, joined forces on Oct. 21 to hear firsthand the financial challenges that Fort Campbell soldiers and their families face as a result of unscrupulous business practices.

"Our military servicemen and women, who risk their lives to protect our country, should not have to defend themselves and their families against scams or misleading and predatory business practices," Attorney General Conway said. "I am committed to improving consumer protection measures for Kentucky's military families, and I'm pleased to partner once again with Mrs. Petraeus and the Tennessee Attorney General's Office to help provide our soldiers with the tools and assistance they need if they feel they have been scammed."

During a roundtable discussion and town hall-style meeting, the attorneys general, Mrs. Petraeus, and members of Fort Campbell's Community Service Financial Readiness Program were able to talk with soldiers and their families about making sound financial decisions and consumer purchases. Additionally, the officials encouraged servicemembers who feel they may have been taken advantage of to file complaints with the appropriate authorities.

In August, Attorney General Conway and Holly Petraeus visited Fort Knox to discuss consumer protection-related issues with soldiers based at that post. General Conway has also made a consumer protection toolkit available online for servicemembers, which provides useful tips and resources on nearly a dozen consumer-related issues tailored to servicemen and women and their families.

The Consumer Protection Guide for Military Servicemembers is available at ag.ky.gov/consumer.



Scholarships Available for Students Impacted by Prescription Drug Abuse

Two \$1,500 college scholarships are again being offered to graduating high school students in Kentucky whose lives have been impacted by prescription drug abuse. Additionally, the public may now make online, tax-deductible donations to the scholarship fund through the Office of the Attorney General's website, ag.ky.gov/rxabuse.

"Last year, my office received dozens of scholarship applications from students all across Kentucky," Attorney General Conway said. "Many of the students shared stories about how a close family member or friend ended up in jail or died because of prescription drug abuse. Some students even shared their own struggles with prescription drugs. Yet, despite dealing firsthand with the effects of drug abuse and addiction, these students also shared stories of hope and how they've broken the cycle of addiction and excelled in their personal and academic endeavors. This scholarship program is a wonderful opportunity for teenagers impacted by prescription drug abuse to realize there is always hope, and I'm proud that this money will be used once again to benefit two young people who have embraced a positive lifestyle for themselves and their families."



2014 scholarship recipients Josh Hollan and Kimberly Barrett

Created in 2013, the Sarah Shay and Michael Donta Memorial Scholarships for Hope and Healing are in memory of 19-year-old Sarah Shay and 24-year-old Michael Donta. Shay, of Morehead, Ky., died of a prescription drug overdose in 2006. Donta, of Ashland, Ky., lost his battle with prescription painkiller abuse in 2010. Sarah and Michael's parents, Dr. Karen Shay and Mike Donta, now travel across Kentucky with Attorney General Conway to help educate middle and high school students about the dangers of prescription drug abuse.

One Sarah Shay Memorial Scholarship and one Michael Donta Memorial Scholarship will be awarded each year to a graduating high school female and male, who meet the scholarship criteria, to put toward postsecondary education expenses. The Office of the Attorney General and the Prosecutors Advisory Council (PAC) are able to offer these scholarships thanks to the generosity of the National Association of Drug Diversion Investigators (NADDI) and private donations.

Completed scholarship applications must be submitted by Jan. 28, 2015. Recipients will be announced by the Office of the Attorney General, in conjunction with PAC and NADDI, in May.

Scholarship applications and eligibility requirements are available at ag.ky.gov/rxabuse.

Bourbon County Students Learn Dangers of Prescription Drug Abuse



Nearly 600 students filled the bleachers of the Bourbon County Middle School gymnasium and listened as Attorney General Conway encouraged them not to become the next generation lost to prescription drug abuse.

"Breaking the cycle of addiction in Kentucky is an issue I am passionate about," Attorney General Conway said. "That's why I travel across the state addressing the dangers of drug abuse and addiction with our kids. Education is an integral part of my strategy to combat substance abuse in Kentucky. We can't arrest our way out of this problem, but by continuing to invest in education and treatment, we can save lives and stop addiction before it starts."

Joined by Dr. Karen Shay, a mother from Morehead, Ky., who lost a daughter to prescription drug overdose, General Conway shared his message about the dangers of prescription drug abuse and heroin with the students during his Keep Kentucky Kids Safe program on Oct. 20.

Nationally, prescription painkillers are the leading cause of accidental death in the United States. A report released last year from the nonprofit Trust for America's Health lists Kentucky as having the third-highest rate of fatal overdoses in the country – the vast majority from prescription pills.

In many parts of Kentucky, heroin is now replacing prescription painkillers as the drug of choice because it is also an opiate, it's cheaper to get and it mimics the same high people get from crushing and injecting opioid painkillers. According to the Kentucky Office of Drug Control Policy, the detection of heroin in fatal overdoses statewide rose from 19 percent in 2012 to 32 percent in 2013.

“These drugs are some of the most addictive on the planet,” Dr. Shay told the student body. “We make choices every day of our lives, and those choices have consequences. I’m here today to encourage you to make the right choices. Prescription drug abuse only leads to negative consequences for you and those who love you. Turning to drugs is never a solution to a problem.”

Since launching the Keep Kentucky Kids Safe program in 2010 with the Kentucky Office of Drug Control Policy, Kentucky Pharmacists Association, National Association of Drug Diversion Investigators, Operation UNITE and concerned parents, General Conway and his partners have alerted more than 45,000 students, teachers and parents to the dangers of abusing prescription drugs and heroin.

“We are thrilled to have Attorney General Conway visit our school and speak to our students about the dangers of drug abuse,” said Travis Earlywine, principal at Bourbon County Middle School. “The pressures that teens face today with the abundance of drug availability in most communities makes this message even more important.”



Dr. Karen Shay

Watch a taping of the Keep Kentucky Kids Safe program here: <http://tinyurl.com/mp7anpa>

Jeffersontown Students Learn Rules of the Road in IKnowEverything Teen Driver Safety Program

Jeffersontown High School teamed up with Attorney General Conway and the Kentucky Governor’s Highway Safety Office on Oct. 22 to host the Foundation for Advancing Alcohol Responsibility’s (Responsibility.org) IKnowEverything teen driver safety program. This game show-style assembly included 300 students from the 12th grade. During National Teen Driver Safety Week, Responsibility.org announced the results of data collected from a survey of more than 2,000 students nationwide from the 2013-2014 school year to determine if teens really do know everything about traffic safety.



IKnowEverything is an integrated teen driver safety program that highlights the issues of drunk driving and distracted driving, and reiterates that parents are the leading influence on their teen’s driving behaviors. The program also reinforces how to be a safe driver and covers critical topics including drinking alcohol underage and driving, distracted driving, late-night driving, speeding, number of passengers and license restrictions.

“Parents need to have constant conversations with their kids about the obstacles they’ll face on the road - like distracted driving - and what sort of peer pressures they’ll face as a teen, like underage drinking,” Attorney General Conway said. “It’s important that teenagers know their parents are there and available to answer the tough questions.”

During the 2013-2014 school year, more than 2,000 student participants’ answers were collected anonymously and were part of a nationwide survey of teen drivers. The results identify the gaps in new teen driver’s knowledge and help traffic safety experts, teens and communities work together to improve teen driver safety. The results found that teens don’t know everything about traffic safety, especially in terms of peer pressure in the car and common driving scenarios such as:

- ▶ 67% did not understand how to safely navigate a complicated driving situation
- ▶ 60% did not know what to do when a speeding car approached them from behind
- ▶ 35% did not know what to do when an emergency vehicle approaches at a red light

“Teen driver safety is a really important issue, and we are anxious to address the major problems we found amongst teen drivers from the results of our nationwide survey conducted this past year,” said Ralph Blackman, president and CEO of the Foundation for Advancing Alcohol Responsibility. “We found that teens really don’t know everything about how to be safe behind the wheel and we’re ready to face their safety misconceptions head on and better inform our teens about making smart decisions on the road.”

For more information on the IKnowEverything program, visit iknoweverything.com.

Attorneys General Conway, Zoeller Team Up to End Youth Smoking

Attorney General Conway teamed up with Indiana Attorney General Greg Zoeller on Oct. 15 to help put an end to youth smoking.

The two leaders joined with Legacy®, the public health foundation that works to prevent youth smoking through its nationally recognized, proven-effective truth® youth smoking prevention advertising and public service campaign. Truth's new "Finish It" campaign asks young people to be the generation that finally ends the tobacco epidemic – an epidemic that costs 480,000 American lives each year due to tobacco-related diseases, while also costing our economy millions and taking a serious toll on families and communities.

Conway and Zoeller joined Legacy, local health experts and teen advocates at Kosair Children's Hospital in Louisville to bring awareness to this issue.

While youth smoking rates have dropped to their lowest levels in 22 years, the facts remain that 9 percent of teens still smoke and nearly all lifetime smokers have their first cigarette by age 18.

"We have a lot of work to do in Kentucky when it comes to curbing teen tobacco use," Attorney General Conway said. "According to the Centers for Disease Control, in 2011, 24 percent of Kentucky high school students had smoked a cigarette and 31.9 percent had used some form of tobacco. Both of those categories put Kentucky as the worst state in the country when it comes to teen tobacco use. I appreciate General Zoeller's work on this issue, and I hope this initiative helps our Kentucky teens understand that they need to stop the habit before they start."

Legacy was created as a result of the November 1998 Master Settlement Agreement reached between attorneys general from 46 states, five U.S. territories and the tobacco industry.

For more information about the Truth campaign, visit thetruth.com.

AG Conway Announces Support for For-Profit College Oversight Legislation

Attorney General Conway and a bipartisan group of 13 other state attorneys general sent a letter to U.S. Senators Dick Durbin (D-IL) and Tom Harkin (D-IA) and U.S. Representative Elijah Cummings (D-MD) expressing support for their legislation that would improve coordination among federal agencies overseeing the for-profit college industry.

"There are some schools within the for-profit college industry that are more interested in getting their hands on federal student loan dollars than in educating students," Attorney General Conway said. "The unfair and unethical business tactics of those schools are leaving too many students drowning in debt with worthless degrees, while taxpayers are left footing the bill for debts that are never repaid. The for-profit college industry lacks real oversight and accountability at the federal level, and this legislation will help prevent future abuses of the student loan system and keep for-profit schools honest."

Currently, at least nine different federal agencies have a hand in overseeing the for-profit school industry: the Department of Education; the Consumer Financial Protection Bureau; the Department of Justice; the Securities and Exchange Commission; the Department of Defense; the Department of Veterans Affairs; the Federal Trade Commission; the Department of Labor and the Internal Revenue Service. The Proprietary Education Oversight Coordination Improvement Act would require representatives from each agency to coordinate efforts and publish a report about for-profit colleges, which would allow Title IV borrowers to make better informed decisions about the school they may want to attend.



Additionally, the bill would require the interagency committee to hold quarterly meetings as a group and annual meetings with state attorneys general to coordinate federal and state activities related to for-profit school oversight. The legislation would also charge the committee with publishing a "For-Profit College Warning List" for parents and students, which would identify schools that have engaged in illegal practices or where there is evidence of unethical, fraudulent, or predatory recruiting or lending practices.

Attorney General Conway leads a national bipartisan working group of 37 state attorneys general who are reviewing the questionable practices of some for-profit colleges. In Kentucky, Attorney General Conway has filed suit against four proprietary colleges for allegedly misleading students about job placement rates.

A copy of the letter is available at <http://goo.gl/QJCS45>.



Eligible Consumers Can Seek Restitution in \$105 Million AT&T Settlement

AT&T Mobility has agreed to pay \$105 million to resolve allegations that the company placed charges for third-party services on cell phone bills that the customer did not authorize, a practice known as “mobile cramming.” The settlement was announced on Oct. 8 by Attorney General Conway, along with 49 other state attorneys general, the Federal Trade Commission (FTC) and the Federal Communications Commission (FCC).

“No one likes to pay for something they didn’t authorize,” Attorney General Conway said. “This settlement will help stop cramming on Kentuckians’ cell phone bills and return money to those who paid for charges that they neither requested nor used. I encourage Kentucky consumers who have been affected by mobile cramming through AT&T Mobility to submit a claim through the Federal Trade Commission’s restitution program.”

Consumers who have been “crammed” often complain about charges – typically \$9.99 per month – for “premium” text message subscription services, such as horoscopes, trivia and sports scores, that the consumers have never heard of or requested. The attorneys general and federal regulators allege that cramming occurred when AT&T Mobility placed charges on consumers’ mobile phone bills for these services without their knowledge or consent.



at&t

Under the terms of the settlement, AT&T Mobility is required to provide \$80 million to pay refunds to cramming victims. Consumers can now submit claims under the AT&T Mobility cramming refund program by visiting www.ftc.gov/att. If consumers are unsure about whether they are eligible for a refund, they can visit the claims website or call the claims administrator at 1-877-819-9692.

AT&T Mobility is the first mobile phone provider to enter into a national settlement to resolve allegations regarding cramming. The company has agreed to pay \$20 million to the attorneys general and \$5 million to the FCC. Kentucky is receiving \$283,421 for its participation in the settlement.

AG Conway and Statewide Review Committee Release Domestic Violence Report

A statewide oversight program is needed to better identify and examine domestic violence-related homicides in Kentucky, according to a new report on domestic violence issues. The Domestic Violence Special Report: Kentucky 2010 Homicides, released in October by Attorney General Conway and members of the Statewide Domestic Violence Fatality Review Committee, is part of a multifaceted approach to prevent domestic violence-related deaths in the Commonwealth.

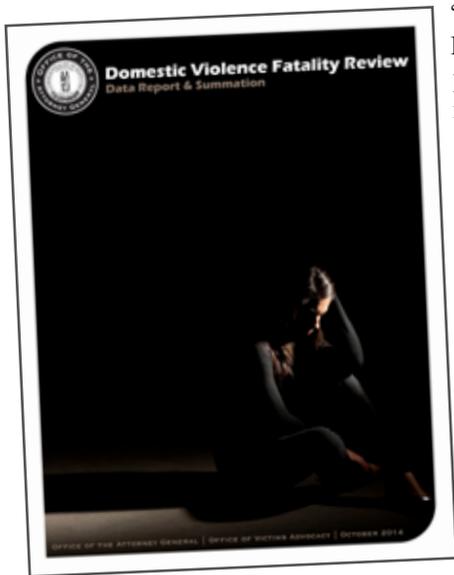
“This report examines nearly three dozen intimate partner-related homicide cases that occurred in Kentucky in 2010,” Attorney General Conway said. “The information contained in the report will provide valuable information to guide the future work of the committee and help advance our mission of preventing future domestic violence-related deaths and preserving the safety of victims in Kentucky.”

In August 2011, Attorney General Conway convened Kentucky’s first statewide Summit on Domestic Violence Fatalities. This summit brought together experts from across the Commonwealth forming the Statewide Domestic Violence Fatality Review Committee. As one of their first priorities, committee members collected information about Kentucky’s domestic violence-related deaths from the previous year, resulting in the Domestic Violence Special Report: Kentucky 2010 Homicides.

According to the report, 35 intimate partner-related homicides cases were identified in 25 Kentucky counties in 2010. The report showed that the majority of victims were female (75.7 percent) while the majority of offenders were male (74.3 percent). The vast majority of these cases were single-victim homicides (94 percent). Overall, 37 percent of the 35 cases were classified as homicide-suicides. Additionally, the report determined that a firearm was the weapon most frequently used in the homicide cases examined.

The report also showed that two out of three victims and offenders were married or living together at the time of the homicide and that the homicide occurred most frequently at the couple’s shared residence (45.7 percent). In addition, the report concluded that one in four intimate partner-related homicide cases had some form of a domestic violence-related civil or criminal justice activity, such as a protective order or domestic-violence related call to police, within the year prior to the homicide. One in nine cases had some form of a domestic violence-related civil or criminal justice activity within 30 days of the homicide.

Additionally, the Domestic Violence Special Report showed that partner violence-related homicides are preventable, yet there has not been a decline in the overall number of deaths over time in Kentucky. The report established that a systematic and statewide oversight program is needed to better understand the scope of the problem and that tracking case information on a statewide basis would highlight patterns and provide information that may help protect victims.



“This report accomplishes one of the initial goals of the committee,” said Dr. TK Logan, a professor of behavioral science at the University of Kentucky who prepared the report for the Statewide Domestic Violence Fatality Review Committee. “The report helps establish procedures and limitations in identifying intimate partner-related homicides in Kentucky and analyzes key characteristics of these cases. More importantly, the statistics show that intimate partner-related homicides are not declining over time in Kentucky and that gun violence plays a significant role in these homicides.”

The intimate partner-related homicide cases were identified through the Office of the Kentucky State Medical Examiner and media articles collected by the Kentucky Domestic Violence Association. Case and victim-specific characteristics were collected through a survey, which was completed by Commonwealth’s Attorneys and law enforcement offices in the counties where the deaths occurred.

The Domestic Violence Special Report: Kentucky 2010 Homicides publication is part of the Office of the Attorney General’s Domestic Violence Fatality Review Data Report & Summation, which provides information on the history of domestic violence laws and services in Kentucky; recent legislative changes made in the areas of domestic violence, sexual assault, human trafficking, child abuse and victim rights; and a guide to developing local fatality review teams in Kentucky communities.

A copy of both reports is available at <http://goo.gl/WmvGNz>

AG Conway Pushes for Congressional Support of Legislation to Prevent Online Sex Trafficking of Youth

Attorney General Conway is urging members of the U.S. Senate Judiciary Committee to support legislation that would help prevent children from being trafficked on the Internet.

Human trafficking is the fastest-growing criminal industry in the world, generating about \$150 billion each year. Shockingly, there are numerous cases nationally of children as young as 12 being trafficked for sex. The FBI estimates that nearly 300,000 American youths are at risk of becoming victims of commercial sexual exploitation.

“As Attorney General of Kentucky, I’ve made protecting children and Internet safety my top priorities,” General Conway said. “To date, my Cybercrimes Unit has seized almost 800,000 child pornography images from the Internet and serves as a national model for other states. I am asking Congress to join state attorneys general in this fight and pass legislation that would protect our children that are being exploited and traded for sex.”

In a letter co-sponsored by 52 other state attorneys general, Attorney General Conway asked members of the Senate Judiciary Committee for their support of the Stop Advertising Victims of Exploitation Act, which would provide more oversight of websites that facilitate “adult services.”

General Conway said federal courts have recognized that the Internet has become a favored means for advertising the availability of children for sex. Internet ads can be purchased in multiple locations with the click of a button.

This allows human traffickers to maximize their profits and evade detection by moving victims quickly to lucrative venues where there is significant demand for commercial sex. Organized crime groups and gangs use the Internet to sell their victims as well, which is why passage of the SAVE Act is particularly critical.

The use of the “adult services sections” on websites, such as Backpage.com, has created virtual brothels where children are bought and sold using labels such as “escorts.” The SAVE Act would require these websites that are facilitating trafficking of minors through their very business model to take steps to verify the identity of individuals posting advertisements and the age of those who appear in these advertisements.



AGs Support Federal Bill Providing Restitution to Child Pornography Victims

Proposed legislation that would provide full restitution to child pornography victims to pay for needed resources, such as therapy, medical care, and lost wages, has garnered the support of Attorney General Conway and 43 other state and territorial attorneys general. In an Oct. 15 letter issued by the National Association of Attorneys General (NAAG), key leaders of the Senate Judiciary Committee and a House Judiciary Subcommittee are being asked to bring the Amy and Vicky Child Pornography Victim Restitution Improvement Act of 2014 to a vote.

“Victims of child pornography are constantly reminded of the abuse of their past, and there is no way to erase the photographs from the Internet or prevent them from being shared by others,” states the letter signed by the attorneys general. This bill “provides victims with meaningful restitution from multiple defendants who produce, distribute or possess images of child pornography, including those who have not been identified. Providing timely and meaningful restitution will ensure that the growing number of victims can begin to rebuild their lives by fully recovering the financial

losses caused by child pornography.”

Child pornography is growing in the United States and according to the U.S. Sentencing Commission, cases prosecuted for possession, distribution, receipt, and transportation of child pornography increased from 624 cases in 2004 to more than 2,000 cases in 2012. With the Internet and other new technologies, child pornography is more easily attainable and has led to increased victimization and trafficking in order to meet the demand.

The NAAG letter can be found here: naag.org/sign-on_archive.php.

Two Men Arrested on Child Porn Charges

Two Kentucky men have been arrested in separate cases for allegedly possessing child pornography. Sean Graham, 37, was arrested by General Conway’s Cybercrimes Unit on Oct. 8 at his home in Boyd County. He was charged with one count of possession of matter portraying a sexual performance by a minor. On Oct. 28, Donald D. Jones, 53, was arrested at his Oldham County home. He was charged with five counts of possession of matter portraying a sexual performance by a minor and one count of distribution of matter portraying a sexual performance by a minor.

Both cases stemmed from undercover leads. Cybercrimes Unit investigators served search warrants at each home and seized computers believed to contain files depicting children engaged in sexually explicit conduct.

Possession of matter portraying a sexual performance by a minor and distribution of matter portraying a sexual performance by a minor are class D felonies. Each count carries a penalty of one to five years in prison.



Donald Jones

Former Pain Management Doctor Indicted

A former pain management doctor has been indicted on Medicaid fraud and theft charges. On Aug. 8, a Clay County grand jury indicted Dr. Craig Leicht, 60, on one count of Medicaid fraud and one count of theft by deception over \$10,000. Dr. Leicht pleaded not guilty during his arraignment hearing on Oct. 6 in Clay Circuit Court.

Dr. Leicht operated a pain management clinic in Clay County, which included services to Medicaid recipients. According to the indictment, from Jan. 1, 2009 through Jan. 1, 2012, Dr. Leicht made, presented or caused to be made or presented false, fictitious or fraudulent claims for services he billed to the Medicaid program.

Attorney General Conway’s Medicaid Fraud and Abuse Control Unit investigated this case. It is being prosecuted by the Medicaid Fraud and Abuse Control Unit in Clay Circuit Court.

Former Medication Technician Indicted on Neglect Charges

A former certified medication technician has been indicted on two counts of caretaker neglect. On Sept. 16, a Hopkins County grand jury returned the indictment on 35-year-old Terri Henry. Henry pleaded not guilty during her arraignment hearing on Oct. 1 in Hopkins Circuit Court.

Henry, a former certified medication technician at Dawson Springs Health & Rehabilitation Center, is accused of not providing medication to patients on two occasions. It is alleged that the medications were found in the trash can connected to the medication cart that Henry was using.

Attorney General Conway’s Medicaid Fraud and Abuse Control Unit investigated this case. It is being prosecuted by the Hopkins County Commonwealth’s Attorney.

Online Medical Equipment Store Owner Indicted

The owner of an online medical equipment store has been indicted on one count of theft by deception over \$500 and one count of theft by failure to make required disposition of property over \$500. A Pulaski County grand jury returned the indictment on 46-year-old Kyle Lulow, of Painesville, Ohio, on Oct. 7.

Lulow is the owner of Image 1 Ultrasound, an online business advertising the sale of pre-owned medical equipment. In June 2013, Lulow is alleged to have taken \$5,000 from a Somerset, Ky., doctor who placed an online order for an ultrasound machine; however, Lulow never delivered the unit.

Theft by deception over \$500 and theft by failure to make required disposition of property over \$500 are class D felonies.



Contractor Indicted on Theft Charge



A contractor accused of failing to complete construction work for a Grayson County resident, despite being paid to do so, has been indicted on one count of theft by deception over \$500. A Grayson County grand jury returned the indictment on 42-year-old Kevin Carter, of Mount Washington, Ky., on Oct. 6.

Carter was the owner of Carter Home Improvements. According to the investigation by General Conway's Office of Consumer Protection, in September 2013, the victim paid Carter \$9,193 for materials to build a pole barn. However, after the victim paid, Carter never completed the work.

In September, a Jefferson County grand jury indicted Carter on one count of theft by deception over \$10,000 after Carter failed to replace a roof for a Louisville resident in October 2013.

Attorney General Conway encourages consumers needing home repair work or cleanup services to follow these important tips:

- ▶ Consumers should never pay the full amount to a contractor before the work is completed.
- ▶ Use local, reputable contractors for repairs if possible. If local contractors bring in out-of-town workers, ask who will be responsible for their work if it is not satisfactory.
- ▶ Ask if the contractor is licensed, bonded (if required by the city or county), and insured.
- ▶ Check unknown companies out with the Better Business Bureau or call the Attorney General's Office of Consumer Protection to see if information is available about the company.
- ▶ Demand a written contract. If possible, get estimates from several contractors.
- ▶ Be suspicious of unfamiliar, out-of-state vehicles and those who offer repair work at unreasonably low prices. Contact local law enforcement about your suspicions.

For additional information or to file a consumer protection complaint, call the Consumer Protection Hotline at 1-888- 432-9257 or visit ag.ky.gov/consumer.