

2016 ANNUAL REPORT





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Attorney General Ferguson presents a photo at the 2016 Law Enforcement Medal of Honor - Peace Officers Memorial.



About Our Office

MISSION

The Office of the Attorney General will provide excellent, independent and ethical legal services to the State of Washington and protect the rights of its people.

VISION

The Office of the Attorney General will be the best public law office in the United States.

VALUES

All staff in the Office of the Attorney General are guided by the following core values:

1. We will deliver high quality legal services and remember that we serve the people of Washington.
2. We will conduct ourselves with integrity, professionalism, civility and transparency.
3. We will promote a collegial, inclusive and diverse workplace that values, respects and supports our employees.

MESSAGE FROM THE ATTORNEY GENERAL



Every day at the Attorney General's Office, more than 1,200 dedicated public servants are working to improve public safety, protect the vulnerable, preserve the environment, support consumers and businesses, improve open government, provide legal counsel to state agencies, and strengthen our economy.

Over the past year, we stepped up the fight against unlawful campaign finance tactics with the creation of our Campaign Finance Unit. Our work achieved numerous victories. Among them was a record \$18 million trial victory against the Grocery Manufacturers Association, which hid the identities of corporate donors opposed to a ballot Initiative. It was the largest campaign finance penalty in U.S. history.

We also created a new Counsel for Environmental Protection Unit. Our environmental prosecutions contributed to significant fines and jail time given to individuals and businesses responsible for a range of violations that threatened public health and our state's precious natural resources.

I was proud to deliver oral arguments before the Washington Supreme Court in our suit against Arlene's Flowers, a Richland florist who discriminated against a same-sex couple.

Our office's Revenue and Finance Division continued a 43-appellate-case winning streak that dates back to early 2013. One example: a 2016 state Supreme Court ruling in which the Division successfully defended a law repealing a tax break the legislature had determined gave out-of-state businesses an unfair advantage.

I'm proud of the exceptional work of every division in the office, whether they are keeping sexually violent predators locked up, offering expert counsel to our state agency clients or protecting the public's right to open government.

This Annual Report features these efforts and much more. It presents the broad range of cases we handle, highlights the major legal issues facing the state and showcases notable office achievements throughout 2016 as we proudly served the people of our state.

We are the state's largest law office, with employees dedicated to continuing a tradition of excellence and independence.

As a fourth-generation Washingtonian, I am honored to lead the dedicated efforts of the Attorney General's Office.

Bob Ferguson, Attorney General

FROM THE HEADLINES

*"Did Comcast cheat customers?
Washington AG files lawsuit"*
- The Bellingham Herald, 08/01/2016

*"Grocery group fined \$18M in
fight against GMO food-labeling
initiative"*
- Seattle Times, 11/02/2016

"Raise state smoking age to 21"
- The Herald (Everett) 01/15/2016

*"Clallum health board backs
efforts to raise tobacco sales age"*
- Peninsula Daily News,
10/23/2016

*"Restitution ordered for Spokane House
Hotel renovation that exposed the
public to asbestos."*
- Spokesman Review, 10/20/2016

"Suspect pleads guilty to I-90 murder"
- KXLY.com, 08/30/2016

*"\$63 million in refunds ready
for LCD TV, computer, iPod or
phone buyers."*
- Tacoma News Tribune,
03/18/2016

*"Attorney general, senator call for
DOE accountability at Hanford"*
- Tri City Herald, 05/05/2016

*"Lawmakers heed evidence that
[Medicaid] fraud law is working"*
- The Olympian, 04/03/2016

*"Hundreds watch state Supreme
Court arguments in Arlene's
Flowers Case"*
- Tri City Herald, 11/15/2016

*"State attorney general: Say no to
oil terminal project"*
- The Columbian, 07/29/2016



Attorney General Ferguson speaks with legislative interns in Olympia.



SERVING THE PEOPLE OF WASHINGTON STATE

The employees of the Attorney General's Office serve the people of Washington by ensuring powerful interests are held accountable and play by the rules. The office enforces state laws that promote fair market competition and protect consumers. The office also works with law enforcement to improve public safety, protect children and keep dangerous predators out of our communities.

In 2016, our office continued its focus on consumer protection, open government, public safety and civil rights. We also broke significant new ground with the creation of our Campaign Finance and Environmental Protection units. We litigated several major campaign finance cases, with the court fining one bad actor with the largest campaign finance penalty in national history.

Our office also achieved significant victories in the ongoing effort to clean up the Hanford site and protect Washingtonians who dedicate their lives to addressing one of the most polluted nuclear waste sites in the country.

We continue to protect the civil rights of all Washingtonians by suing those who violate our laws against discrimination.

Protecting Consumers

Every Washington consumer and business benefits from the vital role our office plays in ensuring fair market competition by enforcing consumer protection and antitrust laws. The office also provides a range of complaint mediation, and delivers education and outreach services designed to inform Washingtonians about their legal rights. Through litigation and informal complaint resolution, the Consumer Protection Division returned more than \$17 million to the state and consumers during the fiscal year.



AAG Dan Davies discusses a major consumer protection lawsuit against Comcast.

Holding Comcast Accountable

We filed a lawsuit against cable television and internet giant Comcast Corporation, alleging a pattern of deceiving its customers and illegally collecting tens of millions of dollars.

The complaint accuses the company of violations of the Consumer Protection Act (CPA), including misrepresenting the scope of its Service Protection Plan, charging customers improper service call fees, and improper credit screening practices.

The lawsuit was the first of its kind in the nation — though the Service Protection Plan is a nationwide program and many of the practices are allegedly used in all of Comcast's markets.

The suit also accuses Comcast — whose customers often have few real options for the services they provide — of violating the CPA to all of its more than 1.1 million Washington subscribers due to its deceptive "Comcast Guarantee."

5-Hour Energy — Truth in Advertising

The office prevailed in a lawsuit accusing the makers of 5-hour ENERGY® of violating the Consumer Protection Act with misleading advertising. After a three-week trial, the court agreed that advertising campaigns and claims made about the energy shot were deceptive because they were not supported by scientific evidence.

Claims that decaffeinated 5-hour ENERGY® offered similar effects to the product's caffeinated version lacked "competent and reliable scientific evidence," according to the judge's decision.

The court also found fault in the companies' claims of a "synergistic" interaction of its ingredients with caffeine.

Penalties against the two companies that produce 5-hour ENERGY® — Living Essentials LLC and Innovation Ventures LLC — will be decided in 2017.

Standing up to Volkswagen

The Attorney General's Office was a co-leader of a multi-state coalition investigating allegations against Volkswagen. As a result, our Consumer Protection team recovered \$26 million in addition to the \$14.7 billion settlement Volkswagen reached to compensate "clean diesel" car owners.

It is likely that the \$26 million settlement represents the third-largest Consumer Protection recovery in Washington's history.

The recovery comes as a result of a multi-year emissions cheating scandal. Volkswagen intentionally equipped cars marketed as "clean diesel" with a "defeat device" that allowed the cars to pass emissions tests and misrepresent gas mileage. Without these devices, the affected Volkswagens, Audis and Porsches would not have passed emissions tests.

Between 2009 and 2015, more than 20,000 of the affected vehicles were sold in Washington.

Protecting Digital Information

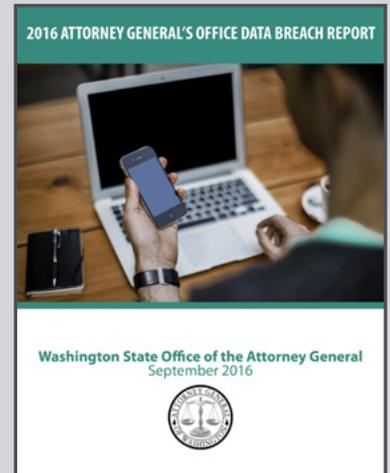
Data breaches are a serious and increasing threat to our security. The Attorney General's Office gathers notifications of breaches to help protect Washingtonians.

Many in our state had their personal information compromised as a result of data breaches in the first year of new stricter notification and reporting requirements adopted by the Legislature in 2015. The requirements are the result of legislation proposed by our office.

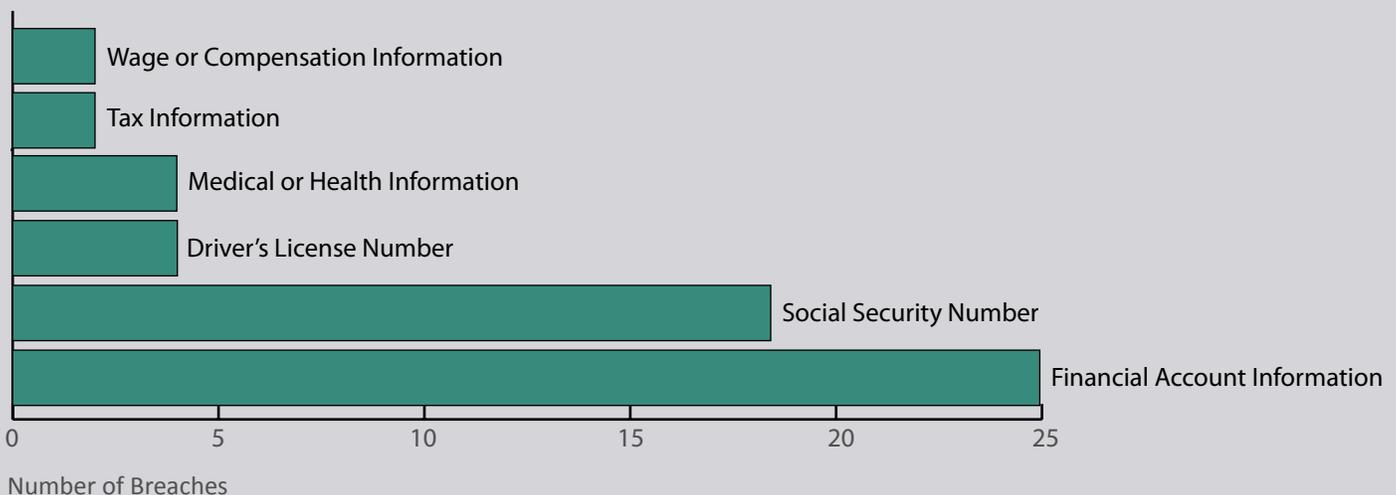
During the first year after the law took effect, 39 data breaches occurred at companies and organizations, ranging from school districts to national retail chains, and affected at least 450,000 Washingtonians. The actual number is likely even higher, as several companies reported they were unable to determine the number of individuals affected.

While most of the breaches impacted fewer than 10,000 individuals, one breach in the telecommunications industry affected more Washington residents than the other 38 breaches combined.

The sooner consumers know their personal information may have been compromised, the more they can do to minimize the damage.



What information was compromised by Data Breaches in 2016?



Fighting For Patients

The Attorney General's Office filed a consumer protection lawsuit accusing Johnson & Johnson of using deceptive marketing tactics to misinform consumers and doctors and conceal the risks associated with products used to treat prolapsed organs and pelvic floor conditions.

The company deceived thousands of women. Many are now suffering from horrific injuries and debilitating complications associated with surgical mesh products.

Johnson & Johnson knew for years that these mesh devices posed severe health risks and could cause devastating injuries and irreversible complications. The company knew women suffer from excruciating pain, chronic infections and severe disabilities and it chose to keep that information from the public, putting the health of women at risk, and making it impossible for patients to make informed decisions about their health care.



Senior Counsel Lisa Erwin demonstrates a surgical mesh sample.

As the largest manufacturer of these mesh devices in the U.S., Johnson & Johnson sold nearly 12,000 in Washington over the past ten years.

Standing up for Service Members

As part of a multistate agreement, Virginia-based retailer USA Discounters provided more than \$2.1 million in relief to more than 2,400 service members who entered into contracts in Washington state. The company was accused of unfair, abusive and deceptive debt collection practices.

Active and veteran service members were sold overpriced household goods at high interest rates and subjected to deception based on misrepresentations and omissions in advertising, during a loan's origination and during the collection process.

USA Discounters operated two stores in Washington — a USA Discounters outlet near Joint Base Lewis-McChord and Fletcher's Jewelers in the Tacoma Mall.

The prayer websites have been shut down, but court documents include screen shots of the fabricated testimonials that drew in tens of thousands of desperate people who wanted to be prayed for by "thousands of Christians" promised by Rogovy, an entreating army that did not exist.

- The Guardian, 03/20/2016

Stopping a "Pay to Pray" Scam

The Attorney General's Office took action to stop the deceptive business practices of a Seattle-based man and his three companies, ensuring they pay back as much as \$7.75 million to approximately 165,000 consumers nationwide.

To entice consumers to pay for prayers, Benjamin Rogovy used systematic deception in the running of his for-profit company, Christian Prayer Center, including fake religious leaders and false testimonials.

In a separate business, Rogovy used deceptive and unfair business practices to run the Consumer Complaint Agency, a for-profit business that promised to advocate on behalf of consumers regarding their complaints against businesses. Instead, the company charged consumers up to \$25 for doing little more than passively forwarding complaints.

Rogovy's actions violated the state Consumer Protection Act, which forbids businesses from making false claims, and the Charitable Solicitations Act, which prohibits churches and charities from using misleading or deceptive statements in any charitable solicitation.

Protecting Washingtonians' Rights

As part of the ongoing work in the case of a Richland florist who discriminated against a same-sex couple, Attorney General Ferguson argued the Arlene's Flowers appeal before the Washington Supreme Court.



Attorney General Ferguson argues the Arlene's Flowers appeal before the Washington Supreme Court.

The Arlene's Flowers Case

We continued to pursue a consumer protection lawsuit against a Richland florist who discriminated against a same-sex couple in 2013. Attorney General Ferguson personally argued the case before the Washington State Supreme Court in late 2016.

In 2013, Attorney General Ferguson filed suit against Arlene's Flowers and its owner, Barronelle Stutzman, for refusing to provide flowers to a customer for his same-sex wedding, despite providing this service to heterosexual couples.

Before filing the lawsuit, Ferguson sent a letter to Stutzman asking her to comply with Washington law prohibiting businesses from discriminating on the basis of sexual orientation. When she refused to comply, he filed the lawsuit.

A Benton County Superior Court ruled in February 2015 that Arlene's Flowers violated the Consumer Protection Act. The court ordered the florist to stop discriminating against gay and lesbian customers. The florist appealed the decision to the Washington Supreme Court.

In Washington state and across the nation, the people have spoken. The state Supreme Court ruling in the case won't come for several months, but the outcome should make it clear: Discrimination based on sexual orientation will not be tolerated.

- Seattle Times, 11/16/2016

Cleaning Up Hanford

Throughout 2016, the office continued its decades-long commitment to hold the federal government accountable for the environmental cleanup of the Hanford Nuclear Reservation, resolving the latest lawsuit with enhanced reporting requirements and milestones to keep the U.S. Department of Energy on track. The office also continued its lawsuit to ensure the safety of Hanford workers, resulting in improved temporary measures pending a 2017 trial.



Attorney General Ferguson tours the Hanford site.



Attorney General Ferguson meets with Hanford workers before a press conference.

Ensuring Safe Working Conditions

Concerned about the safety of workers at the Hanford site, Attorney General Ferguson filed a lawsuit in 2015 against the U.S. Department of Energy (Energy) and its contractor, Washington River Protection Solutions.

The federal government employs Washington workers to remove the 56 million gallons of waste located in 177 underground tanks. Some 1,500 different volatile chemical gases — many of which are highly toxic and known carcinogens — have been found in the tanks. Exposure to the chemicals threatens the health and safety of Hanford workers.

Despite reports and studies warning that not enough was being done to protect workers from harm, Energy and its contractor reduced safety measures at the tank farms.

Following those safety reductions, more than 50 workers were exposed to vapors in the span of a few days.

The office filed a motion for preliminary injunction, asking the court to order immediate worker protections. Following the filing of the motion, Energy agreed to take measures including supplying air at all single and double-shell tank farms and a pilot monitoring program to help warn workers when toxic vapors are in their work space.

In November 2016, U.S. District Court Judge Thomas Rice rejected Energy's motion to dismiss the state's lawsuit.

A trial on the merits of the case will be held in 2017.



UA Local 598 Business Manager Pete Nicacio speaks at a press conference on Hanford tank Vapors.

Holding Energy Accountable

In 2014, the U.S. Department of Energy notified the state that it would fail to meet deadlines ordered by a federal court for the construction of Hanford's Waste Treatment Plant. The plant will make glass logs out of the radioactive and hazardous waste currently stored in leak-prone underground tanks.

In revised proposals, Energy asked to delay by years the construction of the plant and the removal of waste from the tanks. The agency also sought permission to change and ignore future deadlines without approval from Washington or the court.

The office and the state Department of Ecology filed a lawsuit, and in March 2016, U.S. District Court Judge Rosanna Malouf Peterson ruled in favor of the state.

The ruling requires greater transparency on the part of the federal government; sets forth firm deadlines; and grants the state direct opportunities to return to court to hold Energy accountable when needed.

A plant designed to treat low-activity waste, a critical piece in the cleanup effort, must begin treatment by 2023. The deadline for starting the full Waste Treatment Plant is December 31, 2033, with full operation reached by the end of 2036.

"These milestones should be viewed as enforceable legal duties rather than optimal, idealistic goals," Judge Peterson wrote.

[Judge Peterson] criticized the federal government for undermining the consent decree's value by inserting litigation tactics into the agreement after previously agreeing to open-reporting requirements.

- Tri City Herald, 03/12/2016

Protecting The Environment

Protecting Washington's environment continued to be a top priority of the office. In October, Attorney General Ferguson announced the creation of a new Counsel for Environmental Protection Unit. The office also engaged in a range of federal, state and local actions to protect the environment and hold accountable those who commit environmental crimes. The unit's Environmental Crimes Program, created by Attorney General Ferguson in 2013, continues to expand. This work has resulted in more than 19 successful convictions for environmental crime prosecutions and restitution orders and fines in excess of \$900,000.

AGO Launches New Environmental Protection Unit

Announced in October, the Counsel for Environmental Protection Unit is part of an ongoing effort to ensure the office continues to be a national leader in enforcing laws designed to protect our environment and the health of Washingtonians. This new unit will lead the office's environmental crimes work, undertake AGO-initiated environmental litigation, support and work with the office's natural resource and environmental divisions and help coordinate legislative and policy efforts that support the office's environmental work and goals.



AAG Bill Sherman discusses a major lawsuit against Monsanto at a press conference.

Protecting Communities

In July, the AGO Counsel for the Environment announced opposition to the Tesoro Savage Vancouver Energy Distribution Terminal. If completed, the proposed facility would result in vessels loaded with crude oil making 365 trips a year along the Columbia River. An additional 3,000 oil trains would run through the state annually.

Tesoro Savage cannot guarantee that a worst case spill or public safety disaster would not occur if this project is built. Testimony at the state's Energy Facility Site Evaluation Council (EFSEC) review showed that a spill would negatively impact Washington's environment, and the communities that depend on it, for many years.

Given the weight of the evidence presented, the Attorney General's Counsel for the Environment determined the project is not in the public interest and urged EFSEC to recommend the project be rejected.

Enforcing the State's Clean Air Act

The office's Environmental Crimes Unit obtained a guilty plea in a case involving illegal handling of hazardous asbestos. The case stems from renovations at the former Spokane House Hotel, where asbestos was improperly removed and disposed of without the required inspections, training, equipment or permits, putting workers and the public at risk of exposure.

As part of the plea agreement, Dayabir Bath, Gee Grewal, and Bath's company, 2013 Investors LLC, will pay a total of \$115,000 in restitution. The restitution funds will go toward asbestos education, awareness and training for workers, employers, inspectors and the public. The court also sentenced the two individual defendants to two years of probation, during which they must comply with environmental regulations or face up to 364 days in jail. A third employee pleaded guilty in August to three counts of violating the Clean Air Act and was sentenced to 60 days in jail.

Ensuring Clean Water

Derelict vessels abandoned in state waterways cost taxpayers millions of dollars, cause substantial environmental damage, and threaten public safety and marine life. In October, the office brought criminal charges against the owner of a sunken tugboat that released 200 to 300 gallons of fuel in Bainbridge Island's Eagle Harbor.

The former owner of the vessel pleaded guilty to misdemeanor and gross misdemeanor charges of causing a vessel to become derelict and discharging pollution into state waters. A Kitsap County judge ordered the former owner to pay \$44,616 in restitution. The money will pay for the removal of the vessel and cleanup of the spill.

This is the third derelict vessel case the Attorney General's Office has filed since 2014, with all three cases resulting in convictions.

Preserving Public Health & Safety

At the request of the King County Prosecutor's Office, the Environmental Crimes Unit filed criminal charges against a Renton man accused of running an illegal dump and wrecking yard on his 10-acre property. A search warrant executed by the Washington State Patrol found more than 50 wrecked vehicles, 400 tires, 20 boats and other vehicle parts, industrial and household waste. Water and soil samples at the site, which drains into May Creek and ultimately Lake Washington, included petroleum products and multiple hazardous wastes at levels exceeding ground or surface water quality standards.



The Chickamauga, Eagle Harbor, Bainbridge Island

Holding Polluters Accountable

In October, Attorney General Ferguson filed a major environmental lawsuit against Monsanto. The lawsuit seeks damages and cleanup costs associated with the polychlorinated biphenyls (PCBs) Monsanto produced for decades while hiding what they knew about the toxic chemicals' harm to human health and the environment.

PCBs are found in bays, rivers, streams, sediment, soil and air throughout Washington state, with more than 600 suspected or confirmed contamination sites from Puget Sound to the Wenatchee River, Lake Spokane to Commencement Bay.

Monsanto was the only U.S. company to produce PCBs from 1935 to 1979, when the Toxic Substances Control Act banned their manufacture.

As early as 1937, internal Monsanto documents warned of "systemic toxic effects" from prolonged exposure to PCB vapors. By the late 1960s, Monsanto privately cited evidence of global PCB contamination but kept that information from the public.

The lawsuit seeks compensation for damages to the state's natural resources, including the economic impact to the state and its residents. It also asks the court to award present and future costs to address the "ongoing public nuisance" caused by PCBs.



Attorney General Ferguson, joined by Governor Inslee, announces a major lawsuit against Monsanto.

Campaign Finance

The Attorney General's Office enforces campaign finance disclosure laws to ensure free, open and fair elections in Washington. Since taking office, Attorney General Ferguson has devoted more resources to campaign finance enforcement. In 2016, he formed a Campaign Finance Unit.



Attorney General Ferguson with members of the GMA team

Holding Activists, Signature Gathering Firms Accountable

In September, the Attorney General's Office filed three campaign finance complaints in Thurston County Superior Court against Tim Eyman, three of his political committees, and their officers and treasurer. These complaints include: an allegation that one of Eyman's political committees improperly repaid loans totaling over \$1 million to Eyman and three other individuals; failure by the Eyman committee "Bring Back Our \$30 Car Tabs" to file an independent expenditure report disclosing spending on negative campaign ads; and failure to disclose interest payments made by Eyman's "Bring Back Our \$30 Car Tabs" and "2/3rds-for-Taxes Constitutional Amendment" committees to a loan for Eyman's "Tougher to Raise Taxes" committee.

In a separate action, the court held Eyman, two other committees, and a for-profit signature gathering firm accountable for a months-long obstruction of the office's investigation and granted the office's request to seek relevant documents directly from the federal government and Eyman's banks. The court also ordered Eyman, his political committees, and a for-profit signature gathering firm to pay a total of nearly \$33,000 to cover the costs of forcing them to comply. The Public Disclosure Commission originally referred this case to the Attorney General's Office in September 2015. The PDC investigation began in 2012 and found evidence of multiple state campaign finance violations including misuse of committee funds, concealment of the source of committee contributions, and misuse of \$170,000 committee contributions for Eyman's personal living expenses. The investigation is ongoing.



Campaign Finance Unit Chief Linda Dalton discusses the GMA case with the AGO Leadership Team.

Largest Campaign Finance Judgment in U.S. History

In a historic decision, a Thurston County Superior Court judge ruled that the Grocery Manufacturers Association (GMA) intentionally violated Washington campaign finance laws. The court ordered the Washington, D.C.-based trade association to pay \$18 million in penalties and punitive damages.

The ruling is the largest campaign finance judgment in United States history.

The case arose from voter Initiative 522, which proposed requiring labeling of genetically modified organisms, or GMOs, in food sold to consumers. Disclosure filings indicated GMA was the largest contributor to the “No on 522” political committee. More than 30 members of GMA actually financed the opposition campaign through a special, earmarked account but were not identified as individual donors.

In 2013, GMA raised over \$14 million for a new “Defense of Brands” account. PepsiCo, for example, contributed nearly \$3 million to the account. Nestle and Coca-Cola contributed almost \$2 million each.

GMA then contributed \$11 million of that \$14 million to “No on 522.” In an effort to shield

individual companies from required disclosure, the money was listed as coming from GMA, not the actual donors, such as PepsiCo, Nestle and Coca Cola.

The office filed a lawsuit against GMA in October 2013. Internal GMA documents obtained as a result of the lawsuit revealed an intentional, systematic effort to conceal the true donors to “No on 522.”

In March 2016, Judge Anne Hirsch ruled GMA had violated Washington law. A trial was held in August to determine whether those violations were intentional. Under Washington law, penalties for campaign finance disclosure violations can equal the amount of money concealed from Washington voters. If the violation was intentional, the court has discretion to triple that penalty.

In the November ruling, Judge Hirsch determined that GMA’s violations of law were intentional and tripled the \$6 million penalty, for a total of \$18 million, including punitive damages. The ruling also awarded trial and investigative costs, and attorney fees. The costs and fees will be determined at a separate court hearing.

Legislative Priorities

Attorney General Ferguson's 2016 legislative priorities included protecting youth, combating fraud and abuse, strengthening accountability in government and expanding access to justice.



Reauthorizing Civil Prosecutions of Medicaid Fraud

The Attorney General's requested legislation (Senate Bill 6156) to protect patients and taxpayers by reauthorizing Washington's Medicaid False Claims Act (MFCA) went into effect in June. The legislation removed an expiration date for most of the act, and extended the date on whistleblower portions of the law until 2023.

The original 2012 law authorized the office to pursue civil Medicaid fraud prosecutions and was set to expire in 2016. The MFCA is an effective tool to combat Medicaid fraud. It enables the Attorney General to return millions in stolen Medicaid dollars to the state. An independent report from the Joint Legislative Audit & Review Committee found that the Attorney General's use of the MFCA has been highly effective, increasing civil fraud recoveries by 28 percent and recovering \$3 for every \$1 invested in enforcement.



Strengthening Open Public Meetings Law

The Attorney General requested legislation (Senate Bill 6171) to increase the 45-year-old penalty for knowingly violating Washington's Open Public Meetings Act (OPMA) and add a "repeat violator" penalty, promoting open and honest government.

The OPMA requires open and accessible meetings of multimember, public-agency governing bodies such as city councils, county commissions, school boards, and many state boards. The legislation passed in 2016 modernizes the penalty — unchanged since 1971 — from \$100 to \$500 for first-time, knowing violators. It also adopted a new \$1,000 penalty for subsequent knowing violations of the act.

The stiffer penalty should be a strong reminder. Officials serving on any public-agency board, council or commission must not make decisions without transparency and citizen input, and meeting agendas should be posted at least 24 hours in advance.

- Seattle Times, 01/15/2016



Attorney General Ferguson speaks before Governor Jay Inslee signs the vapor products bill into law.



Reducing Youth Access to Vapor Products

The Legislature approved a bill (Senate Bill 6328) to reduce youth access to vapor products. The bill combines multiple proposals, including the Attorney General's agency request legislation.

The bill was a critical step in protecting Washington kids from what was a largely unregulated industry. The legislation created retail, distributor, and delivery licenses for the sale of e-cigarettes and vapor products, enabling the state to track the sale and origin of e-cigarettes, as well as "e-juice" or concentrated nicotine used in vapor products. The bill also increased the fines for selling vapor products and tobacco to minors — double the previous fines for illegal tobacco sales — as well as requiring child-resistant packaging, age verification for online purchases, safety warnings and nicotine content disclosures on packaging.



Reforming Traffic Fines for More Equitable Outcomes

The Attorney General's plan (Senate Bill 6360) to tackle challenges posed by the significant number of driver's license suspensions in Washington was passed by the Legislature.

The bill brings together law enforcement, the courts, and other stakeholders to address the challenges faced by low-income drivers who lose their license solely because they are unable to pay traffic fines. The Attorney General's Office will lead the effort to develop a proposed program to allow consolidation of traffic obligations across jurisdictions into a unified payment plan. A final report and plan is due to the Legislature no later than December 1, 2017.

Legislation to Be Reintroduced in 2017



Attorney General Ferguson announces a bill that would raise the tobacco purchase age to 21.

Improve Legal Assistance for Veterans and Active Military

The Attorney General proposed legislation (House Bill 2496 / Senate Bill 6300) that would have created an Office of Military and Veteran Legal Assistance in the Attorney General's Office to facilitate access to legal assistance programs and pro bono (volunteer) legal representation for military service members, veterans and their families. The bill unanimously passed the House of Representatives and the Senate Ways and Means Committee, but was not presented for a vote in the Senate.

Establishing a Cooling Off Period for Post-Employment State Lobbying

For the second time, a bill to establish a one-year lobbying prohibition for former high-ranking state officials (Senate Bill 6258) was unsuccessful and was slated to be reintroduced in 2017. The bill seeks to preserve the integrity of government by establishing a "cooling off" period during which former elected officials, agency heads and senior-level staff cannot work as a paid lobbyist.

Increasing Tobacco Purchase Age to 21

For the second time, the Attorney General requested legislation aimed at reducing youth smoking by raising the legal smoking age for tobacco and vapor products to 21 (Senate Bill 6157 / House Bill 2313). The bipartisan bill again passed the House Health Care and Wellness Committee in a 9 to 3 vote, but did not go further. If lawmakers had approved the request, Washington would have joined Hawaii, California, and more than 200 municipalities to raise the legal age for tobacco and vapor products from 18 to 21.

Raising the smoking age simply makes good public-health sense. It deserves the bipartisan support it's gotten so far.

- The News Tribune, 02/03/2016

Honoring a Leader

In June, Attorney General Ferguson renamed the Spokane Division of the Attorney General's Office in honor of former Attorney General and Governor Christine O. Gregoire. Gregoire started her legal career in Spokane after graduating from Gonzaga University School of Law.

The event attracted hundreds of Gregoire's colleagues and friends and included a program with speeches by Attorney General Ferguson, former Attorney General Rob McKenna, former Chief Deputy Kathy Mix, Spokane Division Chief Toni Ursich and Mike and Courtney Gregoire.

A Lasting Legacy



Attorney General Bob Ferguson and former Governor and Attorney General Chris Gregoire share a laugh at a dedication ceremony to rename the office's Spokane Division after Gregoire.

While serving as Attorney General, Chris Gregoire strived to make the office the best public law firm in the country. Gregoire's vision and legacy hold true to this day.

Gregoire began her legal career in Spokane, graduating from Gonzaga Law in 1977. She was recruited to be an Assistant Attorney General by former Attorney General Slade Gorton that same year. In 1982, Gregoire was promoted to be Washington's first female Deputy Attorney General.

Gregoire left the Attorney General's Office in 1988 to lead the Department of Ecology for four years. She ran for Attorney General in 1992, winning her first of three terms as the state's chief legal officer. She followed that with two terms as Washington Governor, leaving the state's top executive post in 2013.

Gregoire's time as Washington's 16th Attorney General was marked by her trademark intensity, tenacity and intelligence. Under her leadership, Washington was part of the landmark, multi-state lawsuit against the tobacco industry, which produced the largest civil settlement in U.S. history of \$206 billion. Gregoire was the lead negotiator in the talks that led to the settlement. She also pioneered the state's ongoing effort to hold the federal government accountable for the cleanup at the Hanford Nuclear Reservation.

During her two terms as the state's 22nd governor, Gregoire made strides in improving transportation, education reforms and advancing same-sex marriage, which became legal in the state in 2012 after Gregoire signed the bill into law.

Standing Up for Civil Rights

Last year, Attorney General Ferguson launched the office's Wing Luke Civil Rights Unit. The unit includes a team of professionals dedicated to protecting the rights of Washingtonians.

In 2016, the unit continued its work investigating discrimination in a range of areas, including employment, housing, education, credit and insurance, and at government offices and businesses open to the public. The unit works closely with the Attorney General's Consumer Protection Division, the Washington State Human Rights Commission, federal agencies and stakeholders.



Wing Luke Civil Rights Unit: Patricio Marquez, Marsha Chien, Chamene Woods, Colleen Melody, Chalia Stallings-Ala'ilima, and Joe Harris

Fighting Discriminatory Scams

The Civil Rights Unit obtained more than \$250,000 to resolve charges that Zein Automobiles Inc. engaged in a pattern of discrimination against Spanish-language speakers at its two Snohomish County used car dealerships. The dealerships' conduct violated the Washington Law Against Discrimination and the state Consumer Protection Act.

Zein Automobiles, also known as ZAG Auto Group, lured hundreds of Spanish-speaking customers through ads in Spanish-language media outlets. The dealerships orally offered Spanish-speaking customers one set of terms in their language, but presented a different set of terms in documents written in English.

As a result, Zein Automobiles and its employees misrepresented loan terms, interest rates, title branding issues and warranties. Contrary to dealer representations, some Zein customers were saddled with nearly 30 percent loan interest rates, while others unknowingly purchased vehicles with salvage titles.

More than 1,000 claims were received as a result of the case.

Stopping Sexual Harassment

The Civil Rights Unit filed a lawsuit to stop a pattern of sexual harassment of female workers and prospective employees at an eastern Washington car dealership. The action was brought against salesman Monte L. Masingale and Greenacres Motors.

The complaint alleged that Masingale frequently posted help-wanted ads for a secretary in newspapers and on websites like Craigslist. His ads targeted young women seeking entry-level work. Once they were hired, Masingale allegedly routinely sexually harassed these women, driving many to quit. The lawsuit also alleged that the employer, Greenacres Motors, was aware of Masingale's conduct.

Protecting Transgender Rights

The Attorney General's Office took the lead in filing an amicus brief urging a U.S. District Court not to block the federal government's ability to protect the civil rights of transgender individuals.

A group of 11 states, led by Texas, asked the U.S. District Court for the Northern District of Texas to issue an injunction blocking federal guidelines that prohibit employers and school districts from discriminating against transgender individuals who seek to use facilities consistent with their gender identity.

The district court ruled in favor of Texas and blocked the guidelines and the decision was appealed to the Fifth Circuit Court of Appeals. Similar cases are working their way through the federal court system.

Nearly 20 states, including Washington, offer explicit civil rights protections for transgender people. None of these states has seen a rise in sexual violence or other public safety concerns as a result of nondiscrimination laws.



Members of the AGO Leadership Team pose for a photo at the 2016 summer picnic.



SERVING THE STATE KEY DIVISIONS

The Attorney General's Office is organized into a number of key divisions that collectively represent more than 230 state agencies, boards and commissions.

Under state law, the specific duties of the Office of the Attorney General include:

- Representing the State of Washington before the Supreme Court, the Court of Appeals and trial courts in all cases that involve the state's interest.
- Advising the Governor, members of the Legislature and other state officers on legal issues, and, when requested, giving written opinions on constitutional or legal questions.
- Protecting the public by upholding the Consumer Protection Act, enforcing laws against anti-competitive business practices, representing the public interest in utility matters, and serving as Counsel for the Environment in the siting of energy facilities.
- Investigating and prosecuting persons accused of crimes if requested to do so by the Governor or a county prosecutor.



Members of the Agriculture and Health, Fish, Wildlife and Parks, Natural Resources and Ecology Divisions

Fish, Wildlife and Parks

Division Chief: Joseph Shorin, Senior AAG

Overview: The Division represents the Department of Fish and Wildlife (WDFW) and the Parks and Recreation Commission (State Parks). It also represents the state in certain complex natural resource litigation and assists local prosecutors in the criminal enforcement of fish and wildlife laws. Legal services include advice and litigation related to fish and wildlife resource management, endangered species, habitat protection, tribal issues, hydropower licensing, law enforcement, civil forfeiture, land acquisition and management, land use, contracts, regulatory permitting, and administrative procedure.

Legal Highlights: Litigation matters included continued implementation of the federal court injunction, and litigation of an appeal in *United States v. Washington*, Subproceeding 01-01 (fish passage and state culverts), and in Subproceeding 09-01 (location of certain Tribes' usual and accustomed fishing grounds in the Pacific Ocean). The division helped secure a state/tribal agreement on Puget Sound fisheries, following an unprecedented impasse in the North of Falcon season setting process. The division provided assistance to WDFW related to its WILD hunting/fishing licensing system, including soliciting proposals, awarding a contract for a new vendor and responding to a significant data breach. The division is defending a challenge to WDFW's authority to issue Hydraulic Project Approvals above the ordinary high water line. The division also provided extensive advice to State Parks in relation to development proposals for Saint Edwards State Park.

Agriculture and Health

Division Chief: Kristen Mitchell, Senior AAG

Overview: The division represents the Departments of Agriculture, Archaeology and Historic Preservation, Commerce, and Health, as well as several independent boards including the Northwest Interstate Compact on Low-Level Radioactive Waste, the Freight Mobility Strategic Investment Board, and 22 agricultural commodity commissions. The division assists its client agencies with the oversight of health care practitioners and facilities, certification of medical marijuana consultants, the regulation of agricultural activities and food processing, and pest eradication. The legal work helps clients address threats to human health, shellfish sanitation, drinking water and septic systems, clean energy technology, historic and archaeological artifact preservation and low-level radioactive waste disposal. The division also assists with legal issues related to renewable energy and improvement of the state's infrastructure, communities and the economy.

Legal Highlights: The division represented the Department of Commerce in the settlement of *Neighborhood Alliance, et al. v. Spokane County*, a Growth Management Act case where several state agencies and community groups challenged Spokane County's comprehensive planning actions. In *Washington State Department of Agriculture v. Vilog*, the division sought a contempt order to shut down an unlicensed slaughter facility to prohibit the production of meat products in unsanitary conditions. The division assisted the Department of Health in implementing 2SSB 5052, a bill passed in 2015 that integrated medical and recreational marijuana regulation and created a system for certification of medical marijuana consultants.

Natural Resources

Division Chief: Patricia O'Brien, Senior AAG

Overview: The Natural Resources Division represents the Commissioner of Public Lands, Department of Natural Resources (DNR), Board of Natural Resources, Forest Practices Board and other related boards and commissions. The division provides a broad spectrum of client advice, dispute resolution and litigation services to DNR, which manages more than 5.6 million acres of forest, range, commercial, agricultural, conservation and aquatic lands, including 3 million acres of state trust land. The division supports DNR's role in regulating surface mine reclamation, suppressing fires on forestland and removing derelict vessels from state-owned aquatic lands. The division also provides legal services to the Forest Practices Board, which adopts rules and standards for forest practices such as timber harvest.

Legal Highlights: The division had two significant appellate decisions. In *Chelan Basin Conservancy v. GBI Holding Co.*, the Court of Appeals ruled that RCW 90.58.270(1), a provision of the Shoreline Management Act, is valid under the public trust doctrine. The Court of Appeals concluded that the statute barred removal of a historical fill in Lake Chelan. This case is of particular significance in clarifying the applicable law regarding the status of historical development in navigable waters statewide. In *Hood Canal Sand and Gravel v. Goldmark*, the Court of Appeals upheld DNR's authority to grant an easement to the U.S. Navy in Hood Canal that restricted development on bedlands. Hood Canal Sand and Gravel LLC had hoped to lease the bedlands for a large marine load-out facility for sand and gravel involving a 1,000-foot pier into Hood Canal. This significant case upheld an important agency decision addressing how DNR aquatic decisions can and cannot be challenged. A significant settlement was reached in *Simmons & Son v. DNR*. Simmons operated a surface mine within the area of the 2009 Nile Valley Landslide. DNR had issued an emergency order after the landslide, suspending operations at the mine. In the settlement, Simmons withdrew its appeal of the DNR order and both parties agreed to mutual releases of liability for damages.



AGO employees wrap gifts for a holiday charity event.

Ecology

Division Chief: Laura Watson, Senior AAG

Overview: The Ecology Division represents the Department of Ecology, the Energy Facility Site Evaluation Council, the Puget Sound Partnership, the Pollution Liability Insurance Agency and the State Conservation Commission. The division resolves disputes, provides advice and represents the state before courts and administrative tribunals on permitting, legislation, rule-making and enforcement matters. The largest areas of practice are water resource management and cleanup of contaminated sites. The division also assists the Department of Ecology in oversight of the U.S. Department of Energy's cleanup of radioactive and hazardous waste at the Hanford Nuclear Reservation.

Legal Highlights: The division advised and represented the Department of Ecology on several matters, including an enforcement action against Volkswagen for violating motor vehicle emission standards, defense of instream flow rules intended to protect environmental values in rivers, proposals to transport crude oil by rail, several environmental enforcement matters, and adoption of Washington's first-ever rule to reduce greenhouse gas emissions across multiple sectors. Division attorneys argued numerous cases in federal and state appellate courts, and two cases to the State Supreme Court. They also presented at several environmental trainings across the state.



A group of AGO employees pose for a Blue Friday photo.

Analyzing Access to Firearms in Washington

In 2016 Attorney General Ferguson submitted a detailed white paper to policy makers titled “Access to Firearms in Washington State.” Prepared by a team of experts from across the office in response to an Executive Order from the Governor, the white paper reviews the design and effectiveness of Washington’s background check system, and other issues related to acquiring and possessing firearms. The white paper concludes that Washington’s firearms background check system is less effective than it could be, and identifies challenges associated with inappropriate or unlawful access to or possession of firearms in our state. The paper sets out specific and practical steps policy makers can take to improve Washington’s system related to access to firearms.



Criminal Justice Division Chief Lana Weinmann delivers a presentation to the AGO Leadership Team.

Medicaid Fraud Control Unit

Director: Doug Walsh, Senior AAG

Overview: The Medicaid Fraud Control Unit (MFCU) criminally and civilly prosecutes the theft and fraudulent use of Medicaid funds by health care providers. The MFCU recovers losses to the Medicaid program and assesses civil penalties against the perpetrators of fraud. The unit also works with local prosecutors to investigate and prosecute abuse and neglect of vulnerable residents of Medicaid-funded facilities.

During the 2012 session, the Washington Legislature enacted the Medicaid Fraud False Claims Act, Chapter 74.66 RCW (FCA). The Act expands on the MFCU’s criminal authority by authorizing the unit to prosecute fraud civilly. Based on a favorable recommendation by the Joint Legislative Audit & Review Committee, the 2016 Legislature reauthorized the FCA. The five whistleblower sections of the FCA have had sunset review extended to 2023.

Legal Highlights: In 2016, the MFCU secured 8 criminal convictions and 22 civil FCA resolutions. The law enforcement work included a \$46.7 million dollar Washington recovery in the Wyeth Pharmaceuticals global (multistate) case.

Criminal Justice

Division Chief: Lana Weinmann, Senior AAG

Overview: Upon request from the Governor and local prosecutors, the Criminal Justice Division investigates and prosecutes criminal cases and provides support to the law enforcement community handling homicides, sexual assaults, environmental crime, white-collar crime and crimes involving official misconduct or public corruption. The division civilly prosecutes convicted sexually violent predators and defends the state in wrongful conviction claims. The division also provides investigative expertise and assistance to law enforcement agencies through the Homicide Investigation and Tracking System Unit, and provides legal representation to the Washington State Patrol and the Criminal Justice Training Commission.

Legal Highlights: The division handled a wide range of criminal cases across the state, resolving 73 cases, obtaining 51 new convictions and favorable appellate rulings, and opening 30 new criminal referrals. The Sexually Violent Predator Unit obtained the civil commitment of four new high profile sex offenders, opened 20 new referrals, filed three new cases, conducted 63 annual review hearings of previously committed sexually violent offenders, and handled 148 active appeals.

Consumer Protection

Division Chief: Shannon Smith, Senior AAG

Overview: The Consumer Protection Division enforces consumer protection laws to keep the Washington marketplace free from unfair and deceptive practices. The division investigates and files enforcement actions to stop illegal practices, recovers refunds for consumers and seeks penalties against offending businesses. The division also supports consumers through its Consumer Resource Center, the Automobile Lemon Law Unit and the Manufactured Housing Dispute Resolution Program.

Legal Highlights: The division addressed a wide range of consumer protection cases in 2016 to protect consumers and businesses. The division filed significant lawsuits against Johnson & Johnson for failing to disclose risks associated with its surgical mesh device, against Comcast for misrepresenting the terms and conditions of its service protection plan and customer guarantee, and against Volkswagen for deceptive marketing of its “clean diesel” vehicles. The division also sued a number of student loan adjusters and companies that target veterans and other vulnerable consumers with deceptive practices.

Antitrust

Division Chief: Jonathan Mark, Senior AAG

Overview: The Antitrust Division enforces state and federal laws that protect consumers and businesses from price fixing, bid rigging, monopolization, anticompetitive mergers and other conduct that interferes with fair competition. The division's work focuses on representing consumers and state agencies in litigation seeking redress for violations of these laws. The division also responds to consumer complaints and inquiries and conducts outreach and education programs.

Legal Highlights: The Antitrust Division successfully resolved a TFT-LCD price fixing case against foreign electronics manufacturers who conspired to raise prices on LCDs used in TVs, computer monitors and other devices. The outcome was a recovery of \$63 million for Washington consumers and state agencies, one of the largest settlements in the history of the Attorney General's Office. The division secured several other important decisions, including two from the Court of Appeals, reinforcing the Attorney General's authority to seek relief for foreign cartel conduct. In a similar action the division is litigating against several foreign manufacturers of Cathode Ray Tubes for fixing the prices of their products.

Additionally the Antitrust Division:

- Sued pharmaceutical manufacturers Reckitt Benckiser, Indivior PLC, and Monosol RX, alleging that they engaged in anticompetitive conduct regarding the sale of Suboxone;
- Reached a \$125 million multistate settlement with Cephalon, Inc., involving anticompetitive conduct regarding the sale of the prescription drug Provigil; and
- Reached a \$100 million multi-state settlement with Barclays PLC, regarding anticompetitive manipulation of the London Interbank Offered Rate.

Public Counsel Unit

Unit Chief: Lisa W. Gafken, AAG

Overview: The Public Counsel Unit represents the residential and small business customers of Washington's investor-owned electric, natural gas and telecommunications utilities regulated by the state Utilities and Transportation Commission (UTC). Public Counsel advocates for consumers by presenting evidence, legal arguments and policy recommendations to the UTC when utility companies request rate changes, propose mergers, and have policy issues.

Legal Highlights: In 2016, Public Counsel represented consumers in major rate cases before the UTC involving Avista, Pacific Power and Cascade Natural Gas. The unit also participated in a case involving Puget Sound Energy's proposal to build an 8 million gallon liquefied natural gas facility at the Port of Tacoma. The case resulted in a settlement allowing Puget Sound Energy to move forward with the project. In another case, Public Counsel and other parties successfully argued against Puget Sound Energy's proposal to begin leasing electric and natural gas water and space heating units. The office was also active with other regional consumer advocate offices in evaluating proposals to expand the California Independent System Operator (CAISO) to become a Regional Transmission Operator serving the Western states, including Washington. This process is ongoing.



AAG Patricia Marquez introduces a panel of speakers at the 2016 AGO Attorney Conference.

Social and Health Services: Seattle

Division Chief: Mary Li, Senior AAG

Overview: The Social and Health Services, Seattle Division represents the Department of Social and Health Services (DSHS) in King County. The work primarily involves abused, neglected, and at-risk children, vulnerable adults and licensed facilities including child care, foster homes, adult family homes and assisted living facilities.

The division represents the state in dependency cases where it has been determined that a child is in dangerous circumstances and/or has no parent capable of providing care. The goal of dependency cases is to safely and timely return children home, by addressing issues involving drug and alcohol abuse, domestic violence, mental illness and poverty. If a child cannot safely be reunified with the parents, the division represents the state in permanency litigation, including termination of parental rights and guardianship cases.

The division represents Adult Protective Services (APS) in cases involving vulnerable adults alleged to be abused, neglected and/or financially exploited. This work involves both guardianships and protection orders. The division also represents APS in guardianship fee disputes. The division's work involving licensed facilities includes administrative litigation that usually arises from allegations of abuse, neglect, maltreatment or other issues concerning the care of children and adults in licensed facilities.

Social and Health Services: Olympia

Division Chief: Rochelle Tillett, Senior AAG

Overview: The Social and Health Services, Olympia Division provides legal services to the DSHS, which administers the state's programs to provide social services to people in need. The division supports programs including children's services, mental health services, income assistance, developmental disabilities, adult protective services, home and community services for elderly and disabled individuals, nursing home licensing and regulation, juvenile rehabilitation, child support, alcohol and drug rehabilitation and vocational rehabilitation. The division also provides legal services to the Health Care Authority, the Department of Veterans Affairs and the Department of Services for the Blind.

Legal Highlights: The division represented the DSHS in numerous class action challenges to the adequacy of services provided in various program areas including mental health, foster care, and developmental disabilities. The division also represents the Health Care Authority in numerous class action challenges to the coverage provided under Medicaid and under the Public Employees Benefits programs for certain medical procedures and prescription medications. The Division also coordinates state-wide DSHS juvenile litigation handled by attorneys in 11 offices around the state. As of November 1, 2016, the attorneys representing DSHS statewide had more than 6,600 open child welfare cases, protecting over 10,700 children from abuse or neglect in their home environments, and approximately 1,070 termination of parental rights cases, protecting over 1,700 children.



Employees from the AGO University of Washington Division

University of Washington

Division Chief: Karin Nyrop, Senior AAG

Overview: The University of Washington Division provides legal services to the University of Washington (UW), including campuses in Seattle, Bothell and Tacoma, 48,000 undergraduate and graduate students, 29,000 employees, 50,000 students served through UW Education Outreach programs and the region's major academic medical center.

The division provides legal advice and representation across many areas of the UW's academic research and medical programs, including employment and labor relations, student conduct, real estate, business transactions, intercollegiate athletics, public finance, intellectual property, taxes, benefits, constitutional law, gifts and trusts, international operations, health care law, and regulatory compliance.

Washington State University

Division Chief: Danielle Hess, Senior AAG

Overview: The Washington State University Division provides a full range of legal services to the state's land grant university, including its multiple campuses, offices and research facilities statewide. The division provides advice on a wide variety of legal issues, many of which are unique to higher education. Areas of practice include: risk management, research, intellectual property, health and veterinary sciences, public records, open meetings, student affairs, athletics, employment, fundraising and development, public works, contracting, constitutional rights, civil rights, Title IX, real estate, construction, and international programs.

Education Division

Division Chief: Dave Stolier, Senior AAG

Overview: The Education Division provides a full range of legal services to the state's education agencies, boards, commissions, community and technical colleges and regional universities. Division attorneys advise on a broad array of issues, including conflict resolution, business transactions and compliance with state and federal laws. Education attorneys also prosecute professional misconduct cases related to teacher licensing, help enforce consumer protection regulations for private vocational schools, and advocate on behalf of the client agencies in a variety of administrative and court proceedings.

Legal Highlights: Education attorneys helped shepherd colleges and universities through a wide variety of legal issues associated with business, labor relations and student services in 2016. In K-12, attorneys worked with the Office of the Superintendent of Public Instruction in exercising its general supervisory authority over the K-12 system and appeared in defense of a constitutional challenge to the reenacted charter school law. Education attorneys also continued to work on behalf of the state in the *McCleary* education finance litigation. Education attorneys also advised the Department of Early Learning on a variety of issues pertaining to its supervision of early learning and childcare programs throughout the state.

Utilities and Transportation

Division Chief: Sally Brown, Senior AAG

Overview: The division provides legal services to the Washington Utilities and Transportation Commission (UTC). The UTC regulates the rates, services and practices of a wide range of servicers, including: telecommunications (excluding wireless, Internet and cable companies), electricity and natural gas, solid waste collection, water, pipelines, railroad carriers and facilities, in-state household goods movers, private ferries, and bus companies. Changing market conditions, technology, federal and state laws and consumer expectations create an active policy and legal landscape.

The division's work focuses primarily on regulatory litigation, including rate cases, merger proceedings, and conservation and energy efficiency proceedings.

Legal Highlights: In 2016, the division advised and represented the UTC in energy rate cases brought by Puget Sound Energy, PacifiCorp, Avista Corporation, and Cascade Natural Gas. We also handled several high profile cases including CenturyLink's 911 outage, the Ride the Ducks tragedy, and the PSE Greenwood explosion.

Bankruptcy and Collections

Division Chief: Cam Comfort, Senior AAG

Overview: The Bankruptcy and Collections Unit (BCU) of the Revenue and Finance Division encourages compliance with the state's tax laws by supporting the efforts of state agencies to aggressively pursue money owed to the state. The unit litigates bankruptcy cases under Chapter 11 and Chapter 13 of the Federal Bankruptcy Code and fights to ensure the state's priority in any recovered claims. The unit also handles a significant number of collection actions against the bonds of contractors who are delinquent in tax payments. Client advice is provided on a daily basis to revenue agents as they work to collect unpaid taxes.

Legal Highlights: The BCU collected a total of \$4,081,260.64 for its clients in 2016. Contributions of \$2,040,661.71 came from the contractor bond program in which 365 cases were opened to collect delinquent taxes owed to the Departments of Revenue, Labor & Industries, and Employment Security. The unit also opened 158 bankruptcy files, primarily for cases under Chapters 11 and 13, recovering \$873,331.08 for client agencies. The unit's participation in 121 other legal cases resulted in recoveries totaling \$949,884.04.



Torts Division Chief Pam Anderson presents at a Leadership Team meeting.

Torts

Division Chief: Pamela Anderson, Senior AAG

Overview: The Torts Division defends tort claims and lawsuits against all state agencies, officers and employees. These claims and cases can be based upon highway design, supervision of inmates and parolees, injuries on state property, medical malpractice, employment, child care and custody, auto accidents, and maritime injuries. The division has an annual caseload of more than 300 claims and 450 lawsuits. The division resolves over 50 percent of its cases with a zero payout and uses early evaluation, early resolution processes and mediation to resolve appropriate claims and cases. The division's Complex Litigation Unit assists other divisions of the office with class actions, multi-party lawsuits, multi-claim lawsuits and lawsuits against elected officials. Torts attorneys also provide legal and risk management advice on torts matters to the state Office of Risk Management and other state agencies.

Legal Highlights: The Complex Litigation unit resolved the *Moore v. Health Care Authority* class action involving health care benefits for part-time and seasonal state employees for \$450 million. Victims of the Oso landslide received \$50 million in a negotiated resolution. The state paid \$10 million of this amount through the Self Insurance Liability Account, and the remainder was paid by the state's insurer. The AGO also acknowledged responsibility for discovery errors in the case. The agency took this opportunity to embark on an agency-wide compliance assessment and training program to ensure this oversight remains the rare exception to the professional standards the office consistently upholds.



Members of the Transportation & Public Construction Division tour the SR99 Tunnel Project.

Transportation and Public Construction

Division Chief: Bryce Brown, Senior AAG

Overview: The division represents and advises the Department of Transportation, Transportation Commission, County Road Administration Board, Transportation Improvement Board, Traffic Safety Commission, Department of Enterprise Services, Military Department, WaTech, Recreation and Conservation Office, State Building Code Council, Public Employment Relations Commission, and Personnel Resources Board. The division's workload includes a mix of litigation and client advice on a wide range of issues, including contract development and enforcement, real property acquisition and leasing, condemnation, bid protests, construction claims, environmental litigation, regulatory compliance, hazardous waste claims, land use issues that arise from state construction projects and the operation of state facilities, state purchasing of goods and services, complex IT acquisitions, constitutional issues related to activities on the Capitol Campus, and emergency management preparation and response activities. Division attorneys also handle tort cases seeking recovery for property damage allegedly caused by floods, erosion and landslides.

Legal Highlights: In 2016, the division provided legal support for the multi-billion dollar Alaskan Way Viaduct replacement project; SR 520 floating bridge replacement project; the state's highway tolling program; Washington State Ferries multi-vessel procurement; implementation of WSDOT's \$17 billion "Connecting Washington" program; state building transactions, including construction of the 1063 Building, transfer of the North Cascades Gateway Center property, and the Jefferson Building property dispute; and solicitation and acquisition of the new ESInet contract for statewide E911 services.

Revenue and Finance

Division Chief: Cam Comfort, Senior AAG

Overview: The Revenue and Finance Division provides legal services to the Department of Revenue, Department of Retirement Systems, State Investment Board, Office of the State Treasurer, Office of the State Actuary, and Office of Administrative Hearings, as well as other boards and commissions. The division's range of legal work is broad, challenging, and complex, encompassing most aspects of state government operations involving financial issues. For example, the division provides legal advice and litigation services on matters involving excise and property taxes, public pensions and deferred compensation, investment of state trust funds, and financing, budgeting, and accounting. The division's Revenue Unit also plays an important role in implementing the historic 1997 tobacco litigation master settlement agreement.

Legal Highlights: The division continues to handle a significant lawsuit filed in federal court by the Tulalip Tribes and the Consolidated Borough of Quil Ceda Village challenging the State's authority to collect various taxes with respect to sales of goods and services at Quil Ceda Village, a federal enclave located on the Tulalip reservation. The U.S. Department of Justice has intervened in the lawsuit on behalf of the Tulalip Tribes. The division's Pension Benefits Team provided advice on a proposed merger between the Law Enforcement Officers' and Fire Fighters' Pension System Plan 1 with the Teachers' Retirement System Plan 1, and won a case at the Washington Supreme Court that protected the Legislature's ability to be flexible in ensuring that future pension benefits are sufficient to fund a changing population. During the 2016 calendar year, division clients prevailed in all 11 decisions issued in appeals handled by division attorneys.

Corrections

Division Chief: Tim Lang, Senior AAG

Overview: The Corrections Division advises and represents the Department of Corrections (DOC), the Indeterminate Sentence Review Board and the Governor's Clemency and Pardons Board. The work of the division includes defending the lawfulness of criminal convictions and sentences, including death sentences, in habeas corpus, personal restraint, and post-sentence review proceedings. The division also provides legal advice and defends the state in litigation concerning prison operations and other aspects of the state corrections system.

Legal Highlights: The division litigated over 500 matters to resolution in 2016. Highlights included denial of certiorari by the U.S. Supreme Court in a complex habeas corpus matter involving a death sentence (*Elmore v. Holbrook*); a defense verdict in a federal civil rights trial involving an Eighth Amendment challenge to the use of 24 hour security lighting in DOC segregation units (*Grenning v. Miller Stout*); a unanimous decision by the Washington Supreme Court affirming DOC's authority to sanction inmates for prison misbehavior with loss of future good time credits (*In re Stuhr*); and a jury verdict for the State in a federal civil rights trial involving allegations of retaliation and racial discrimination against a corrections officer (*Johnson v. Silva*). A Corrections attorney also drafted an amicus brief on behalf of the State of Washington and 26 other states in support of Illinois in the U.S. Supreme Court case of *Duncan v. Owens*.

Government Compliance and Enforcement

Division Chief: Stacia Hollar, Senior AAG

Overview: The division provides legal services to 30 state agencies, boards and commissions including three elected officials. Its clients protect citizens by regulating health care providers, insurers, liquor and marijuana establishments, gambling, ethics, campaign finance, and financial institutions. The division advises on issues related to anti-discrimination laws, audit and whistleblower programs, and the insurance industry. The division also acts as the statutory Counsel for the Environment and provides Attorney General representation on state and local records committees.

Legal Highlights: In 2016, the division's 26 attorneys and 19 professional staff litigated nearly 970 matters before state and federal trial and appellate courts as well as administrative tribunals. Additionally, the division provided client advice in such areas as rules regarding transgender discrimination and amusement game regulation. Significant litigation

involved the effect of criminal history on marijuana licensure as well as issues relating to changes to the regulation of medical marijuana. Staff handled numerous administrative actions substantiating campaign finance disclosure violations resulting in fines and penalties. Other litigation involved unauthorized activities in the areas of securities, mortgage loans, payday loans, and escrow agents that resulted in restitution for Washington consumers. Division staff successfully prosecuted health care providers for sexual misconduct and over-prescribing. As Counsel for the Environment, the division was involved in a lengthy adjudication regarding the proposed Tesoro-Savage oil transfer facility in Vancouver. Division attorneys also provided advice to the Office of the Insurance Commissioner regarding Kaiser Foundation's proposed purchase of Group Health Cooperative.

Licensing and Administrative Law

Division Chief: Eric Peterson, Senior AAG

Overview: The division prosecutes administrative actions against individuals and businesses under the state's licensing and regulatory laws governing drivers and approximately 45 professions, businesses and occupations, and also handles unemployment benefit and tax matters. It provides legal advice and representation to clients including: Departments of Licensing and Employment Security, Boards of Accountancy, Liquor and Cannabis, Executive Ethics, Industrial Insurance Appeals, Pollution Control Hearings, Shorelines Hearings, and Growth Management Hearings. Other clients include the Lottery, Judicial Conduct and Columbia River Gorge Commissions, and the Public Records Exemption Accountability (Sunshine) Committee.

Legal Highlights: Several division attorneys provided litigation and advice support to the Liquor and Cannabis Board for the successful merger of medical marijuana, unregulated since its inception in 1998, into the tightly-regulated and licensed system for production and sale of marijuana. Division attorneys also assisted with the nation's first State-Tribal marijuana agreements, to protect health and safety while providing economic benefits.



Members of the Government Compliance & Enforcement and Solicitor General's Office divisions pose for a photo in their Halloween costumes.

Labor and Personnel

Division Chief: Valerie Petrie, Senior AAG

Overview: The division provides advice and representation in the specialized area of labor and employment law to nearly every Washington state agency, board, commission and institution of higher education. Attorneys have expertise in a variety of employment issues, including labor relations, wage and hour laws, disability and reasonable accommodation, employee misconduct and discipline, prevention of discrimination and sexual harassment. The division provides legal representation in a variety of settings, including hearings before independent arbitrators, administrative personnel boards, labor commissions, and state superior and appellate courts.

Legal Highlights: The division continues to defend the State in the *Centeno (Hoffman) v. DSHS, et al.* case regarding union security provisions for payment of dues in collective bargaining agreements with individual providers who provide personal care services to elderly and disabled DSHS clients receiving Medicaid services and are state employees only for the purpose of collective bargaining. The case was appealed to the Ninth Circuit.

Labor and Industries

Division Chief: Steve Reinmuth, Senior AAG

Overview: The Labor and Industries Division represents and advises the Department of Labor & Industries regarding Washington's state-fund and self-insured workers' compensation programs; wage and hour requirements; industrial safety and health enforcement; contractor and building trades issues; and crime victim claims. The division has a high-volume litigation practice with an average of 4,500 active legal matters statewide.

The division is responsible for a wide range of legal work that protects Washington workers, promotes public safety and supports the economy, including:

- Managing the \$14.8 billion industrial insurance trust accounts which provide workers' compensation benefits for 2.6 million eligible Washington workers and 169,000 Washington employers.
- Ensuring worker safety at 300,000 worksites under the Washington's Industrial Safety and Health Act.
- Implementing Washington's Wage Payment Act, Industrial Welfare Act and Prevailing Wage Laws.
- Enforcing public safety laws in the areas of electricity, contractor registration, plumbing, boilers, factory-assembled structures, elevators, and amusement rides.



Employees from the office's Tacoma Division show off their dominoes-themed Halloween costumes.

Tacoma

Division Chief: Julian Bray, Senior AAG

Overview: The Tacoma Division provides a wide range of legal services in matters arising primarily out of Pierce and Kitsap counties. The Division represents several state agencies, including the Departments of Labor and Industries, Licensing, Employment Security, and Social and Health Services (DSHS). The Labor and Industries cases include appeals of workers' compensation claims and occupational safety and health citations. The DSHS cases involve child abuse and neglect, licensing of care providers and protection of vulnerable adults. Tacoma's Torts attorneys defend lawsuits filed against the state in Pierce, Thurston, King, and Kitsap counties.

Legal Highlights: Division attorneys continued to provide high-level client advice and handle significant appellate cases in the areas of termination of parental rights, workers' compensation, employment standards, occupational safety and health, and tort law. The DSHS section continues to be a leader in the Family Recovery Court in Pierce County. Division leadership helped establish the first "Baby Court" in the Pacific Northwest. Tacoma Torts attorneys are dedicated to ensuring that the state is well defended in lawsuits against various state agencies. Division attorneys handled a number of significant appellate cases this past year including several relating to the supervision duties of the Department of Corrections.



Members of the Regional Services Division gather for a photo with Deputy AAG Christina Beusch.



Former Governor and Attorney General Chris Gregoire speaks with AGO staff in Spokane.

Regional Services

Division Chief: Michael Shinn, Senior AAG

Overview: The Regional Services Division has offices in Yakima, Wenatchee, Vancouver, Port Angeles, Kennewick, Everett and Bellingham that serve state agencies and institutions in surrounding communities. By locating attorneys and legal support staff in the communities where these state agencies operate, the AGO is able to conserve costs and deliver excellent legal services with expertise and knowledge about the local communities and court systems. Attorneys in these offices represent multiple agencies and are adept in a wide variety of practice areas. The division’s clients include the Departments of Early Learning, Employment Security, Labor and Industries, Licensing, and Social and Health Services, as well as 15 state educational institutions.

Legal Highlights: Along with a significant amount of client advice, division attorneys and support staff handled a great number of litigation matters both in court and in administrative settings. Over the year, the division opened more than 3,000 matters in superior court, and over 1,500 matters in administrative tribunals. In addition, the division opened 67 matters in the state appellate courts during the year. Among the cases handled were cases in family drug treatment courts in several counties, where parents engaged in intensive court teams to address and remedy drug and alcohol addictions that interfered with their ability to safely parent their children, and allow for safe reunifications of families.

Spokane

Division Chief: Toni Ursich, Senior AAG

Overview: The Spokane Division provides a wide range of legal services in Eastern Washington to many agencies and institutions of state government, including the departments of Social and Health Services, Labor and Industries, Transportation, Licensing, Employment Security, Corrections, the Eastern Washington State Historical Society, and various institutions of higher education, including Eastern Washington University, Big Bend Community College and the Community Colleges of Spokane. The division also handles Medicaid fraud criminal cases, provides consumer protection services, provides local state agencies with advice and representation on labor and personnel matters, and defends lawsuits filed against the state.

Legal Highlights: In 2016, the division filed over 1,100 child welfare cases protecting children from abuse or neglect and freeing them to move into permanent homes. It also filed 120 vulnerable adult protection orders for elderly or disabled vulnerable adults alleged to have been abused, neglected or financially exploited. It successfully defended the Department of Labor and Industries on appeal in *Robinson v. Dep’t of Labor and Industries*. In that ruling the court held that an employment relationship did not exist between the Seattle Seahawks and an individual injured during an off-season minicamp tryout while he was working as a free agent. Because he was not an employee, the injured individual did not qualify to receive workers’ compensation benefits under Washington’s Industrial Insurance Act. The division also recovered \$1,824,561.50 for damaged state highways and bridges.

SOLICITOR GENERAL'S OFFICE

Solicitor General: Noah Purcell

Overview: The Solicitor General's Division oversees the state's participation in appellate cases before the U.S. and State Supreme Courts and other federal and state courts. Attorneys in this division also prepare and issue Attorney General Opinions in response to inquiries from state officials, coordinate legal advice on issues of statewide significance and manage the state's involvement with amicus curiae, or "Friend of the Court," briefs in all courts. The division carries out the Attorney General's duties in preparing ballot measure materials, and represents the state in litigation involving voter initiatives and referendums. The division also serves as legal

counsel to the Secretary of State, Lieutenant Governor, Administrative Office of the Courts, and Office of Public Defense.

Legal Highlights: In 2016, the division worked with other divisions across the office to help the state secure important victories in many cases, including several cases involving the legality of state taxes, a case seeking to reinstate the criminal conviction of a defendant who shot a state trooper, and several cases involving abused or neglected children. The division also filed a number of amicus briefs in the U.S. Supreme Court, drafted over 200 ballot titles, coordinated roughly 125 moot courts, issued over a dozen opinions, and defended several publicly-enacted initiatives.



SGO Fellow Kelly Paradis, Deputy Solicitor General Alan Copsey, Solicitor General Noah Purcell, Attorney General Ferguson and Deputy Solicitor General Becca Glasgow

Opinions

The Attorney General's Office issued eight formal AG Opinions in 2016. These opinions addressed legal questions involving:

- Authority of cities to adopt different voting systems in local elections to comply with federal law
- Whether cities incur debt by contracting for energy efficiency systems
- Whether physical therapists may engage in "dry needling"
- The acceptable scope of practice of optometrists
- Authority of the Public Works Board to lobby the Legislature
- Whether the Department of Fish and Wildlife has jurisdiction to require hydraulic permits for projects occurring above the ordinary high water line
- Whether the offices of school director and planning commissioner are incompatible under state law
- Whether a state law designed to protect orca whales prohibits drones from approaching within a certain distance of the whales.



Immigrants and community leaders rally in front of the U.S. Supreme Court to mark the one-year anniversary of President Barack Obama's executive actions on immigration. The Attorney General's Office filed a brief in support of President Obama's actions. REUTERS/Kevin Lamarque

Amicus Briefs

The Attorney General's Office weighs in on important cases where Washington is not a party by filing amicus curiae, or "Friend of the Court" briefs, to advise the court of the state's views on the issues in the case. The following briefs are a few highlights from 2016.

Texas v. United States United States Supreme Court

The office authored a brief, joined by the Attorneys General of California, Connecticut, Delaware, Hawaii, Illinois, Iowa, Maine, Maryland, Massachusetts, New Mexico, New York, Oregon, Rhode Island, Vermont, Virginia, and the District of Columbia, in support of President Barack Obama's 2014 executive actions on immigration reform.

The states argued that the lower courts erred in concluding that the immigration directives would harm states. We agreed that rather than presenting a burden, the President's executive actions enable working families to participate more fully in American society, earn a fair, legal wage and pay their fair share of taxes, which would benefit the states by raising revenue and reducing demand for social services.

Jane Doe No. 1 v. Backpage.com United States Supreme Court

In September 2016, Attorney General Ferguson led a coalition of states in filing an amicus brief with the U.S. Supreme Court urging the Court to hear a case to allow children who were trafficked for sex on Backpage.com to sue the company. Twenty-one other states joined Washington's brief.

Safe Streets Alliance v. Alternative Holistic Healing Tenth Circuit Court of Appeals

In August 2016, Washington authored a brief, joined by Oregon, arguing that Colorado's recreational marijuana law is not preempted by federal law.

Watson v. City of Seattle Washington Supreme Court

In June 2016, the Attorney General's Office filed a brief arguing that Seattle's recently enacted tax on the sale of firearms and ammunition is consistent with state law and should be upheld.

Coffey v. Public Hospital Dist. No. 1, Skagit County Skagit County Superior Court

In April 2016, the Attorney General's Office filed a brief arguing that it violates state law for a public hospital district to provide maternity care services without providing substantially equivalent services to permit women to voluntarily terminate pregnancies. In June 2016, the Superior Court issued a ruling agreeing with our amicus brief.



A group of AGO staff review historical documents at the Wing Luke Museum in Seattle. Luke worked as an AAG from 1957 to 1961.



INVESTING IN OUR EMPLOYEES

The Attorney General's Office is committed to being an outstanding employer. Recognizing employees as its most valuable asset, the office promotes diversity, supports employee training, fosters wellness, ensures workplace safety and cultivates a culture of integrity, professionalism, civility, and transparency.

The office vision is to be the best public law firm in the country. We support that ambition by providing ample training and professional development opportunities for both legal and nonlegal staff.

Employees have access to a wide variety of agency groups and committees with goals ranging from making the AGO a better place to work to supporting veterans and service members.



2016 AGO Summer Picnic



Attorney General Ferguson speaks with Preston & Mary Troy. Preston is the nephew of former AG Smith Troy.

Better Workplace Committee

The Better Workplace Committee is staffed by employees from a variety of positions and office locations. This group works to gather staff input and identify, research and develop ideas to improve the culture and environment of the AGO.

Co-Chairs: Cami Feek, Meg McCann

Training and CLE

AGO staff have access to a range of training and development opportunities. The office's Training and Development Unit supports and assists employees with individual training needs and interests, and assists in maintaining compliance with required trainings for all agency staff.

The Attorney Training Committee provides in-house CLE programs to enhance the knowledge and development of attorneys at all experience levels. Experts from both within and outside the agency present interesting, varied, and practical programs focused on government law and topics of interest to public employees.

AGO Affinity Groups

In 2016, the office expanded its affinity group program, initially launched in 2015. These groups allow employees to share ideas about matters that affect their professional development and work. The groups support the office's commitment to diversity, strengthen networking and cohesiveness across the agency and promote career development. Affinity groups are an important resource to the office in other ways, as well. They provide important feedback to management and assist with efforts to attract and retain highly qualified job candidates.

Historical Committee

Attorney General Ferguson formed the Historical Committee to explore and document the rich history of the office. The committee is conducting comprehensive research and documentation related to the history of the office.

Staff Mentoring Program

The office's Staff Mentoring Program matches mentor/mentee partners from different divisions and job classifications across the agency based on each participant's interests and skills. The goal of the program is to develop and retain quality attorneys and professional staff through growth and leadership opportunities, career guidance and advancement within the AGO workforce.

Pro Bono Committee

The AGO Pro Bono Committee facilitates and encourages AGO employees in their provision of pro bono legal services, consistent with Rules of Professional Conduct and the AGO Pro Bono Policy. The committee currently has 27 members and focuses on organizing and promoting events and trainings regarding pro bono topics.

AGO Academy

The AGO Academy is a comprehensive attorney training and orientation program designed to acquaint newly-hired attorneys with the practice of law in our office. The three-day course covers case and witness preparation, client interaction, depositions, media relations, public records, professionalism, ethics and more.

Chair: Bill Frymire

AWARDS AND ACHIEVEMENTS

Attorney of the Year

AAG Emily Nelson received the Women's Health Advice Clinic Attorney of the Year award from the Spokane County Bar Association.

WSBA Local Hero Award

The Washington State Bar Association presented AAG Michael Young with a Local Hero Award for his many contributions to the legal community, including his service on the boards of Thurston County Legal Services and Government Lawyers Bar Association, and the WSBA Pro Bono and Legal Aid Committee.

WSBA Excellence in Diversity Award

The Washington State Bar Association recognized AAG Chalia Stallings-Ala'Ilima for her work in promoting diversity and inclusion at the Washington State Attorney General's Office. The award is given to a lawyer, law firm, or law-related group that has made a significant contribution to diversity in the legal profession.

Seven Seals Award

AAG Ohad Lowy was awarded the Seven Seals Award. It is the broadest and most inclusive award given by the Employer Support of the Guard and Reserve (ESGR), and is presented at the discretion of the ESGR state chair.

NAMFCU Appointment

Senior Counsel Carrie Bashaw was appointed by the National Association of Medicaid Fraud Control Units (NAMFCU) to the NAMFCU Global Case Committee. The appointment recognizes Ms. Bashaw's leadership and major contributions to litigation efforts nationwide.

Washington State Commission on Asian Pacific Affairs Appointment

Governor Inslee appointed AAG Nam Nguyen to the Washington State Commission on Asian Pacific American Affairs.

American Bankruptcy Institute Journal

The ABI Journal published AAG Zachary Mosner's article "Unbundling and Ghostwriting, Who Ya Gonna Call?"

2016 American Indian Law Deskbook

Senior Counsel Fronda Woods authored the chapter on Fish and Wildlife Regulation in the Conference of Western Attorneys General, American Indian Law Deskbook, 2016 ed. (Thomson Reuters)



Lieutenant Governor Elect Cyrus Habib delivers the keynote address at the 2016 AG Conference.



AGO Employees at a Loren Miller Bar Association Community Service emergency feeding event.

Diversity Committee

Promoting diversity is a core value and a priority of the Attorney General's Office. As the largest public law office in the state, we recognize that the people of Washington are best served by public servants who reflect the great diversity of the state's population.

The office's Diversity Advisory Committee is dedicated to educating and training employees and managers on diversity issues and supporting the office's diversity recruitment and retention efforts.



Steward of Justice recipients Nicole Ochsner-Klegman and Rose Sampson

Steward of Justice Award

The Steward of Justice Award recognizes office attorneys and professional staff who further the cause of justice through exceptional legal work and extraordinary contributions to the people of Washington state.

Linda Dalton: Assistant Attorney General Linda Dalton was honored for her more than 29 years of extraordinary service. During her tenure she has led the Labor & Personnel and Government Compliance & Enforcement divisions. Attorney General Ferguson recently appointed Linda as chief of the Campaign Finance Unit. She has played a significant role in defending our campaign finance laws from multiple constitutional challenges. In November, the unit garnered a record-breaking \$18 million in penalties and punitive damages for the state in a case against the Grocery Manufacturers Association.

Nicole Ochsner-Klegman: Licensing and Administrative Law Division Manager Nicole Ochsner-Klegman has worked in a variety of roles during her time with the office. She has been instrumental in helping the LAL Division adopt new technologies and processes to increase efficiency, while keeping an eye toward the productivity, morale and cohesiveness of her team. She has also served on multiple office-wide committees and is looked to as a mentor for other Administrative Office Managers.

Rose Sampson: Tacoma Division Administrative Manager Rose Sampson was recognized for providing extraordinary leadership to three sections within the office. She currently oversees the Torts, Labor and Industries and Department of Social and



Steward of Justice recipient Linda Dalton

Health Services sections within the Tacoma office. She also manages the General Services staff and the Tacoma Division facility and fleet operations. Rose is a member of the Language Access Committee, Operations Committee and co-chair of the office's Professional Staff Conference.

William V. Tanner Award

The William V. Tanner Award recognizes attorneys with exceptional achievements early in their careers. Attorney General Ferguson established the award in honor of the youngest Attorney General in state history. In 2016, he selected nine newer attorneys to receive the award.

2016 Tanner Awards: Natalie King, Cassie vanRoojen, Eric A. Sonju, Linh K. Tran, Marsha Chien, Brandon R. Mack, Jared R. Rayborn, Brandon Stallings and Ian McDonald.



Chief Deputy Shane Esquibel presents Marian Graham with a special memento to commemorate the award created in her name.

Senior Counsel & Senior Professional Staff Designations

Thirteen employees received senior staff designations from Attorney General Ferguson in 2016. Recipients of the special designation have at least 10 years of service to the agency, outstanding job performance and a demonstrated commitment to the mission and values of the Attorney General's Office.

Senior Counsel: Melanie Tratnik, Bruce L. Turcott, Gary E. Andrews, David W. Coe, Terrance J. Ryan, Susan R. DanPullo, Garth A. Ahearn and Diana Sheythe Cartwright

Senior Professional Staff: Erick Carlson, Carolyn Currie, Jodi Soper, Margaret Graves Esteve, Marcie Bergman and Leigh Swanson.

Marian Graham Award

In 2016 Attorney General Ferguson created a new award to recognize outstanding professional staff who have worked with the office for seven years or less.

The award is named after Marian Graham who started her AGO career in 1968 as one of two receptionists in the Administration Division. She has worked for six Attorneys General. After 12 years in Administration, she moved to the Fiscal Division to serve as Payroll Manager. In 1996, she became the Fiscal Division's Office Services Manager.

Marian retired in 2000 but returned when she was offered a position in 2004. Today she works in the Fish, Wildlife and Parks Division.

2016 Marian Graham Awards: Fox Blackhorn-Delph, Jason Aguero, Lisa Cole, Olga Kristofyer and Chamene Woods.

AGO Excellence Awards

Each year, employees throughout the Attorney General's Office are honored for their outstanding job performance, extraordinary contributions to the office and ethical excellence. The following staff were recognized in 2016.

Attorneys

- Suzanne Becker
- Michael Bradley
- Edward Callow
- Jarold Cartwright
- Callie Castillo
- Joe Christy
- Dawn Cortez
- Morgan Damerow
- Deborah Danner
- Pat L. DeMarco
- Anne E. Egeler
- Elizabeth Erwin
- Stephen Fairchild
- Tim Feulner
- Lionel Greaves, IV
- Michael Grossmann
- Kevin Hartze
- Katy Hatfield
- Robert J. Hatfield
- Catherine Hendricks
- Kerena Higgins
- Peter Kay
- Mary Lobdell
- Lianne Malloy
- Maureen A. Mannix
- H. Bruce Marvin
- William McGinty
- James Mills
- Craig Mingay
- Judith C. W. Morton
- Stephen North
- Chiedza Nziramasanga
- Lee Overton
- Terry Pruit
- John Samson
- Annika Scharosch
- Janis Snoey
- Chad Standifer
- Steve Vinyard
- Thomas Vogliano
- Albert Wang
- Joshua Weissman
- Sonia Wolfman
- Gail Yu
- Allyson Zipp

Professional Staff

- Brionna Aho
- Mike Allen
- Kristin Andersen
- Glenn Ashmun
- Brooke Badger
- Lisa Balcom
- Tammy Balliett
- Marcie Bergman
- Vivian Burks
- Melissa Calahan
- Allison Cleveland
- Clory Dahlgren
- Rebecca Davila-Simmons
- Marilyn Eden
- Dianne Erwin
- Barbara Giannetti
- Eliza Heatwole
- Rachelle Jeppesen
- Keith Jewell
- David Killeen
- Lori Lamb
- Lori Lawrence
- Jessica Madeley
- Patrick McCarthy
- Mindy McFann
- Hang Nguyen-Le
- Marci Phillips
- Rose Priest
- Kate Ronning
- Melanie Scott
- Mike Skelton
- Jessica Spotswood
- Amanda Trittin
- Valerie Tucker
- Jason Wear



Members of the 2016 AGO Public Records & Constituent Services team

Public Records & Constituent Services

Director: LaDona Jensen

Overview: The Public Records and Constituent Services Unit processes and responds to all public records requests made to the AGO, reviews and distributes constituent mail and garnishments served by statute on the office, guides state agency payroll staff through wage withholding procedures, and assists with the assignment of cases.

Financial Services

Chief Financial Officer: Mark Melroy

Overview: The Financial Services Division provides accountability for the office's financial and budgetary accounting practices. The division ensures that the integrity and transmission of financial data are complete, accurate and timely for state and federal compliance.

Facilities and Office Services

Facilities and Records Director: Kevin Dunbar

Overview: Facilities Services oversees the management of the office's facility needs as well as records management, surplus and the reuse center. The division develops and implements the agency's six-year facility plan, manages agency leases, facilities-driven contracts, space allocations and provides support for office design. They are also responsible for providing ergonomics assessments and adjustments, office moves and rearrangements, and managing the ACE Reuse Center. In addition, they develop and implement the office's unique records schedule, coordinate disposition and transfer of agency records, provide training on all aspects of records management and pull records for public records requests.

Office Locations

BELLINGHAM

103 E Holly St, #310
Bellingham, WA 98225
(360) 676-2037

SEATTLE

800 Fifth Ave, #2000
Seattle, WA 98104
(206) 464-7744

EVERETT

3501 Colby Ave, #200
Everett, WA 98201
(425) 257-2170

SPOKANE

1116 W Riverside Ave
Spokane, WA 99201
(509) 456-3123

PORT ANGELES

115 E Railroad, #306
Pt. Angeles, WA 98362
(360) 457-2711

TACOMA

1250 Pacific Ave, #105
Tacoma, WA 98401
(253) 593-5243

PULLMAN

332 French Admin Bldg
Pullman, WA 99164
(509) 335-2636

TUMWATER

7141 Cleanwater Ln SW
Tumwater, WA 98504
(360) 586-7777

Information Services

Chief Information Officer: Rick Griffith

Overview: The Information Services Division provides support and consulting for legal technologies including litigation software, e-Discovery and legal research. Additionally, the division manages the delivery of all computer and telephone network infrastructure and the operation of all network hardware and software platforms to provide staff access to their work products and communications. The division provides IT business analysis, IT project management, custom software development, business intelligence and data management services. Data security and disaster recovery are key to the maintenance and operations of the office's voice and data systems. The division ensures compliance with state governance policies and standards, and ensures that all electronic services function properly and securely.

Human Resources

Human Resources Director: Aaron Davis

Overview: The Human Resources Division provides comprehensive human resources-related programs and services to managers, employees and candidates for employment. The division's goal is to promote effective and efficient human resource management throughout the office by assisting managers in recruiting, developing and retaining a well-qualified and highly competent workforce.

OLYMPIA

1125 Washington St SE
Olympia, WA 98504
(360) 753-6200

KENNEWICK

8127 W Klamath Ct
Kennewick, WA 99336
(509) 734-7285

VANCOUVER

1220 Main St, #510
Vancouver, WA 98660
(360) 759-2100

WENATCHEE

139 S. Worthen,
Wenatchee, WA 98801
(509) 664-6385

YAKIMA

1433 Lakeside Ct, #102
Yakima, WA 98902
(509) 575-2468



Public Affairs

Director of Communications: Peter Lavallee

Overview: The Public Affairs Unit is responsible for the office's internal and external communications. The unit communicates the work of the AGO through news releases, guest columns, audio and video, the AGO intranet, the external website, social media, blogs, presentations, newsletters and the annual report. The unit also provides AGO media training, staffs internal and external committees and task forces, and drafts and designs AGO publications for the public, internal audiences and the Legislature.

Policy and Legislative Affairs

Policy Director: Kate Kelly

Legislative Director: Mike Webb

Overview: The Policy and Legislative team is responsible for supporting the development and implementation of the Attorney General's policy priorities and initiatives that seek to advance and protect the legal rights and interests of Washingtonians, including veterans, consumers, workers, businesses, communities and seniors. The initiatives are advanced through research, outreach, and legislative work. The team coordinates with stakeholders across local, state and federal government, and other partners within the office and in the community. The team helps identify and support AGO request legislation from inception to enactment into law.

The Research Center

Chief Information Officer: Rick Griffith

Overview: The AGO Research Center assists AGO staff with their reference and research needs. This includes library systems administration, completing and cataloging legislative history requests, providing training in specialized legal and nonlegal research areas and acquiring and cataloging research materials.

General Services

General Services Director: Karen Cowan

Overview: The General Services Division supports the Olympia, Seattle and Tumwater office staff by providing facility and office support, including copying, scanning, digital file conversion, audio/video conversion and editing, booklet making and bindery, and preparation of trial exhibits; reception and centralized mail services; law library maintenance and upkeep; and security access system maintenance. The Division also manages the agency's fleet of 105 vehicles and the Commute Trip Reduction Program.

ATTORNEY GENERAL'S OFFICE CORE LEADERSHIP TEAM

Bob Ferguson
Attorney General

Shane Esquibel
Chief Deputy

Peter Lavallee
Communications
Director

Kate Kelly
Policy Director

Mark Melroy
Chief Financial
Officer

Cami Feek
Director of
Operations

Mike Webb
Legislative Director



Judy Gaul
Executive Assistant

Kim Warren
Executive Assistant

Noah Purcell
Solicitor General

Rob Costello
Deputy Attorney
General

Christina Beusch
Deputy Attorney
General

Paige Dietrich
Deputy Attorney
General

Erika Uhl
Deputy Attorney
General

Darwin Roberts
Deputy Attorney
General

