



Washington State Office of the Attorney General  
**Rob McKenna**

# FY ANNUAL REPORT 2010

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# FY 2010 Annual Report

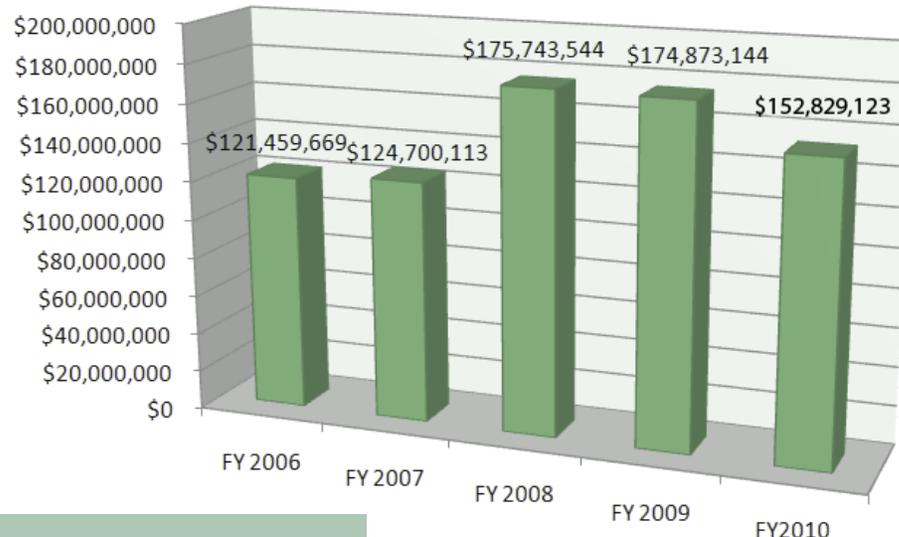
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# Savings and Recoveries

## Fiscal Year 2010\*

In addition to providing intangible benefits to the citizens of Washington such as defending state law, educating and safeguarding consumers, improving public safety, conserving the environment, and protecting children from abuse and neglect, the Attorney General's Office saves or recovers millions of dollars each year for taxpayers and consumers. Some examples are:

### Savings and Recoveries for Taxpayers



#### Antitrust

Litigation Results.....	\$583,386
Cost and Fee Recoveries.....	\$226,963

#### Consumer Protection Recoveries

Consumer Resource Center "Mediation" Results.....	\$6,268,602
Litigation Results.....	\$3,416,345
Cost and Fee Recoveries.....	\$1,327,810
Lemon Law Results.....	\$2,813,823
Manufactured Housing Fines.....	\$600

DSHS Office of Financial Recovery.....\$1,287,592

#### Medicaid Fraud Control Unit

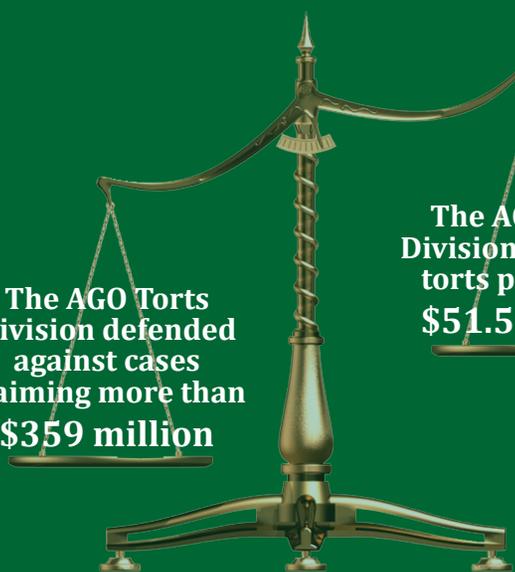
Fines.....	\$25,255
Settlements and Recoveries.....	\$15,303,457

Bankruptcy & Collections.....\$10,085,242

Tobacco Settlement Payments.....\$111,490,048

**TOTAL SAVED OR RECOVERED.....\$152,829,123**

The AGO Torts Division defended against cases claiming more than **\$359 million**



The AGO Torts Division held state torts payouts to **\$51.5 million**



## Dear Fellow Washingtonians,

I am proud to present the Attorney General's Office (AGO) annual report for FY 2010.

As you know, the state budget faced significant cuts last year. Reductions across state government left agencies, including the AGO, to make do with less money and fewer resources. In fact, we have fewer staff in the AGO now than we did when I became Attorney General in 2005. Thanks to the cooperation and involvement of all AGO staff, however, we prioritized and reduced operational expenses in our office. We diligently managed vacancies and looked for savings across the office to meet our share of the budget cuts while still effectively representing the interests of Washington's people with the highest standards of excellence, ethics and effectiveness. Many of the reductions we made are long-term and sustainable, and have helped us weather the budget challenges so far.

In my six years as Attorney General, I've been proud of our legal work to hold bad businesses accountable, to defend state laws and initiatives, and to protect vulnerable adults, children, and the environment—and that's just the tip of the iceberg. We've also worked hard to advance public policy priorities that protect consumers, improve community safety and expand access to government. Last year, the office made significant strides in our legal work—including a Supreme Court ruling in our favor—and in our public policy work through education, legislation and enforcement. This report summarizes those efforts and highlights both legal and policy accomplishments from Fiscal Year 2010.

I am truly honored to serve as Washington's Attorney General. I have the privilege of leading a high-performing office with loyal and hard working employees committed to public service and realizing our vision to be the best public law office in America.

Sincerely,

*Rob McKenna*

Attorney General

# Awards and Honors

## Productivity Award

Assistant Attorney General Brett Durbin was recognized by the Washington State Productivity Board for having one of the top money-saving ideas in 2009. He suggested the AGO send and receive legal discovery documents electronically, saving the agency \$40,000 in the first year the idea was implemented.

## Local Hero Award

Senior Assistant Attorney General Evelyn Fielding-Lopez received the Washington State Bar Association's Local Hero Award. WSBA awards the Local Hero Award to attorneys who have made outstanding contributions to their communities. Evelyn was recognized for developing a culture of volunteerism and service to the community among the people she manages and setting an example by volunteering herself.

## Norm Maleng Honoree Award

Attorney General Rob McKenna received the Norm Maleng Honoree Award from the Eastside Domestic Violence Program. The award, in memory of the late King County Prosecutor, honors those that continue Maleng's mission to work for justice and end domestic violence.

## Best Brief Award

The National Association of Attorneys General presented its U.S. Supreme Court Best Brief Award to the Washington Attorney General's Office for its Brief of Respondent in *Doe v. Reed* (the Referendum 71 case), which was prepared by Solicitor General Marnie Hart and Deputy Solicitors General Bill Collins and Anne Egeler. NAAG Best Brief Awards recognize excellence in brief writing in the U.S. Supreme Court by state attorneys.



## WAGGY

The Attorney General's Office website received the award for "Best Site for Job Seekers" in the Conference of Western Attorneys General WAGGY Award competition for outstanding AGO websites. This award is given to the Attorney General's website that demonstrates innovative, out-of-the-box strategies for offering employment opportunities to qualified candidates.

## Professionalism Award

Senior Counsel Ann McIntosh received the Professionalism Award from the Chelan-Douglas County Bar Association. The Professionalism Award is awarded to a member of the local bar association who exemplifies the spirit of professionalism in the practice of law.

## Bar President

Assistant Attorney General Toni Hood was elected as the president of the Thurston County Bar Association Board of Directors.



## Marvin Award

Chief Deputy AG Brian Moran received the National Association of Attorneys General's prestigious Marvin Award, which recognizes excellence and dedicated service by assistant attorneys general, for his work serving on both the NAAG Executive Director screening and selection committee and the NAAG Best Practices Task Force, as well as co-founding the Chief Deputies Tobacco Working Group.

## Lifetime Achievement Award

Attorney General Rob McKenna was bestowed with the Heroes of Health Lifetime Achievement Award from the Washington Health Foundation. The Lifetime Achievement Award encompasses work that represents both personal and collective responsibility. Rob was selected for being a leader in healthy living through his commitment to fighting identity theft and his fight against methamphetamines, as well as his work with the Healthiest State Campaign to develop a Health Home for every Washingtonian.

## Outstanding Advocate Award

Senior Counsel John Samson was selected by the Board of Directors of the Association of Government Lawyers in Capital Litigation as the 2009-2010 recipient of the Outstanding Advocate Award. John was recognized for his many accomplishments in representing the state of Washington in the challenging area of death penalty cases.

## Pierce County Chairman

Assistant Attorney General David Huey was elected Chairman of the Pierce County Volunteer Legal Services. He was selected because of his efforts to coordinate and increase volunteer legal services, which assures representation to those who are unable to afford attorneys.

**Preventative education helps decrease the number of people harmed by substance abuse, deceptive and unfair business practices, and fraud.**

## **Underage Drinking** •••••

In March, Attorney General McKenna and eight-time Olympic medalist Apolo Anton Ohno partnered to spread the message about the dangers of underage drinking to middle school students in Bellevue. They gave a demonstration of the Century Council's new interactive video game, which is fun to play and provides kids with messages about saying "yes" to a healthy lifestyle and "no" to underage drinking.

The event concluded Ohno's five-city tour to schools throughout the country, a campaign established by the Apolo Anton Ohno Foundation in partnership with the Century Council and its Ask, Listen, Learn: Kids and Alcohol Don't Mix program.



## **Federal Stimulus Funds**

The AGO's Antitrust Division teamed up with the U.S. Department of Justice and the Federal Bureau of Investigation to offer antitrust and fraud awareness training for state agencies receiving federal stimulus funds. The training taught purchasing agents and procurement professionals to recognize and identify signs of bid rigging, price fixing and other forms of collusion.

With stimulus funds coming into the state during tough economic times, it's important for government agencies to help ensure that money is spent for the public's benefit and not lining the pockets of crooks.

## **HITS Training** •••••

Last year, staff from the Homicide Investigative Tracking System Unit shared their expertise with law enforcement in Washington, the U.S. and Mexico, including:

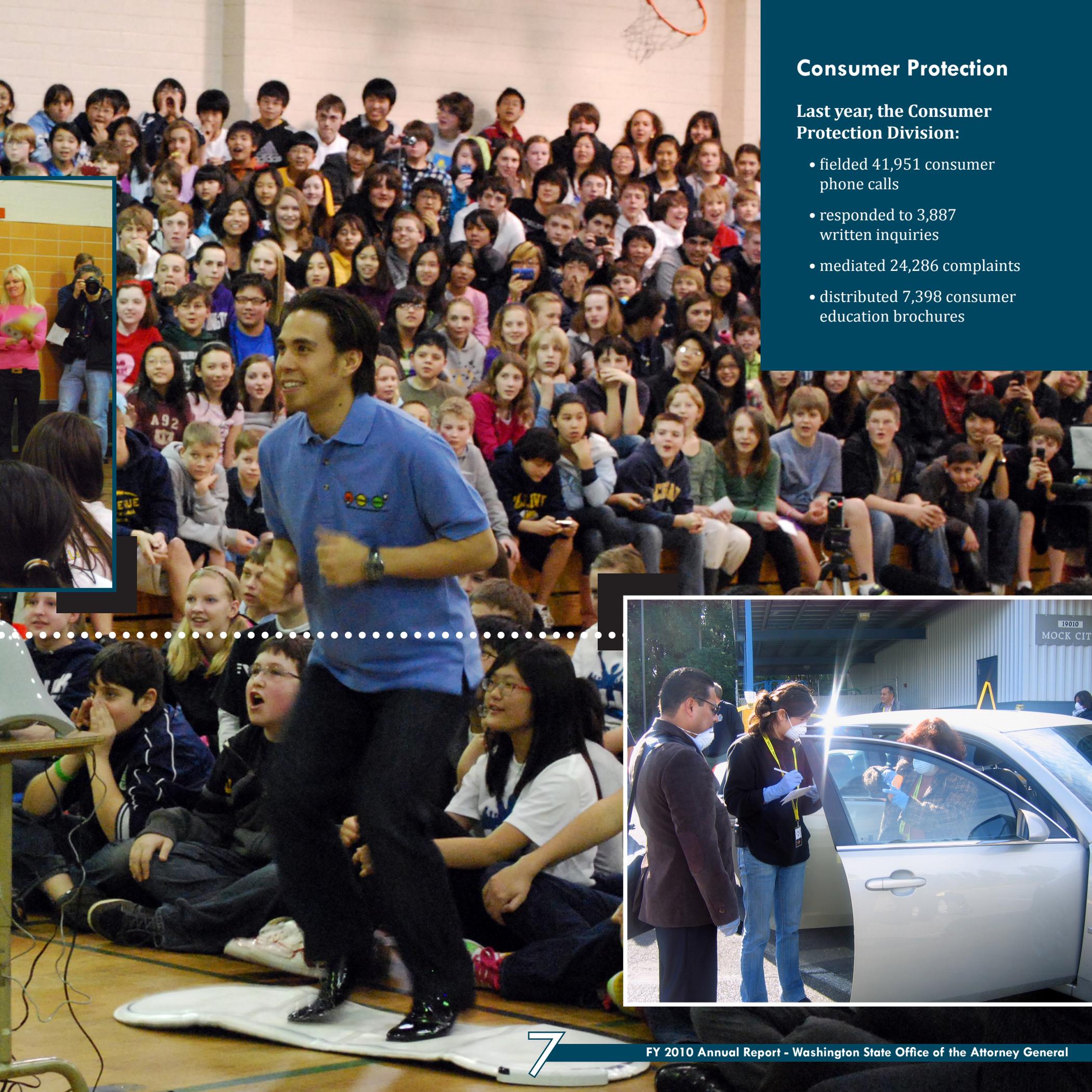
- two week-long Basic Homicide Investigation courses;
- week-long course for Mexican law enforcement officials;
- three-day course in Practical Homicide Investigation; and
- three-day conference for the University of North Texas Center for Human Identification.



## Consumer Protection

Last year, the Consumer Protection Division:

- fielded 41,951 consumer phone calls
- responded to 3,887 written inquiries
- mediated 24,286 complaints
- distributed 7,398 consumer education brochures



# Legislation

The 2010 legislative session was even more challenging than the last, as demonstrated by a 30-day special session to address budget woes. However, the Legislature found time to approve five of the Attorney General's Office "request bills," improving public safety and consumer protection.

## Protecting Vulnerable Adults •••

Exploitation and abuse of vulnerable adults is occurring with increasing frequency in Washington and around the country. These vulnerable victims are our senior parents and neighbors. They're our disabled children and grandchildren, and as each of us ages, our vulnerability to certain crimes grows.

**SB 6202** authorizes financial institutions to "freeze" a transaction up to five days if exploitation or attempted exploitation of a vulnerable adult is suspected, permits institutions to report attempted or actual exploitation to law enforcement and DSHS and requires that all employees who have contact with customers receive training on recognizing and reporting exploitation. It also requires that mandated reporters report the death of a vulnerable adult to a medical examiner or coroner and law enforcement if they suspect the death was caused by abuse, neglect or abandonment.

## Preventing Child Sexual Exploitation

Prosecutors indicate that perpetrators attempt to avoid criminal liability for possession of child pornography by sharing access to these images on remote computers rather than downloading them on to hard drives. To adequately hold perpetrators accountable for the continued harm they cause to child victims, prosecutors need to be able to charge multiple counts where there are multiple images deliberately viewed or possessed.

**HB 2424** creates the new felony crime of "viewing" depictions of child pornography (intentionally viewing over the Internet visual or printed images of child sexual abuse) and sets the unit of prosecution in child pornography cases at per-image for dealing and possession, and per-Internet session for viewing.



## Domestic Violence Sanctions •••

It's been 25 years since the state passed its Domestic Violence Protection Act. Yet, Washington still does not treat domestic violence with the seriousness it demands. Until now, state law required more serious punishments for serial drug offenders, car thieves and other chronic criminals than for serial domestic abusers – leaving them free to terrorize innocent victims again and again.

**HB 2777** (Includes language from AGO request **HB 2427**) amends RCWs to:

- Score prior misdemeanor domestic violence history when determining felony domestic violence sentences and create a new list of enumerated repetitive domestic violence misdemeanor offenses.
- Multiply, or count more heavily, a certain class of prior domestic violence felony convictions that would give two points to certain domestic violence crimes.





## Cap “Found Money” Fees

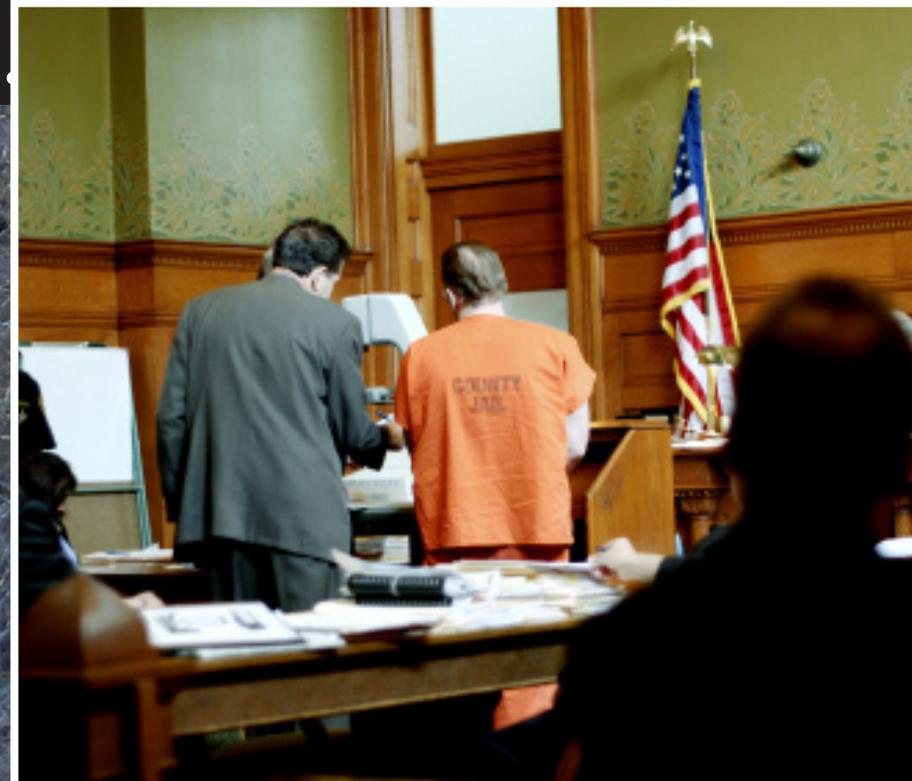
When a home or real estate parcel is sold due to property tax foreclosure, unpaid taxes are deducted along with foreclosure fees from the sale price. Any money left over rightfully belongs to the original owner. Property owners may not be aware that they can apply for free to receive the proceeds due to them. They may also not know that by using finder firms, they will ultimately receive less money than they are entitled to collect.

**HB 2428** caps any fee for obtaining money from a tax sale at five percent of the amount recovered. That’s the same percentage allowed to “finders” of other unclaimed funds that revert to the counties. It also allows victims and the state to use the Consumer Protection Act to prevent “finder firms” from charging a fee greater than five percent.

## Lemon Law Fix

Washington’s Lemon Law does not require used car dealers to disclose whether a vehicle was ever bought back from a manufacturer under a Lemon Law program.

**HB 2429** revises RCW 19.118.061 to extend “lemon” disclosure requirements to used vehicle dealers. This would mean that all dealers must comply with the same resale disclosure requirements as new vehicle dealers when selling “lemon” vehicles. It also provides remedies for dealers and consumers who didn’t receive the appropriate disclosures when they purchased a manufacturer-reacquired “lemon” vehicle.



# Enforcement

At any given time, the Attorney General's Office handles between 27,000 and 30,000 cases. In some of those cases the AGO defends state agencies, laws, initiatives, or Washington's constitution. In others, the office brings enforcement action against people, companies, agencies or other entities that violate the law and put our communities, natural resources and tax dollars at risk.

## Medicaid Fraud

Last year the Medicaid Fraud Control Unit helped recover more than \$15 million in settlement amounts for the state of Washington. One of these settlements was with AstraZeneca Pharmaceuticals for improperly marketing Seroquel, a drug used to treat schizophrenia and manic depression. An investigation showed that misleading information was distributed about Seroquel, which led health providers to wrongly prescribe the drug to children, adolescents and dementia patients in long-term care facilities – costing publicly funded programs millions of dollars.

The unit also prosecuted a DSHS case manager who authorized her husband and son to provide personal care services for several of her developmentally disabled clients. She altered the number of service hours her clients could receive and authorized Medicaid payments to her husband and son for those service hours despite the fact that they didn't actually provide the services. In total they obtained \$11,302 through this scheme. The case manager and her husband were both sentenced to 90 days in jail and payment of restitution, costs and fees.



## Deceptive Advertising

The Government Compliance & Enforcement Division, on behalf of the Department of Financial Institutions, charged Paramount Equity Mortgage, Inc. with numerous violations of the Mortgage Broker Practices Act, including unfair and deceptive advertising. Paramount Equity agreed to pay a fine of \$225,000, investigative fees of \$25,000 and an examination fee of \$3,367. In addition, Paramount Equity agreed to cease and desist from violating the act.

### GLOBAL MEDICAID FRAUD CASES

<u>CASE NAME</u>	<u>RECOVERIES</u>
Nichols Labs .....	\$211,365
AstraZeneca Pharmaceuticals (Albuterol) .....	\$108,126
Ortho McNeil (Dermatop) .....	\$8,700
Mylan Pharmaceuticals, Inc. ....	\$1,237,234
Aventis Pharmaceuticals, Inc. ....	\$2,632,147
Medtronic .....	\$91,268
Otsuka Pharmaceuticals .....	\$75,848
Pfizer, Inc .....	\$9,370,693
Omnicare 2 .....	\$1,229,982
Ivax Pharmaceuticals, Inc. ....	\$317,546
<b>TOTAL</b>	<b>\$15,282,909</b>

## Sexually Violent Predators

In 2010, the Sexually Violent Predator Unit successfully committed 15 of the state's worst sex offenders to the Special Commitment Center. One of these offenders, diagnosed with Pedophilia, has a 50-year history of molesting children despite repeatedly being caught and punished.

Another offender who was successfully committed had a lengthy history of sexually abusing women and teen-aged girls including a conviction for the murder and rape of a child. He also attempted to kill two other women in Missouri but fled to Washington before he could be charged.

## Bankruptcy

The Bankruptcy and Collections Unit collected \$16,227,380 in 2010, its third best year ever. Collections were more than double the historical average in contractor bond cases and nearly double in bankruptcy cases. One of these cases was against Motors Liquidation Company, or Old General Motors, which filed for bankruptcy. The Department of Revenue was engaged in numerous tax audits of GM, SAAB and GMAC. GM paid Washington \$3.6 million to resolve the case.



# Legal Highlights



# Safeguarding Consumers

## Preventing ••••• Anti-Competitive Practices

The Washington AGO's Antitrust Division and several other states reached a settlement with Abbott Labs and Fournier, the makers of the cholesterol drug Tricor. The states alleged that the companies thwarted generic entry for a competing drug by unfairly manipulating the patent process and the method by which pharmacies allow generic use. Washington recovered \$559,850 for the state Health Care Authority and Department of Social and Health Services, representing damages due to higher prices paid for the drug. The state also recovered \$225,461 as costs and fees. The companies are prohibited from engaging in the anticompetitive practices in the future.

## Pharmaceutical Business Practices

The Consumer Protection Division continues to bring civil law enforcement cases to hold drug companies accountable for the over-marketing of expensive pharmaceuticals, including a resolution with Pfizer, Inc., related to the drug company's alleged improper marketing of the antipsychotic drug Geodon. The state of Washington received \$880,000 as a result of this settlement for costs and fees and assistance with mental health treatment. The division also resolved cases with Merck and Schering-Plough, related to unfair and deceptive marketing practices of the cholesterol-lowering drug Vytorin, and with promoters of Enviga, who claimed the carbonated beverage would promote weight loss.

## ••••• Energy Rates

The Public Counsel Unit advocates for utilities customers before the Utilities and Transportation Commission. Avista requested \$74.7 million in combined electric and natural gas revenue increases. The commission denied most of the request, granting only \$12.6 million in combined electric and natural gas revenues. More than \$12 million of the reduction resulted from Public Counsel's opposition to recovery of costs of the Lancaster Power Purchase Agreement.



PacifiCorp requested \$38.5 million in electric revenue increases. In settlement negotiations with parties including Public Counsel, PacifiCorp agreed to reduce the increase by \$25 million to \$13.5 million. Other customer benefits from the settlement included no increase to the monthly customer charge and no increase to shareholder profit level.

## Internet and High-tech Practices

The Consumer Protection Division's High-Tech Unit remains very active. It has resolved cases with companies including:

- ATT Mobility for alleged deceptive sales of a "free trial" roadside assistance service sold with cell phone contracts.
- TJX's data breach, resulting in a \$39,000 recovery to the state.
- DISH Network for a variety of alleged unfair and deceptive acts and practices resulting in an injunction and payment to the state of \$325,000 plus consumer restitution.

## Protecting the Public

### Assisting Law Enforcement •••

The Homicide Investigative Tracking System Unit provided essential assistance to law enforcement agencies last year, including:

- HITS staff met with detectives from a local police department to discuss a murder. HITS presented the results of their review of the case investigation to detectives from the police department and the prosecutor, after which the prosecutor filed murder charges against the suspect.
- The HITS Unit was contacted on two related cases: a 1998 murder and a 2006 rape within the same jurisdiction. HITS staff reviewed the two cases and provided further investigative strategy which resulted in the arrest and prosecution of a suspect.
- The HITS Unit issued a bulletin about a missing person from Lewis County on December 4. On December 5, a Seattle Police Department officer recognized the victim from the bulletin and summoned medical aid. Doctors reported that if the victim had spent just one more day out in the elements his body would have started shutting down.
- The HITS Unit distributed a bulletin regarding an Oxycontin robbery at a pharmacy in Coupeville. Officers in Oregon arrested two armed pharmacy robbers, remembered seeing the suspects featured in the bulletin, and contacted the Island County Sheriff's Office, which immediately issued warrants for their arrest.



### Safe Work Sites

The Labor and Industries Division successfully argued to Division I of the Court of Appeals that where a general contractor has knowledge that a subcontractor's employee is working in a trench without the necessary trench box, but violates its own safety policies by not giving written notice of the trench box violation, the general contractor may be cited for failing to discover or control recognized hazards on the work site upon the death of the subcontractor's employee. This is an important safety decision for the state because it emphasizes the responsibility of general contractors to maintain safe workplaces for all employees on the site.

### Threatening Harassment

The Criminal Justice Division charged a Pierce County Superior Court Judge with Patronizing a Prostitute and Felony Harassment for having sexual relations with one prostitute and threatening to kill another if he disclosed prior acts of prostitution he engaged in with the defendant. A jury convicted the judge as charged and he resigned his judicial position. Thereafter, the Washington State Commission on Judicial Conduct recommended to the Washington State Supreme Court that he be permanently barred from serving as a judge.



# Improving Public Health

## High-Level Radioactive Waste

The Ecology Division participated in two sets of challenges to the U.S. Department of Energy's (DOE) attempt to terminate the project to develop a repository at Yucca Mountain, Nevada, for the disposal of spent nuclear fuel and high-level radioactive waste. In 2002, Congress approved the Yucca Mountain repository under the terms of the Nuclear Waste Policy Act, which among other matters triggered a DOE obligation to submit a license application for the facility to the Nuclear Regulatory Commission (NRC). One set of challenges is before the NRC, where DOE's licensing application for the Yucca project is pending. The other set of challenges is before the U.S. Court of Appeals, District of Columbia Circuit. Both sets of cases present issues regarding DOE's authority to terminate the Yucca project.

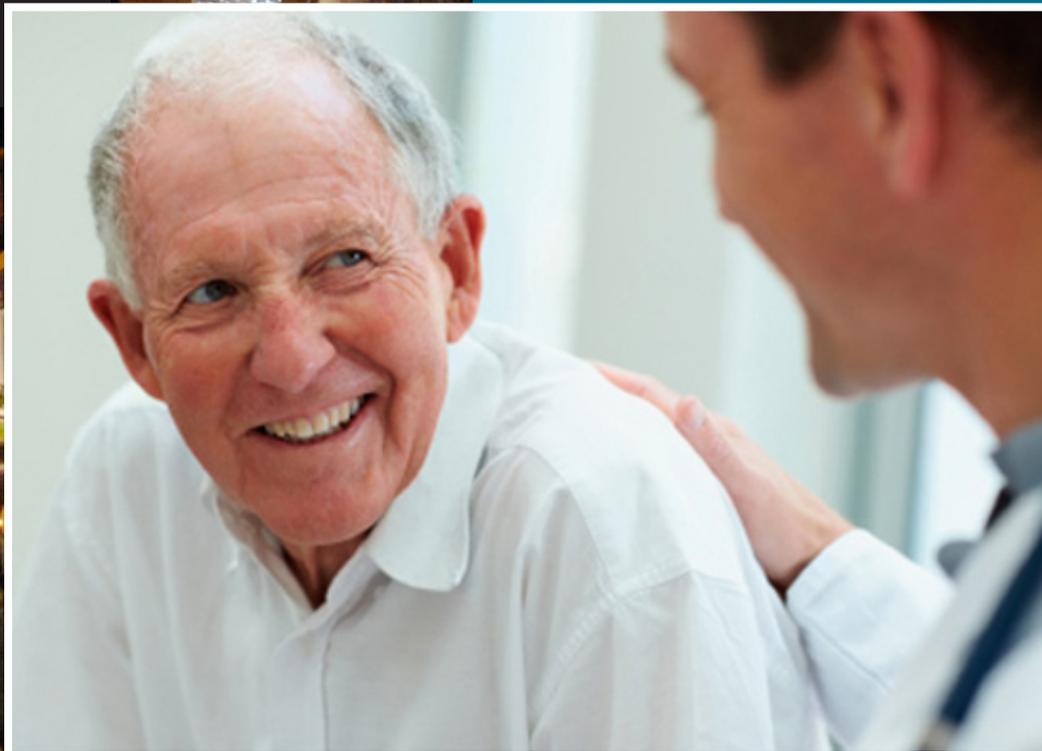
## Medical Standard of Care

A doctor was prescribing human growth hormone in violation of federal regulations that restrict the purposes for which it can be prescribed because of serious side effects. The investigation into the allegations obtained evidence that the doctor was also prescribing below the standard of care in other ways. The Medical Quality Assurance Commission, represented by the AGO's Government Compliance and Enforcement Division, heard the case alleging several violations involving multiple patients. The commission accepted a settlement of charges against the physician which included restrictions on the physician's practice.

The work on this case has been recognized nationally as other states are encountering similar issues, and Washington has successfully taken action to control these prescribing practices to protect patients and the public.

## ••• Prevention, Causes & Cures of Disease

UW Medicine, the University of Washington's health system, added Northwest Hospital & Medical Center as its third hospital dedicated to improving the health of the public through teaching, research and patient care programs related to the prevention, causes and cures of disease. The AGO's University of Washington Division was critical in providing the legal support necessary to make the vision a reality. The addition of Northwest Hospital is a significant milestone in the evolution of UW Medicine and creates opportunities to continue to meet the challenge of providing high quality, cost-effective health care for all of Washington's citizens.



## Saving Money for Taxpayers

### Telecommunications Services

Division II of the Court of Appeals affirmed the position of the Department of Revenue, represented by the AGO's Revenue Division, in two appeals involving telecommunications companies Qualcomm and Sprint International. The court found that the services sold by the taxpayers qualified as "network telephone services" and thus such sales were subject to the retail sales tax.

### Medicaid Fraud

The Washington AGO's Medicaid Fraud Control Unit and 25 other states sued the maker of TriCor, a drug prescribed to lower cholesterol. The states' complaint accused Abbott Laboratories, Fournier Industrie Et Sante, of France, and subsidiary Laboratoires Fournier, S.A., of violating federal antitrust laws by delaying the availability of a cheaper generic version of the medicine. The case settled for \$22.5 million nationally. Washington state agencies, including Medicaid and the Basic Health Plan, received approximately \$560,000.

### Sales Tax Theft

The Criminal Litigation Unit, in partnership with the Department of Revenue and Department of Labor and Industries, prosecuted a drywall contractor for theft of collected sales tax and failure to pay proper premiums to the state. The defendant pled guilty to one count of Theft 1, six counts of Filing False Tax Returns and seven counts of Failure to Pay L&I Premiums. The defendant entered into a structured payment plan requiring him to pay in excess of \$2.2 million to the state.



### Delaying Tax Payments

The Labor and Industries Division has been involved in a significant tax case for several years. The employer ran several driving schools in the state and did not provide workers' compensation protection for the people performing the driver instruction and teaching. At every stage of the audit and investigation the employer failed to provide records, or provided questionable information and ended up with a substantial tax debt. The Court of Appeals agreed with the state's position that the employer should not be allowed to delay payment of taxes by appealing—instead the employer has to pay the amount in question up front or provide proof that he or she is unable to pay. This is an important decision that will help the state's efforts to deal with underground economy problems.



# U.S. Supreme Court

## **Doe v. Reed**

In 2009, plaintiffs John Doe#1, John Doe# 2, and Protect Marriage Washington filed suit to prevent the Secretary of State from releasing Referendum 71 petition signatures pursuant to Washington's Public Records Act (PRA). Referendum 71 sought an election on state laws that expanded the rights and responsibilities of state registered same-sex and senior domestic partners. Attorney General McKenna, assisted by the Solicitor General's Office, argued before the high court that signing a referendum petition is public legislative speech, not anonymous political speech, and that disclosure of referendum petitions helps combat fraud and promotes government accountability and transparency.

The U.S. Supreme Court ruled in favor of the state, rejecting plaintiffs' claim that as applied to all referendum signature petitions, the PRA violates the First Amendment.



# Office Overview



# About the Attorney General's Office

The Office of the Attorney General is responsible for representing the state of Washington, its officials, departments, boards, commissions, agencies, colleges, and universities. Its specific duties include:

- Representing the state of Washington before the state and U.S. Supreme Courts, Courts of Appeal and trial courts in all cases that involve the state's interest.
- Representing the state in administrative actions, including those to protect the safety of workers, patients, children, and vulnerable adults.
- 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 protecting the environment 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.

To perform these duties, the Washington AGO is made up of 26 legal divisions located in 13 different cities across the state. The office consists of more than 500 attorneys and over 700 other employees providing legal services to more than 230 state agencies, boards and commissions.

## AGO Mission

As an independent constitutional office and legal counsel to state government, we serve the citizens of Washington with the highest standards of *excellence, ethics and effectiveness*.

## AGO Vision

The Office of the Attorney General will be the best public law office in the U.S., proudly contributing to the greatness of Washington.

## AGO Values

Excellence and effectiveness through:

- Transparency
- Honesty
- Respect
- Innovation
- Competition
- Ethics



## Legal Divisions

### Agriculture and Health

The Agriculture and Health Division provides legal advice and litigation services to the:

- Department of Agriculture
- Department of Health and its associated boards and commissions
- State Board of Health
- Health Care Authority
- Department of Commerce
- Department of Archeology and Historic Preservation
- Northwest Interstate Compact on Low-Level Radioactive Waste Management
- Life Sciences Discovery Fund Authority
- 25 Commodity Commissions

The division helps its clients oversee health care practitioners and facilities, regulation of commercial agricultural activities and activities posing threats to human health, such as food processing and the safety of public drinking water, eradication of pests, preservation of historic artifacts and the disposal of low-level radioactive materials. The division also advises the Department of Commerce in the distribution of federal and state funds and administration of programs designed to improve the state's economy.

### Antitrust

The Antitrust Division enforces state and federal antitrust laws protecting consumers and businesses from anti-competitive practices such as price-fixing, bid-rigging, monopolization, and other conduct that interferes with fair competition. The majority of the division's work focuses on representing consumers and state agencies in litigation seeking redress for violations of antitrust laws. The division also provides legal counsel to, and training for, state agencies concerning antitrust-related matters. Staff also evaluate and respond to antitrust complaints and inquiries and conduct outreach and education programs.



### Bankruptcy and Collections

The Bankruptcy and Collections Unit of the Revenue, Bankruptcy and Collections Division encourages voluntary compliance with the state's tax laws by supporting the efforts of state agencies to aggressively pursue money owed to the state. Most of the money is owed for delinquent sales and business and occupation taxes, industrial insurance premiums and unemployment fund contributions.

The unit gives priority to representing the departments of Revenue, Labor and Industries and Employment Security. The majority of the unit's work consists of litigating bankruptcy cases under Chapter 11 and Chapter 13 of the Federal Bankruptcy Code and litigating the priority of the tax agencies' claims in superior court. 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 the revenue agents as they work to collect unpaid taxes.

In conjunction with representing various state agencies in bankruptcy and collection actions, the unit devotes substantial resources to training tax agency personnel who handle bankruptcy and collections claims.

## Consumer Protection

The Consumer Protection Division enforces consumer protection laws to help 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 imposes penalties on offending businesses.

The division's Consumer Resource Centers facilitate the resolution of consumer problems by notifying businesses of the 25,000 written complaints received each year and informally mediating them.

In addition, the division educates businesses and the public about consumer rights and issues and promotes fraud prevention through a variety of frequently requested educational brochures and web pages, the AGO's All Consuming Blog and other social media sites, and alerts and press releases sent out when consumers or businesses are targets of fraudulent or predatory activities.

Consumer Protection also oversees the administration of Washington's Lemon Law for new motor vehicle warranty disputes and enforcement. The services consist of arbitration

to resolve consumer and manufacturer warranty disputes, consumer and industry education, and enforcement of manufacturer and dealer obligations.

The division also contains the Manufactured Housing Dispute Resolution Program which resolves disputes between manufactured home owners and park landlords. The unit enforces the Manufactured/Mobile Home Landlord-Tenant Act and provides consumer education and business training.

## Corrections

The Corrections Division advises and represents the Department of Corrections, Correctional Industries, Indeterminate Sentence Review Board, Criminal Justice Training Commission, Governor's Clemency and Pardons Board, and Sentencing Guidelines Commission. The work of the division includes legal advice and defense of the state in litigation concerning prison operations and other aspects of the corrections system, and in personal restraint and habeas corpus proceedings involving challenges to criminal convictions and sentences, including death sentences.

## ••• Criminal Justice

The Criminal Justice Division conducts criminal investigations and prosecutions throughout the state at the request of the Governor or local authorities and maintains a one-of-a-kind crime information database, the Homicide Investigation Tracking System or HITS, that provides assistance to state and local jurisdictions in crime investigations. The division also investigates and prosecutes Medicaid fraud and resident abuse cases, and advises the Washington State Patrol, Criminal Justice Training Commission and other criminal justice agencies.

Finally, the division represents the state in the Sexually Violent Predator Civil Commitment process in 38 of 39 counties.



## Legal Divisions

### Ecology

The Ecology Division represents the Department of Ecology, Puget Sound Partnership, Pollution Liability Insurance Agency, and State Conservation Commission. The division works to resolve environmental disputes and provides advice and representation before courts and administrative tribunals on permitting, legislation, rule-making, and enforcement matters.

The largest areas of the division's practice are water resources allocation and management issues 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 the radioactive and hazardous waste at the Hanford Nuclear Reservation.

Over the past couple of years, the division has also seen a significant increase in legal work associated with the state's focus on climate change and consumer products containing hazardous substances.

### Education

The Education Division provides a full range of legal services to state education agencies from K-12 through higher education. Client agencies include the Office of the Superintendent of Public Instruction, State Board of Education, Professional Educator Standards Board, Higher Education Coordinating Board, State Board for Community and Technical Colleges, three regional universities, The Evergreen State College, and 34 community and technical colleges around the state.

The division assists the state's education agencies in carrying out their missions by helping with conflict resolution, business transactions and compliance with state and federal laws. Education attorneys also prosecute professional misconduct cases related to teacher licensing and handle a variety of student discipline and labor/employment proceedings at the colleges and universities.



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### Fish, Wildlife and Parks

The Fish, Wildlife and Parks Division represents the Washington Department of Fish and Wildlife and Washington State Parks and Recreation Commission. The division also represents the state as a whole in certain complex natural resource litigation and sometimes assists local prosecutors in the criminal enforcement of fish and wildlife laws.

Legal services include advice and litigation and typically relate 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.

### Government Compliance and Enforcement

The Government Compliance and Enforcement Division provides representation and legal advice to the:

- State Auditor
- State Insurance Commissioner
- Department of Financial Institutions

- Gambling Commission
- Horse Racing Commission
- Human Rights Commission
- Office of Minority and Women's Business Enterprises
- Joint Legislative Audit and Review Commission
- Tax Preference Board

In addition, the division prosecutes enforcement and forfeiture violations for the Department of Financial Institutions, Gambling Commission, Horse Racing Commission, Human Rights Commission, Office of Minority and Women's Business Enterprises, Washington State Patrol, Public Disclosure Commission, State Lottery, Liquor Control Board, Executive Ethics Board, Legislative Ethics Board, Professional Guardian Board of the Administrator for the Courts, and Criminal Justice Training Commission. The division also prosecutes actions against health care providers licensed by a board or commission on behalf of the Department of Health and acts as the statutory Counsel for the Environment.



## Government Operations

The Government Operations Division handles the litigation for, and provides legal advice to, more than 40 state agencies, boards and commissions and elected officials. Some of the division's larger clients include:

- Department of Retirement Systems (public pensions and deferred compensation)
- General Administration (purchase of goods and services, construction, real estate and Capitol Campus)
- Department of Information Services (computer-related acquisitions and policies)
- Department of Personnel (recruiting, job classifications and salary schedules for each job class)
- Military Department (National Guard, emergency preparedness and response and E-911 system)
- State Investment Board (investment of state trust funds --pensions and worker compensation)
- Treasurer (public finance, bonds and state warrants)
- Energy Facility Site Evaluation Council (siting and regulation of energy facilities)
- Office of Financial Management (state budget and accounting, forecasting, risk management and personal services contracts)
- Convention Center (owns, manages and operates large convention center in Seattle)
- Secretary of State (corporations, archives and library)

## • • • Labor and Industries

The Labor and Industries Division provides litigation and client advice to the Department of Labor and Industries regarding: workers' compensation benefits (e.g. wage replacement, medical care, vocational retraining, and permanent disability awards); questions about fair wages, workplace conditions, and safe work environments; contractor and building issues; crime victim claims; and a variety of other issues for Washington workers and employers.

## Legal Divisions

### Labor and Personnel

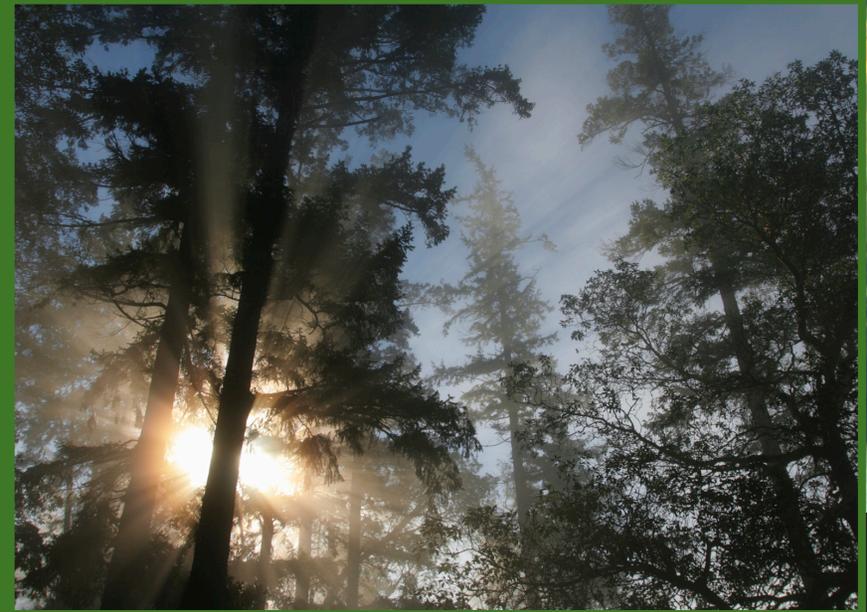
The Labor and Personnel Division provides advice and representation in the specialized area of labor and employment law to nearly every Washington state agency, board, commission and institution of higher education. The attorneys in the division have expertise in a variety of employment issues, including labor relations, wage and hour laws, disability and reasonable accommodation, employee misconduct and discipline, and the prevention of discrimination and sexual harassment.

The division also provides legal representation in a variety of settings, including hearings before independent arbitrators, administrative personnel boards, labor commissions, and superior and appellate courts.

### Licensing and Administrative Law

The Licensing and Administrative Law Division has a diverse practice. It advises and represents two large state agencies, the Department of Licensing and Employment Security Department, and several boards and commissions, including the Accountancy Board, Liquor Control Board, Lottery Commission, Executive Ethics Board, Judicial Conduct Commission, Environmental Hearings Office, Growth Management Hearings Board and Columbia River Gorge Commission. Appellate practice accounts for 70 percent of the division's workload. Providing legal advice and handling administrative and judicial litigation for agency clients account for the remainder. The division prosecutes administrative actions against individuals and businesses under licensing and regulatory laws governing approximately 40 professions, businesses and occupations.

Employees in the division have considerable legal and practical expertise in areas such as the Administrative Procedure Act, constitutional law, public records, open public meetings, tribal relations and regulatory enforcement of professional licensing standards.



### Natural Resources

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 5.6 million acres of forest, range, commercial, agricultural and aquatic lands. Much of this land (3 million acres) is state trust land that provides revenue to help pay for construction of public schools, universities and other state institutions, and funds services in many counties. Since 1970, DNR-managed lands have generated more than \$6 billion.

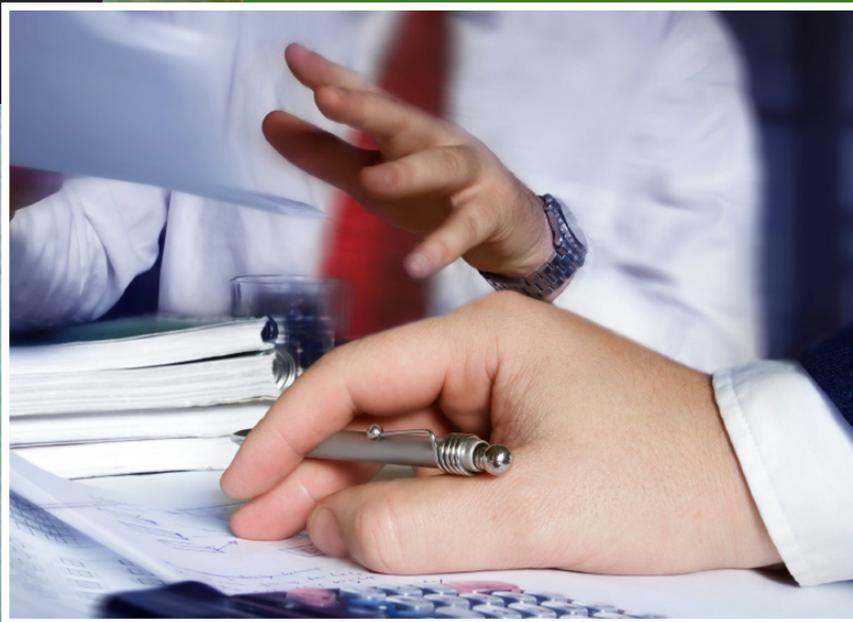
The division supports DNR in its efforts to administer several programs designed to protect riparian areas, Natural Resource Conservation Areas and Natural Area Preserves. DNR also has fire protection responsibilities and supports the Forest Practices Board in protecting public resources on 12 million acres of state and private forest lands, regulates surface mine reclamation and provides technical assistance for forestry and mining.

## Public Counsel

The Public Counsel Unit represents the customers of Washington's investor-owned telephone, electric and natural gas utilities regulated by the state Utilities and Transportation Commission (UTC), including Qwest, Verizon Northwest, Puget Sound Energy, Avista and Pacific Power. Public Counsel emphasizes the interests of residential and small business consumers on issues such as rates, service quality, conservation, business practices, mergers and competition.

Public Counsel advocates for the interests of consumers by presenting evidence and legal arguments in major rate cases, mergers and other cases and rulemakings before the UTC. In addition, Public Counsel makes presentations on consumer issues at the UTC open meetings and participates in industry advisory and study groups reviewing utility resource planning and conservation programs. Public Counsel also provides information to the Legislature and other state policy makers and may appeal UTC decisions in appropriate cases.

The unit maintains contact with the public through a citizen advisory committee, community organizations, public hearings, personal contact, letters and telephone calls from consumers in major cases.



## Regional Services

The Regional Services Division has offices in Yakima, Wenatchee, Vancouver, Port Angeles, Kennewick, Everett and Bellingham. The division litigates and provides legal advice on behalf of state agencies and institutions in the areas surrounding each office. 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 in the local communities and court systems.

Attorneys in these offices generally represent multiple agencies and are adept in a wide variety of practice areas. Regional Services represents several agencies, including the Department of Social and Health Services, Department of Labor and Industries, Employment Security Department, Department of Early Learning, Department of Licensing and 15 state educational institutions.

## • Revenue

The Revenue Unit of the Revenue, Bankruptcy and Collections Division provides legal services to the Department of Revenue (DOR), which administers and collects the state's major excise taxes. The unit also provides legal services related to DOR's administration of the state's property tax system, its assessment of operating property owned by public utilities and its administration of the state's estate tax and unclaimed property laws. The unit's principal legal activity involves defending DOR against excise tax refund claims. The unit also handles property and miscellaneous tax litigation and advises DOR on tax and general governmental matters.

In addition, the unit continues to play an important role in the implementation of the historic tobacco litigation master settlement agreement (MSA) by enforcing the escrow statute adopted by the Legislature that applies to cigarette manufacturers selling tobacco products within the state that have not joined the MSA.

## Legal Divisions

### Social and Health Services - Olympia

The Social and Health Services Division in Olympia provides legal services to the Department of Social and Health Services, which administers a variety of federally and state-funded programs to protect the general public and assist those who are unable to provide for themselves. Programs include income and medical assistance, children's services, child support, mental health services, developmental disabilities, juvenile rehabilitation, alcohol and drug rehabilitation, vocational rehabilitation, nursing home surveys, adult protective services, home and community care services, and other related community social service program activities. The division also provides legal support to the departments of Veterans' Affairs and Services for the Blind.

### Social and Health Services - Seattle

The Social and Health Services Division in Seattle provides legal representation to the Department of Social and Health Services and Department of Early Learning before the appellate and superior courts and administrative tribunals, primarily in King County. The work of the division is focused on the protection of children and vulnerable adults.

The division handles a high volume of juvenile dependency, adult protective services, and day care, foster home and adult family home licensing cases.

### Solicitor General

The Solicitor General's Office provides the following services within the Attorney General's Office:

- Coordinates the office's involvement with cases in the U.S. Supreme Court.
- Assists AGO attorneys in preparing and presenting appellate cases in state and federal court, and directly handles select appeals.



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- Prepares and issues Attorney General Opinions.
- Coordinates the office's involvement with amicus curiae "Friend of the Court" briefs in all courts.
- Carries out the Attorney General's duties with respect to the preparation of ballot titles and explanatory statements and represents the state in litigation involving powers of initiative and referendum.
- Coordinates legal advice on issues of statewide significance.
- Serves as legal counsel to the Secretary of State, Lieutenant Governor and Administrative Office of the Courts.

### Spokane

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, Spokane Intercollegiate Research and Technology Institute, and various institutions of higher education, including Eastern Washington University, Big Bend Community College and the Community Colleges of Spokane. Employees in the division also handle Medicaid fraud criminal cases, provide consumer protection services and defend tort actions against the state.



## Tacoma

The Tacoma Division provides a wide range of legal services in matters arising out of Pierce and Kitsap counties to many agencies of state government, including the departments of Labor and Industries, Licensing, Employment Security, and Social and Health Services in cases involving child abuse and neglect, licensing of care providers and protection of vulnerable adults. The division also defends personal injury lawsuits filed against the state in Pierce and Kitsap counties and handles labor and personnel matters.

In addition, employees in Tacoma handle consumer protection functions including enforcement, mediation and outreach and education.

### Torts

The Torts Division defends tort claims and lawsuits against all state agencies, officers and employees. The majority of cases are based on actions brought under theories of liability for state actions, such as highway design, release of inmates, injuries on state property, medical malpractice, employment, child care and custody, auto accidents, maritime injuries, false arrests and unreasonable force.

The Torts Division also includes the Complex Litigation Unit which assists AGO divisions with complex or sensitive litigation such as class actions, multi-party lawsuits and multi-claim lawsuits.

Torts attorneys also provide legal and risk management advice to the Office of Financial Management and state agencies on torts matters.

### Transportation and Public Construction

The Transportation and Public Construction Division represents and advises the Washington State Department of Transportation as it designs, constructs, operates and maintains Washington's highway system and other multi-modal transportation operations, including ferries and rail. The division also represents and advises other state agencies, boards and commissions in areas of transportation, eminent domain, contracts, construction, land use and environmental law. Division attorneys also use their experience to support the construction activities of an increasing number of other state agencies, including the Department of Corrections and University of Washington.

Other client agencies include several transportation-related boards and commissions such as the Washington Transportation Commission, Board of Pilotage Commissioners, County Road Administration Board, Transportation Improvement Board and Washington Traffic Safety Commission.

The division's workload includes a mix of moderate to complex litigation and client advice on a wide range of issues. In addition to a steady condemnation caseload, division attorneys handle construction claims, environmental litigation, regulatory compliance and defense of hazardous waste claims, and land use issues that arise in connection with state projects. They also handle a number of tort cases seeking recovery of property damage allegedly caused by floods and landslides.



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## Legal Divisions

### University of Washington •••••

The University of Washington Division provides legal services to the University of Washington, which includes campuses in Seattle, Bothell and Tacoma, more than 47,000 students, 29,000 employees and three major medical centers.

The division provides legal advice and representation across many specialized areas, including employment and labor relations, student relations, real estate, business transactions, intercollegiate athletics, public finance, intellectual property, tax, benefits, constitutional law, gifts and trusts, international operations and health care law. The division's mission is to serve the university--and, in turn, the students, patients and citizens who benefit from its teaching, healthcare and research--by assuring that the university receives legal advice and representation that meets the highest professional standards.

### Utilities and Transportation

The Utilities and Transportation Division provides legal services to the Washington Utilities and Transportation Commission. The commission regulates the rates, services and practices of a wide range of services, 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
- Bus companies

New market conditions, technology, federal and state laws, and consumer expectations make for an ever-changing policy and legal landscape.



### Washington State University

The Washington State University Division provides a full range of legal services to the state's land grant university. The division provides advice on a host of legal issues, many of which are unique to an academic environment.

Attorneys provide assistance relating to:

- University research and intellectual property
- The university's statewide Extension Program (including 4-H programs)
- Athletics and NCAA compliance
- Student rights and various student programs
- State residency for tuition purposes
- All aspects of personnel/employment law, including faculty tenure and promotion
- University fundraising/development
- Environmental health and safety
- Public contracting
- Constitutional rights
- Veterinary training and services
- Real estate and other transactional work
- Capital planning and development
- International programs

# Administrative Units

Along with the 26 legal divisions, there are several administrative units that make up the Attorney General's Office. These units provide non-legal, yet essential, services to the office.

## Facilities and Office Services

The Facility and Office Services Division provides an array of services through three units:

**Facility Services** oversees the management of AGO facility needs as well as archiving, surplus property and vehicles. Facilities provides a broad array of assistance that includes development and implementation of the agency six-year facility plan, oversight and management of agency leases and janitorial contracts, monitoring of prevailing wage documentation and payments, support for inner-office moves and office design, as well as staffing to perform office repair projects.

**General Services - Tumwater** provides a number of centralized services, including reception, mail services, support for facility needs, conference room management, and scheduling and maintenance of agency vehicles located in Tumwater. In addition, the unit

prepares ID badges for all AGO employees and maintains security access for the Tumwater office.

**Mail and Document Services** is a central unit that provides delivery and production services statewide. The unit's variety of services includes:

- Mail and delivery services for Thurston County
- Document printing and copying services
- Litigation support services, including reproduction of court documents and public records
- Scanning, imaging and creating a variety of print and electronic materials used internally and outside the agency
- Video and audio recording, mastering and copying

## Financial Services

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

## ••• General Services - Seattle

The Seattle office General Services Unit manages a fleet of 27 vehicles, schedules and maintains conference rooms, makes equipment reservations and assists with room/equipment setup, orders and distributes supplies, and performs clerical functions for copy projects, scanning and preparation of trial exhibits and manuals. The unit also provides reception and centralized mail services, coordinates facility matters and maintains security access for the Seattle office. The unit maintains the Seattle libraries and manages the agency's Commute Trip Reduction Program.



## Administrative Units

### Human Resources

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

Some of the programs and services offered by human resources staff include:

- Strategic planning
- Workforce planning
- Performance management
- Policy development and compliance
- Recruitment and retention
- Classification and compensation
- Personnel records maintenance
- Training and development
- Employee/manager relations
- Consulting and facilitation
- Mediation/conflict resolution
- Ergonomics

The office also conducts accommodation studies for candidates/employees with disabilities, monitors employee injuries and Labor and Industries claims, and investigates complaints.

### Information Services

The Information Services Division manages the delivery of all AGO computer and telephone network infrastructures and the operation of all network hardware and software platforms. Data security and disaster recovery are key to the maintenance and operations of the AGO's voice and data systems. The division ensures compliance with state governance policies and standards to assure that all electronic services delivered function properly and securely.

### Public Affairs

The Public Affairs Unit develops and implements agency-wide internal and external communications strategies. The unit conducts proactive and responsive media relations, provides AGO media training, researches

and drafts Attorney General McKenna's speeches and presentations, staffs internal and external committees and task forces, and drafts and designs publications and other AGO materials for the public, internal audiences and the Legislature. The unit also publicizes the work of the AGO both internally and externally through news releases, guest columns, audio and video, the AGO intranet, external web site, social media sites, blogs, presentations, newsletters and the annual report.

### Public Records and Constituent Services

The Public Records and Constituent Services Unit oversees five major functions for the office:

- Processing and responding to all public records requests made to the AGO
- Processing all garnishments served by statute on the AGO and guiding state agency payroll staff on wage withholding procedures
- Reviewing and distributing all mail addressed to the Attorney General, as well as email sent through the AGO web site
- Assigning and calendaring all constituent correspondence received by the AGO
- Accepting service of process, docketing and assigning the cases served at their location and providing advice as to the proper assignment of new cases served upon other AGO locations

### Research Center

The AGO Research Center assists AGO staff with their reference and research needs. This includes reference and research support, specialized legal research training, system administration, acquiring and cataloging research materials, tracking expense data, generating reports and contract negotiations for online research services.



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### **Everett**

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### **Kennewick**

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Kennewick, WA 99336  
(509) 734-7285

### **Olympia**

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

### **Port Angeles**

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Pt. Angeles, WA 98362  
(360) 457-2711

### **Pullman**

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### **Seattle**

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