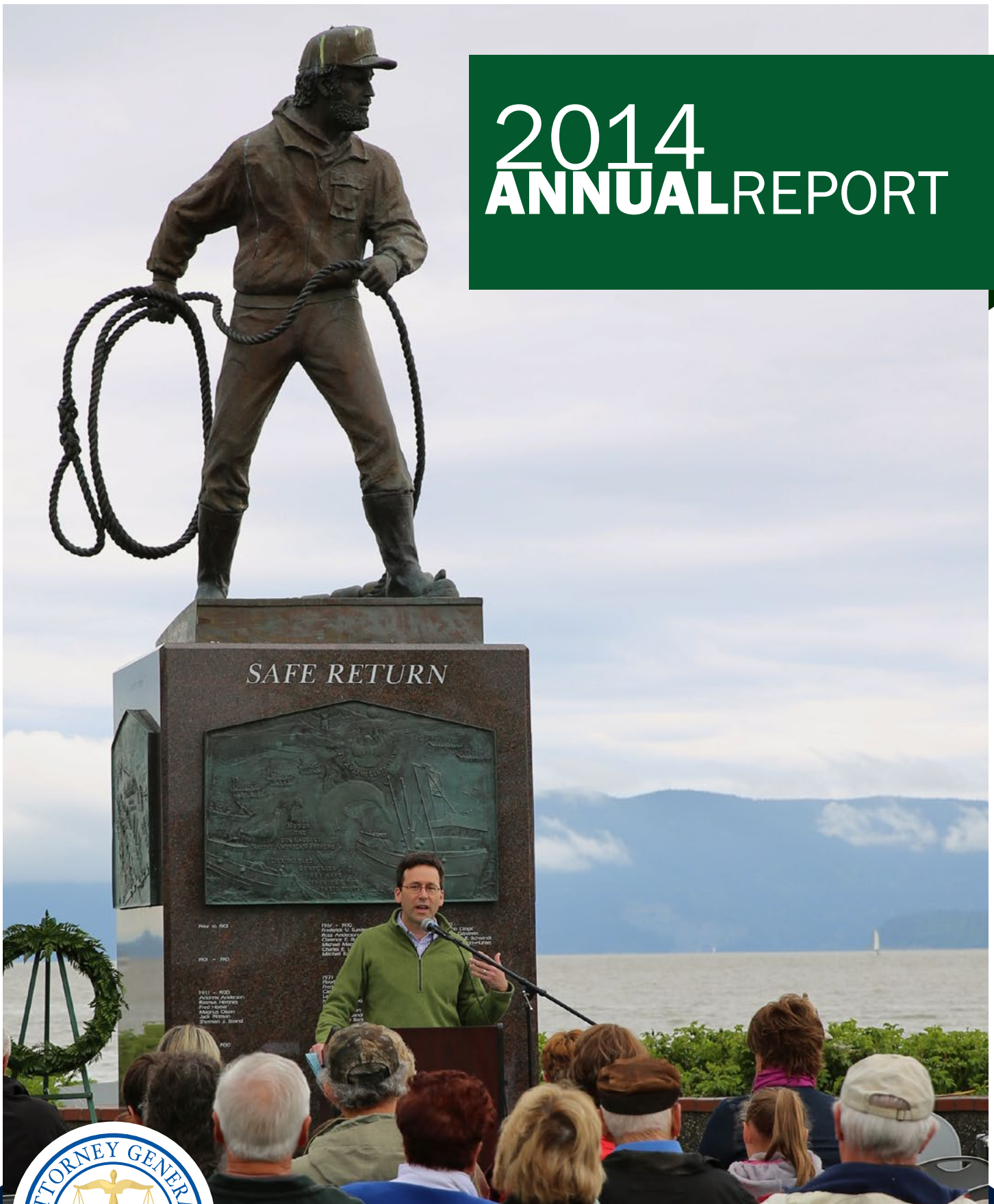


2014 ANNUAL REPORT



Washington State Office of the Attorney General
Bob Ferguson

2014 ANNUAL REPORT

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Attorney General Bob Ferguson visits Filipino Community of Seattle.



Attorney General Bob Ferguson talks with tribal members at a meeting of the Centennial Accord, an agreement that guides the relationship between Washington's government and tribal governments in the state.

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.

Return on Investment in Fiscal Year 2014

The Attorney General's Office recovers hundreds of millions of dollars each year for Washington taxpayers and consumers.

Tobacco Settlement Payments

\$116,685,182

Medicaid Fraud Recoveries

\$24,336,574

Consumer Protection Recoveries

\$16,488,496



Bankruptcy & Collections

\$8,063,759

Antitrust Cost & Fee Recoveries

\$2,000,000

DSHS Financial Recoveries

\$779,258

Independently Serving the State and People of Washington



The work of the Attorney General's Office touches the lives of all Washingtonians. This Annual Report highlights the range of cases we handle, major legal issues facing the state and notable office achievements throughout 2014 as the Attorney General's Office proudly served the people, the state and our employees.

Our legal services help children and families, improve public safety, protect our environment, support consumers and businesses, and strengthen our economy.

Our work places us at the forefront of major state and national legal issues. Over the past year, we continued to defend I-502, the initiative legalizing recreational marijuana, and uphold the will of voters. We advanced equal rights and marriage equality.

We are the state's top law office, with 1,100 public employees dedicated to continuing a tradition of excellence and independence.

As a fourth-generation Washingtonian, I am honored to lead the dedicated public servants who work for you every day.

Sincerely,

A handwritten signature in blue ink that reads "Bob Ferguson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Bob Ferguson
Attorney General



Attorney General Bob Ferguson often visits students to talk about the work of the office and answer their questions.

PROTECTING THE PEOPLE OF WASHINGTON STATE

The Attorney General holds powerful interests accountable that don't play by the rules. We enforce state laws that promote fair market competition and protect consumers and utility ratepayers. We also work with law enforcement to improve public safety, protect children and keep dangerous predators out of our communities.

In 2014, we continued our focus on consumer protection, open government, public safety and supporting our veterans, servicemembers and military families.

Veterans Initiative

Attorney General Ferguson continues his work to stand up for veterans through the AGO veterans initiative. He provides state leadership to protect the legal rights of veterans and military families and ensure they receive the assistance they deserve. Our state is home to 607,000 veterans, 60,000 active duty military personnel, 19,000 Guard and Reserve troops and their 2,000,000 family members.

Four Strategic Goals



Engage veteran and military communities.



Enforce the legal rights of veterans and military families.



Encourage the development of new policies that benefit veterans and military families.



Educate veterans and military families about their legal rights and protections



Encourage New Laws

At the request of Attorney General Ferguson, the State Legislature passed two laws to protect veterans and military families. Both received broad bipartisan support.

HB- 2171: Economic Protections

Attorney General Ferguson requested legislation to correct inequities that exist between state and federal law regarding the economic protections provided

to veterans and military personnel. Under the old state law, military servicemembers ordered to active duty by the governor lacked the same protections as those ordered to federal active duty.

The new law brings state enforcement provisions for the Servicemembers Civil Relief Act (SCRA) in line with the federal law. The federal SCRA provides various financial and legal protections for military service members, such as reduced interest rates on preexisting debts, foreclosure and eviction protections, and protections from default judgments. The law allows the Washington State Attorney General to enforce both the state and federal versions of the SCRA

SB 5964: Pension Poacher Prevention Act

In response to an alarming increase in “pension poacher” scams threatening elderly veterans across the nation, Attorney General Ferguson requested legislation to protect elderly veterans and their families against scams that target veterans’ pensions. Pension poacher scams involve unscrupulous financial advisers or insurance agents who use misleading tactics, such as posing as veteran advocates, to scam elderly veterans out of their financial assets. The Pension Poacher Prevention Act prohibits unfair and deceptive practices that target our elderly veterans and gives the Attorney General enforcement authority under the state’s consumer protection laws.

Engage & Educate: Out in the Community

The Attorney General’s Office participated in the second annual Military Consumer Protection Day, a national effort to help military families recognize identity theft, deal with credit and debt, and avoid scams and fraud.

We also participated in many veterans outreach events and community events honoring veterans, including a Memorial Day ceremony at the Evergreen Cemetery in Everett, a Military Officer’s Association of America meeting in Lacey and service events in 10 different counties.

Enforce: Former JAG and Bronze Star recipient joins AGO Veterans Initiative Team

Attorney General Ferguson hired Army veteran John Nelson to lead the office’s enforcement of consumer protection cases involving veterans and military families. Assistant Attorney General Nelson is a former Judge Advocate General who served in Iraq. He is a Bronze Star recipient.

Prosecuting Environmental Crimes

Attorney General Ferguson has made environmental crime prosecutions a top priority of his administration. In 2014, he formed the office's first Environmental Crimes Unit. The office began investigating and prosecuting environmental crimes for the first time in over a decade. Ferguson prosecuted a range of environmental crimes including everything from derelict vessel cleanup to illegal abandonment of hazardous waste. The office also took action against a property owner who illegally redirected the Tahuya River, which killed thousands of fish and threatened neighboring properties.



An abandoned boat had been leaking oil and gas into Puget Sound before being removed.

Derelict Vessels

Derelict vessels abandoned in state waterways cost taxpayers millions of dollars, cause substantial environmental damage and threaten public safety and marine life. Ferguson's office took action against several owners of derelict vessels abandoned in state waters.

In September, he secured the state's first derelict vessel criminal conviction against the owner of a sunken fishing trawler abandoned in the Columbia River near Two Rivers Park in Finley (*State v. Brandon Traner*). The sunken trawler released 50 gallons of diesel fuel and eight gallons of motor and hydraulic oils into the Columbia. Traner was sentenced in Benton County District Court to 20 days in jail, two years' probation and \$144,000 in restitution.

The office also filed charges in Pierce County against the owner of the Helena Star (*State v. Stephen Mason*), and in Kitsap County against the owner of the Chickamauga (*State v. Anthony R. Smith*). Both leaked hundreds of gallons of fuel into Puget Sound.

Mason was sentenced to 20 days of confinement and two years' probation, and ordered to repay the state \$300,000 toward the total cost of \$1.25 million to remove the sunken vessel from the Hylebos Waterway in Pierce County. Smith failed to appear in Kitsap County Superior Court, and a bench warrant was issued for his arrest.

By year's end, Ferguson recovered nearly half a million dollars in court orders to help repay taxpayers for the environmental clean-up costs associated with these vessels.

Protecting Worker Safety and Public Health

Environmental crimes that threaten the health and safety of workers and the public are priorities for AG Ferguson.

In Pierce County, the office joined forces with federal, state and local agencies to crack down on the owners of Environmental Management Training Services for providing fraudulent asbestos training courses and certificates. Two Tacoma business partners pleaded guilty to multiple criminal charges. The AGO charged four additional defendants. All were convicted of one or more counts of Making a False Statement in Violation of the Washington Industrial Safety and Health Act.

In King County, the office took action against a repeat environmental offender. Rory Westmoreland was charged with Violating the Hazardous Waste Management Act and Unlawful Dumping of Solid Waste when he abandoned 41 barrels of flammable and corrosive waste on his property in Renton. He pled guilty and was sentenced to a 60-day jail term and ordered to repay cleanup costs of \$127,301.



Open Government

In his ongoing work to strengthen Washington's open government laws, Attorney General Ferguson introduced a bill during the 2014 legislative session to require Public Records Act and Open Public Meetings Act training for public officials. Lawmakers passed the Open Government Trainings Act with bipartisan support.

The law will improve public disclosure practices and reduce lawsuits through mandatory training to ensure public officials know and understand public disclosure laws. It will require local and statewide records officers and elected officials

to receive training on the Public Records Act and records retention requirements. It will also require members of governing bodies to receive training on the Open Public Meetings Act. The original proposed bill was amended to exclude the law from applying to members of the state legislature.

To assist agencies in complying with the new law, the office launched an online open government training website, <http://www.atg.wa.gov/open-government-training>. The new site, designed to provide extensive open government training information and resources, receives 1,000 visitors each month.



Nancy Krier, Assistant Attorney General for Open Government, presents an overview of the Public Records Act before the Washington State House of Representatives State Government Committee.



TRAINED
3,000
EMPLOYEES ON
PUBLIC RECORDS
REQUIREMENTS

Open Government Ombudsman

The Assistant Attorney General for Open Government, Nancy Krier, plays a vital role in promoting democracy. Washington's open government laws are among the strongest in the nation, ensuring Washingtonians access to the information they need to hold government accountable. Until the creation of the open government ombudsman, Washingtonians often had nowhere to turn for information about the Public Records Act or Open Public Meetings Act.

The position is specifically designed to engage and assist Washingtonians, promote government transparency, and support agencies in understanding, complying with, and fairly applying open government laws.

The Open Government Ombudsman trained more than 3,000 public employees on public records requirements in 2014.

How to Request Assistance

Washingtonians with questions involving the Public Records Act and Open Public Meetings Act can visit the Attorney General's website, <http://www.atg.wa.gov/open-government>, or contact Nancy Krier, Assistant Attorney General for Open Government at 360-586-7842 or NancyK1@atg.wa.gov.

Consumer Protection: Foreclosure

A major focus of the Consumer Protection Division's work involved protecting homeowners from unfair foreclosures. Attorney General Ferguson's team brought several state and federal enforcement actions on behalf of homeowners in Washington.

Foreclosure Trustees Held Accountable

Foreclosure trustees act as a neutral party on behalf of both the lender and the borrower during the foreclosure process. In 2014, foreclosure trustees that did not play by the rules faced swift legal action from Attorney General Ferguson. Holding trustees accountable for their duty to treat borrowers fairly under Washington law, Ferguson filed back-to-back lawsuits against Cal-Western and Quality Loan Services, two of the largest foreclosure trustees in Washington state. Both companies were accused of unfair and deceptive business practices, including providing inaccurate contact information to homeowners and not maintaining a physical address where homeowners could go to make last-minute payments, request a postponement, or serve a lawsuit to halt the foreclosure.

Hundreds of consumers benefited from Ferguson's legal actions against the trustees, which resulted in payments to homeowners, delayed foreclosures and an end to these deceptive practices.



Mortgage Rescue Scams Shut Down

Attorney General Ferguson shut down two "mortgage rescue" scammers in Washington during a nationwide crackdown on scams that targeted homeowners in crisis. Ferguson filed lawsuits against Delay My Sale Date and US Recovery Program, accusing both of taking advantage of homeowners by falsely promising they could delay or prevent foreclosure. He obtained court orders prohibiting both from doing business in Washington. Ferguson's lawsuits were part of a national sweep involving the Consumer Financial Protection Bureau, the Federal Trade Commission and 15 states.

\$550 Million Message To Abusive Mortgage Servicers

Attorney General Ferguson helped secure \$550 million for homeowners nationwide who were treated unfairly by SunTrust Mortgage, Inc. A state and federal coalition addressed mortgage origination, servicing and foreclosure abuses by the Virginia-based company. Washington borrowers represented 744 of the company's 48,223 foreclosures from 2008 through 2013.

The settlement with SunTrust was modeled after the National Mortgage Settlement and provided \$3 million in direct payments to Washington residents, as well as loan modifications and other relief for borrowers in need of assistance. It also includes tough new mortgage servicing standards and granted oversight authority to an independent monitor to ensure SunTrust complies with the agreement.



HELPED SECURE \$550 MILLION
FOR HOMEOWNERS NATIONWIDE

744

WA STATE VICTIMS

received a
total of

\$3 MILLION
IN PAYMENTS



Protecting Consumers & Businesses

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, education and outreach services designed to protect the rights of consumers, and support a level playing field for Washington businesses.

PHOTO: Attorney General Bob Ferguson helps seniors fight fraud during AARP Scam Jam in Spokane.



Protecting Senior Consumers

Attorney General Ferguson continued the office's long history of partnering with AARP on fraud prevention and education programs that serve Washington's senior population. Ferguson and members of his Consumer Protection team participated in four Scam Jams hosted by AARP across the state. The events, held in Seattle, Kennewick and Spokane, drew hundreds of seniors interested in learning how to avoid the latest scams.

Consumer Resource Center

Our Consumer Resource Center offers informal complaint resolution services to assist Washington consumers and businesses in resolving disputes. In 2014, the Center handled 25,518 phone inquiries, 17,283 written complaints and returned \$4,198,825 in savings to complainants.

Fighting Against Consumer Discrimination

A Benton County Superior Court judge ruled that a Richland florist violated Washington's Consumer Protection Act by refusing to serve a same-sex couple seeking to buy wedding flowers. Ferguson filed the lawsuit in 2013 against Arlene's Flowers and its owner and operator, Barronelle Stutzman for discrimination. Although providing flowers for weddings is a service offered by the business, the florist refused to provide flowers to customer Robert Ingersoll for his wedding to his husband, Curt Freed.

Under the Consumer Protection Act, it is unlawful to discriminate against customers on the basis of sexual orientation. If a business provides a product or service to opposite-sex couples, it must provide same-sex couples the same product or service.

Prior to filing the case, the Attorney General wrote to Ms. Stutzman, asking her to comply with state laws that protect marriage equality and agree to end the discrimination. The case went forward when she rejected the request. She was ordered by the judge to pay a \$1,000 penalty. Ferguson requested \$1 in costs and fees to the state, which the court granted.



In 2014, Attorney General Ferguson focused on a number of state and national issues involving child safety. He worked to end child sex trafficking in Washington and nationwide. He also sought justice for unaccompanied immigrant children facing deportation, including hundreds who live in Washington state.

“Last week, Washington Attorney General Bob Ferguson exhibited judgment and political courage, arguing in an amicus (friend of the court) brief to the U.S. District Court in Seattle that unaccompanied immigrant children in Washington should not be forced to represent themselves in their removal hearings. Ferguson's analysis in the *J.E.F.M. v. Holder* lawsuit merits a read for its clarity, historical grounding and moral and legal resonance.”

- The Daily Herald: August 19, 2014



Human Trafficking

Continuing our office's longstanding leadership in the fight against human trafficking, Attorney General Ferguson served as co-chair of the National Association of Attorneys General Human Trafficking Committee.

Ferguson led a nationwide effort of 53 state and territorial attorneys general to urge Congress to prevent online child sex trafficking by approving the Stop Advertising Victims of Exploitation (S.A.V.E.) Act of 2014. The SAVE Act would provide more oversight of websites that offer “adult services,” such as Backpage.com.

He joined with 43 state and territorial Attorneys General urging the U.S. Senate and House Judiciary Committees to approve the Amy and Vicky Child Pornography Restitution Improvement Act. The Act would provide victims with timely and meaningful restitution to rebuild their lives.

He led Washington's Commercially Sexually Exploited Children Statewide Coordinating Committee. The Committee's 2014 Initial Report to the Legislature concluded that although our state has some of the best anti-trafficking laws in the country, more research, training and outreach are needed to combat child sex trafficking in Washington.

To support victims of child sex trafficking, Ferguson filed a “friend of the court” brief in the State Supreme Court in a lawsuit brought by children who were sold as prostitutes through advertisements posted on Backpage.com.

Justice For Unaccompanied Immigrant Children

The number of children entering the United States without a parent or guardian rose dramatically in 2014, with hundreds of unaccompanied immigrant children in Washington, some as young as 8-years-old. Once here, many of these children face complex immigration proceedings and are forced to represent themselves in a legal system they do not understand. Not surprisingly, children almost always lose deportation hearings without legal representation. Consequences can be dire for refugee children who are returned to countries they fled to escape crime and violence.

Attorney General Ferguson initiated efforts to protect the rights of these children in the justice system. He filed a “friend of the court” brief in U.S. District Court in the *J.E.F.M. v. Holder* lawsuit, supporting a class-action lawsuit filed on behalf of thousands of children. The lawsuit challenged the federal government's failure to ensure legal representation for these children as it carries out deportation proceedings against them.

Under Ferguson's direction, the Attorney General's Office is leading a statewide effort to raise awareness of this problem and enlist support from the legal community to address the needs of these children with pro bono lawyers.



DISH Network's Deceptive Billing Practices Stopped

DISH Network agreed to return \$2 million to hundreds of thousands of Washington consumers cheated on their monthly bills. Complaints from DISH customers about confusing “surcharges” prompted us to investigate the company’s billing practices.

We alleged that from May through December 2012, the company illegally charged hundreds of Washington customers a “WA State Surcharge” of approximately \$1 per month. DISH implemented the monthly charge to increase revenue, but listed it as a separate item on its customer’s regular bills, creating the impression the charge was a government-imposed fee. Our legal action stopped the deceptive practices and provided restitution to DISH consumers.

Prosecuting Criminal Theft of Medicaid Funds

Our Medicaid Fraud Control Unit successfully prosecuted Michael Mann, the owner of Wheelchairs Plus Inc., for First Degree Theft and multiple counts of Medicaid False Statement for defrauding Medicaid recipients and Washington taxpayers. We accused Mann of claiming more than \$600,000 in Medicaid reimbursements for new wheelchairs when, in fact, Mann provided used wheelchairs. Many of the chairs had falsified serial numbers. The court sentenced him to two months of alternative custody and six months of probation.

Fighting Back Against Wireless Cramming

Our office served on the Executive Committee of a multi-state investigation of wireless “cramming,” which involves unauthorized third-parties billing consumers for goods and services through the consumer’s wireless phone bill. Many of the unauthorized charges are for premium text message services, such as horoscopes or sports scores, that consumers did not request or agree to be billed. AT&T Mobility paid \$25 million and T-Mobile paid \$22.5 million. Both companies will provide refunds to consumers for unauthorized charges.

Combatting 5-Hour ENERGY's Misleading Advertisements

Attorney General Ferguson sued the makers of the popular energy shot 5-hour ENERGY® for unfair and deceptive advertising. The lawsuit alleges that Living Essentials LLC, and its parent company, Innovation Ventures, LLC falsely claimed that “doctors recommend” 5-hour Energy®. It also alleges its ads claiming the “energy blend” in 5-hour ENERGY® provided benefits to consumers were unfair and deceptive because any “energy” the product provides comes from caffeine. The lawsuit alleges that ads claiming 5-hour ENERGY® has “no sugar crash” were also unfair and deceptive, in part because the companies’ own study showed it triggers a caffeine crash.

First Enforcement Under Federal Restore Online Shoppers Confidence Act



In the first enforcement action of its kind, Attorney General Ferguson sued a Philadelphia-based online company for violations of the federal Restore

Online Shopper's Confidence Act (ROSCA) and the state's Consumer Protection Act. Ferguson accused the company, Internet Order LLC and its CEO, Daniel Roitman, doing business as Stroll, of using deceptive marketing tactics to lure millions of customers nationwide, including more than 38,000 in Washington. The company advertised a foreign language audio course for "only \$9.95." Consumers who purchased the introductory set were unknowingly automatically enrolled in a "negative option" purchase plan, which obligated them to receive up to four additional courses at a cost of \$256 each. The negative option feature raised the consumer's total obligation to as much as \$1,024. It was the first case of a state Attorney General suing to enforce ROSCA.

Former Colville Police Officer Convicted of Sex Crimes

Former Colville Police Officer Rex Newport pleaded guilty to multiple felony and misdemeanor charges brought by the Attorney General's Office after several women accused him of sexual misconduct. Newport pleaded guilty to Residential Burglary, Unlawful Imprisonment with Sexual Motivation, Custodial Sexual Misconduct in the First Degree, Making a False or Misleading Statement to a Public Servant, and Official Misconduct for using his position as a police officer to intimidate or induce women into having sex with him while he was on duty. As a result of the AG's prosecution, he was sentenced to 29 months in prison, 36 months of community custody and required to register as a sex offender.

Ending Discrimination by O'Reilly Automotive, Inc.

Upon receiving a consumer complaint alleging that O'Reilly Automotive, Inc., refused to provide health insurance benefits to its employees' same-sex spouses while providing benefits for opposite-sex couples, the Attorney General's Office launched an investigation. In Washington, it is illegal to deny health insurance benefits based on sexual orientation.

In response to the investigation, the Fortune 500 Company began extending healthcare coverage to same-sex spouses of its employees in Washington and other states recognizing marriage equality. The new policy became effective April 1, 2014.

Nursing Home Residents Protected From Substandard Care.



Hundreds of residents at 15 skilled nursing facilities in Washington benefitted from an unprecedented multistate agreement that protects nursing home residents from substandard care.

Attorney General Ferguson led a national effort to hold the corporate nursing facility, Extendicare Health Services Inc. ("Extendicare") and its subsidiary, Progressive Step Corporation ("ProStep") accountable for substandard care at facilities nationwide, including 15 in Washington. The \$28 million agreement reached by Washington, seven other states and the federal government, was the largest-ever payout by a skilled nursing chain to resolve government allegations of subpar care. The state alleged that Extendicare billed Medicaid for substandard nursing services that were so deficient as to be effectively worthless. The legally enforceable agreement requires Extendicare to provide monitored and improved care to the affected residents.

Advocating for Utility Customers



The Attorney General's Office helped ensure that Puget Sound Energy (PSE) paid customers \$52.7 million in utility bill credits following the sale of PSE's Jefferson County service territory. PSE sold part of its service territory to Jefferson County Public Utility District as a result of a 2008 voter initiative to leave PSE and create a PUD. The sale generated a \$60 million

gain, of which PSE proposed to share approximately \$15 million with customers. After the Attorney General's Office and others successfully advocated for a much higher amount of the gain to be distributed to customers, PSE was ordered to provide \$52.7 million of the gain to customers.

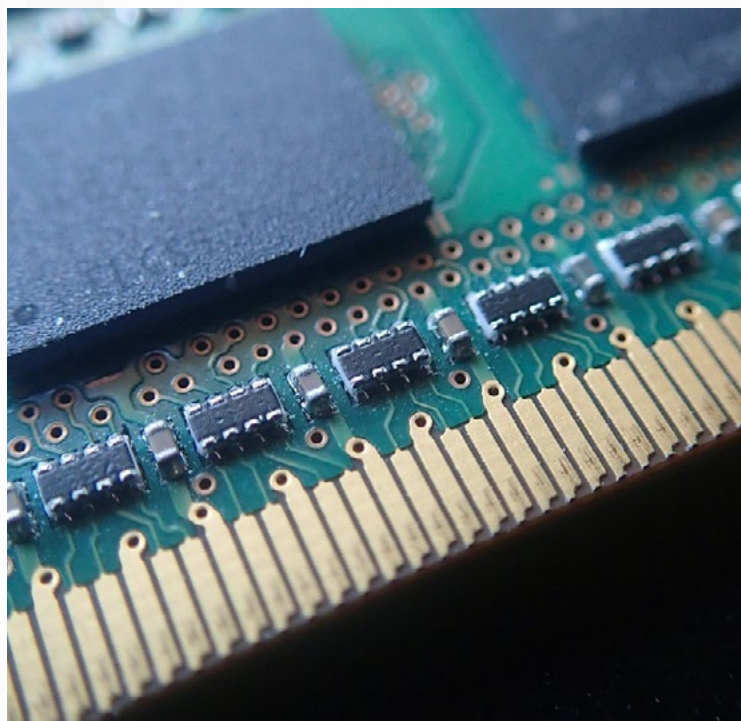
In addition, we successfully advocated for a \$14.8 million reduction to Avista's 2014 rate increase request to the Utilities and Transportation Commission.

First Crowdfunding Lawsuit in the Nation

Attorney General Ferguson filed the first crowdfunding consumer protection lawsuit in the nation when he stepped in to protect consumers who backed the Asylum Playing Cards project on the online crowdfunding service Kickstarter. Under Kickstarter's terms of use, consumers enter into an agreement with the project owner to make a financial pledge in exchange for a product or reward. Consumers who funded the Asylum Playing Cards project agreed to do so in exchange for decks of playing cards featuring a retro-horror theme and other similar items. The Attorney General alleged that after taking the pledge money from supporters, the project failed to deliver the promised rewards.

\$310 Million Settlement in DRAM Anti-Competitive Price-Fixing Case

In 2006, we joined a multi-state antitrust lawsuit in federal court against several global manufacturers of Dynamic Random Access Memory computer chips. The states accused the defendants of fixing the prices of computer chips, resulting in artificially inflated prices on electronic devices between 1998 and 2002, such as personal computers and MP3 players. In 2014, after eight years of litigation, a federal judge approved a settlement for consumers nationwide worth \$310 million. The amount of money returned to Washington state consumers depends on how many claims are filed and the types of products they purchased. Upon finalization of the settlement, an estimated \$500,000 will be returned to state agencies that purchased computers and other products with DRAM chips.





Investigators are sworn in during the Attorney General's Medicaid Fraud Control Unit Oath Ceremony.

SAFEGUARDING CONSUMERS

Antitrust

Division Chief: Jonathan Mark, Senior AAG

Overview: The Antitrust Division enforces state and federal antitrust 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 Washington consumers and state agencies in litigation seeking redress for violations of antitrust laws. The division also responds to consumer complaints and inquiries and conducts outreach and education programs.

Legal Highlights: The division has been litigating two high-profile price-fixing cases against major electronics manufacturers who conspired to raise prices on technology used in TVs, computer monitors and other devices. Both cases are ongoing. (See page 12 for more legal highlights).

Public Counsel Unit

Division Chief: Simon ffitich, Senior 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 in utility companies' requested rate changes, mergers, policy issues and other cases and rulemakings before the UTC.

Legal Highlights: During 2014, most utilities requested rate increases. PCU advocated for fair rates that include reasonable profits, adequate coverage of costs and consumer protections. Environmental issues are increasingly important in utility regulation. This year PCU reviewed the electricity conservation targets and performance required by the Energy Independence Act (I-937), for electric utilities. The office also provided input for state comments to the Environmental Protection Agency regarding proposed reduced emissions from coal-fired electric plants. PCU's work saved customers approximately \$52.5 million.

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 imposes penalties on 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 2014 to protect consumers and honest businesses. Among other issues, cases involved wrongful foreclosures, unfair and deceptive online marketing tactics, failure to deliver goods that consumers purchased, retail discrimination and scams that target seniors and other vulnerable consumers.

KEEPING COMMUNITIES SAFE

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 in homicides, sexual assaults, white collar crime and crimes involving official misconduct or public corruption. The division civilly prosecutes convicted sexually violent predators. The division also provides state and nationwide investigative expertise and assistance through the Homicide Investigation Tracking System (HITS) Unit.

Legal Highlights: The Criminal Justice Division handled a wide range of cases including the prosecution of environmental crimes in Pierce and Benton Counties, a criminal prosecution in Colville, and the civil commitment of 11 high profile sexually violent predators including Richard Hatfield (Clark County), Maverick Lanning (Walla Walla County) and Shawn Botner (Spokane County).



SECURED
11 CRIMINAL
CONVICTIONS
17 CIVIL
RESOLUTIONS
RECOVERING OVER
\$24 MILLION

Medicaid Fraud Control Unit

Director: Doug Walsh, Senior AAG

Overview: The Medicaid Fraud Control Unit (MFCU) investigates and criminally and civilly prosecutes theft and fraudulent use of Medicaid money by health care providers. The MFCU recovers losses to the Medicaid program caused by fraud 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 legislative session, the Washington Legislature enacted the Medicaid Fraud False Claims Act. The Act expands on the MFCU's criminal authority by granting the Unit the ability to prosecute fraud using the civil justice system.

Legal Highlights: The MFCU secured 11 criminal convictions and 17 civil False Claims Act resolutions in 2014. The law enforcement work included a ground breaking case in the nursing home industry (Extendicare, see page 12). The Unit recovered more than \$24 million in 2014.

PHOTO: Attorney General Bob Ferguson with Sr. AAG Doug Walsh, Director of the Medicaid Fraud Control Unit.



*Attorney General Bob Ferguson talks to reporters after a hearing in *MMH, LLC. v. Fife*, the first case challenging the right of municipalities to opt out of legal marijuana sales.*

SERVING THE AGENCIES OF WASHINGTON STATE

Attorney General Ferguson leads a team of attorneys and professional staff who provide legal services to state agencies involving virtually all operations of state government.

Every community in the state benefits from the work of our office. Every day, our legal teams are in courtrooms across Washington promoting justice and protecting the health, safety and individual rights of the people we serve.

Our work to promote democracy, protect our environment and preserve our natural resources improves lives, strengthens our economy and helps ensure a prosperous future for our state.



Protecting the Integrity of Washington Elections

Working with the state's Public Disclosure Commission to protect the integrity of Washington elections, the Attorney General's Office continued to litigate the largest campaign finance concealment case in Washington history.

In 2013, the office filed a lawsuit against the Grocery Manufacturers Association (GMA), alleging it violated state campaign finance disclosure laws. The lawsuit accused the GMA of soliciting and collecting roughly \$10.6 million from its members, then placing those funds in a special "Defense of Brand" account and using the money to oppose Initiative 522, all without disclosing the true source of the contributions.

The GMA is a trade association, based in Washington DC, representing more than 300 food, beverage and consumer product companies. It was the largest single donor to the campaign to oppose Initiative 522, which would have required mandatory labeling of genetically engineered foods, seeds and seed products in Washington. I-522 was rejected by Washington voters in 2013.

In January, the GMA filed a counter lawsuit alleging the state had unconstitutionally enforced campaign finance laws against it and requested the judge dismiss the case.

In June, a Thurston County Superior Court Judge rejected GMA's efforts to dismiss the entire case as unconstitutional, allowing the state to proceed to trial.



Pension Case Victories Save Taxpayers Billions of Dollars

The Attorney General's Office prevailed in two important pension cases that will save taxpayers billions of dollars. The cases involved two pension enhancements enacted by the Legislature in the mid-1990's, each with a clause allowing the Legislature to later repeal the enhancement. The Legislature later terminated the enhancements due to fiscal constraints and the Great Recession. The terminations prompted state employee unions and public employees to file lawsuits claiming a permanent right to receive the enhancements.

Both cases, *Washington Education Ass'n, et al. v. Washington Dept. of Retirement Systems* and a second case with the same name, eventually reached the state Supreme Court. The trial courts agreed with employees. These decisions were projected to cost Washington taxpayers more than \$10 billion over 25 years. The Attorney General's Office, on behalf of the state, appealed the decisions. In August, the state Supreme Court unanimously reversed the trial court and upheld the right of the legislature to enact pension enhancements with clauses allowing their later repeal.

Defending I-502: Upholding the Will of Voters

As legal battles involving the legalization of recreational marijuana played out in courtrooms across Washington, we continued to aggressively defend I-502 and uphold the will of Washington voters.

In January, Attorney General Ferguson issued a formal legal opinion concluding that I-502 does not prevent cities and counties from banning the sale of marijuana. We subsequently intervened in several cases to defend I-502 against challenges to local bans. By year's end, superior court judges in Pierce, Chelan, Benton and Cowlitz counties all affirmed Ferguson's opinion and upheld the local bans.

The plaintiffs in the first case, *MMH, LLC. v. Fife*, appealed the decision to the Washington Supreme Court. A decision on whether the court will hear the case is expected in 2015.

Holding the Federal Government Accountable for Hanford Nuclear Reservation

Cleaning up Toxic Waste

We continued our longstanding commitment to hold the federal government accountable for the environmental clean up of the Hanford Nuclear Reservation.

Hanford is the most contaminated environmental cleanup site in the Western Hemisphere. It holds more high level radioactive waste than all other U.S. nuclear sites combined. The radioactive waste is stored in 177 aging tanks. Many of these are single shell tanks that are leaking.

In 2010, the state and the U.S. Dept. of Energy (Energy) negotiated a federal court consent decree for completing construction of a Waste Treatment Plant (WTP) to turn Hanford's high-level tank waste into glass, as well as retrieve waste from 19 leak-prone single shell tanks.

The following year, Energy announced it would fail to meet the decree's WTP deadlines. After, Governor Jay Inslee and Attorney General Ferguson initiated litigation to amend the 2010 agreement and establish new requirements for retrieving and treating Hanford's tank waste and constructing new double-shelled tanks. The matter is being heard in early 2015.

In 2014, the state also ordered Energy to begin removing waste from a leaking double-shell tank. Energy appealed, then entered into a settlement.



Attorney General Bob Ferguson and Senior Counsel Andrew Fitz answer questions at a press conference.



Attorney General Ferguson and Chief of Staff Mamie Marcuss tour the Hanford site.

Protecting Workers

The AGO also prioritized keeping Hanford workers safe. There has been a long history of worker health and safety issues. After 20 years and many reports and studies, Energy is still not adequately protecting Hanford workers from hazardous tank vapors.



Attorney General Bob Ferguson and staff tour the Hanford site.

In October, an independent panel of experts issued the federally-funded Hanford Tank Vapor Assessment Report which determined that "ongoing emission of tank vapors, which contain a mixture of toxic chemicals, is inconsistent with the provisions of a safe and healthful workplace free from recognized hazards." The panel also found that data "strongly suggests a causal link between chemical vapor release and subsequent adverse health effects experienced by tank farm workers."

After the report was issued, Attorney General Ferguson sent Energy and its contractors a notice of intent to sue under federal hazardous waste law for exposing workers to conditions that may present an imminent and substantial endangerment to their health.

Opinions

The Attorney General's Office issued eight formal AGO Opinions in 2014. Two of the Opinions addressed high profile issues, including I-502, the initiative legalizing marijuana, and the use of police body cameras.



Solicitor General Noah Purcell defends the will of Washington voters during I-502 hearing.



I-502: In response to a request from the Chair of the Washington State Liquor Control Board regarding local bans of marijuana businesses, the Solicitor General's Office issued AGO 2014 No. 2. The Opinion concluded that Initiative 502 does not prevent cities and counties from banning marijuana businesses.



Body Cameras: In response to a request by Sen. Andy Billig of Spokane, the Attorney General's Office issued an opinion regarding police body cameras and the state's Privacy Act. AGO 2014 No. 8 concluded that law enforcement agencies can require their officers to wear body cameras, and officers do not need residents' permission to use body cameras on the job to record interactions with the public.

The six other opinions issued addressed legal questions involving:

- Filling County Prosecuting Attorney Vacancies
- Civil Liability and Volunteer Emergency Workers
- Authority to Set Toll Rates and Ferry Fares
- Collective Bargaining and Retirement Benefits
- Foreign Criminal Convictions and Concealed Pistol Licenses
- County Legislative Authority Meetings



Attorney General Ferguson and Solicitor General Purcell speak to the media about the office's opinion on the effect of I-502 on local bans on marijuana businesses.

Holding Canadian Company Accountable for Contaminating Washington Waters

Teck Cominco Metals, Ltd.: For decades, a Canadian smelter in British Columbia released toxic metals into the Columbia River and Lake Roosevelt. The state originally intervened in a citizen suit brought by the Confederated Tribes of the Colville Reservation against Teck Cominco Metals, Ltd., to enforce a Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) order issued by the Environmental Protection Agency. The case has evolved into a suit for recovery of natural resource damages and response costs on behalf of both the state and the Confederated Colville Tribes.

In 2012, Teck entered into a liability stipulation with the State and the Tribes. The state and Teck reached a settlement.



Defending Voters' Charter Schools Initiative

It is the responsibility of the Attorney General's Office to defend the will of the voters. In 2012, voters approved Initiative 1240, which created the public charter school system. In 2013, the League of Women Voters, the Washington Education Association, El Centro de la Raza and several individuals filed a lawsuit in King County Superior Court challenging the constitutionality of the initiative. The group asked the court to declare the Charter Schools Act unconstitutional and to block any further implementation of I-1240.

My office defended I-1240 against the multi-part constitutional challenge. In late 2013, the court ruled the vast majority of the charter schools initiative constitutional, and the state continued to implement the new law. The state's first charter schools opened in 2014.

Protecting the people's right to access needed medications

Working to ensure Washington residents have access to needed medications, the Attorney General's Office continued defending rules requiring pharmacies to fill lawful prescriptions for time-sensitive medications.

In the case of *Stormans v. Wiesman*, a pharmacy owner and two pharmacists challenge Washington rules requiring pharmacies to fill lawful prescriptions. The plaintiffs object to filling certain prescriptions for emergency contraceptives based on their religious beliefs.

This case, formerly known as *Stormans v. Selecky*, has a long history. The rules at issue were adopted by the Washington Board of Pharmacy in 2007 after a lengthy process of discussion and public comment. Shortly after the rules were adopted, Kevin Stormans, whose family owns Ralph's Thriftway and its pharmacy in Olympia, and two pharmacists who work elsewhere sued in federal court.

The case was argued in the Ninth Circuit Court of Appeals in November.

Win Preserves Tens of Millions in Revenue for Education

The Attorney General's Office preserved tens of millions of dollars in revenue for education by successfully defending a challenge to a revision of the state estate tax. The Legislature amended the estate tax code in 2013 after a high court ruling that said properties held in certain marital trusts would not be subject to the tax if the first spouse died before the state estate tax took effect in May 2005. The amendment, which allowed the tax to be collected retroactively in some cases, was challenged by two separate estates.

In October, the state Supreme Court unanimously ruled to uphold the Washington estate tax as it was amended in 2013, saying lawmakers could apply the law retroactively to include certain marital estates in which one spouse died before the state estate tax took effect in 2005.

Recovering \$31 million for the State Investment Board

The Attorney General's Office and a special assistant attorney general recovered \$31 million for the State Investment Board (WSIB) in a settlement related to the 2008 collapse of Lehman Brothers, Inc.—the largest corporate bankruptcy in history.

The lawsuit, filed in May 2009, alleged Lehman failed to disclose material facts in connection with the various securities it sold to Washington, including the true value and risky nature of its mortgage-related assets. The lawsuit also claimed that Lehman's financial statements failed to comply with applicable accounting standards, resulting in an illusion that the investment bank was more financially stable than it actually was.

WSIB purchased Lehman bonds between 2006 and mid-2008. When Lehman declared bankruptcy, WSIB liquidated its holdings and recorded losses of more than \$92 million on the bonds.

The case was originally filed in Thurston County Superior Court and later transferred to the federal court in the Southern District of New York in Manhattan.

McCleary v. State

The AGO filed several briefs in the state Supreme Court in the *McCleary v. State* case, a suit against the state brought by education advocates, school districts and individuals, each claiming the state was not making ample provisions for K-12 education.

In 2012, the state Supreme Court ruled that the Legislature was not meeting its constitutional obligation to fully fund basic education. The court ordered lawmakers to correct the problem by 2018 and present yearly progress reports in the interim. After reviewing the 2014 progress report, the court ordered the state to appear and address whether the state should be held in contempt and if so, whether various sanctions would be appropriate.

The office argued on behalf of the state that lawmakers should not be held in contempt, and urged the Supreme Court to wait until after the 2015 session to consider any sanctions.

The court issued an order holding the state in contempt but deferring consideration of any sanctions until after the 2015 legislative session.



*Deputy Solicitor General Alan Copsey argues before the state Supreme Court in *McCleary v. State*.*



Attorney General Bob Ferguson with Social and Health Services Division staff at the Tumwater office.

PROTECTING THE ENVIRONMENT

Agriculture and Health

Division Chief: Kristen Mitchell, Senior AAG

Overview: The division assists the Departments of Agriculture, Archaeology and Historic Preservation, Commerce, and Health, as well as Commodity Commissions, the Life Sciences Discovery Fund Authority, and the Northwest Interstate Compact on Low-Level Radioactive Waste. The division's work involves legal matters related to oversight of health care practitioners and facilities, the regulation of agricultural activities and food processing, pest eradication, threats to human health, shellfish sanitation, drinking water and septic systems, funding of innovative life sciences research and clean energy technology, historic and archaeological artifact preservation and low-level radioactive waste disposal. The division also assists with legal issues related to the Energy Independence Act and programs to improve the state's infrastructure, communities and the economy.

Legal Highlights: The division represented the Department of Health in cases protecting the public's access to quality health care including (*Stormans, et al. v. Wiesman, et al.*), defending the state Board of Pharmacy's requirement that pharmacies dispense contraceptives when requested by a customer and *Washington State Hospital Association v. Department of Health*, defending the department's ability to review mergers of hospitals and corporate restructuring of hospital ownership and protecting the associated public review process.

Ecology

Division Chief: Laura Watson, Senior AAG

Overview: The Ecology Division represents the Department of Ecology, the Puget Sound Partnership, the Pollution Liability Insurance Agency and the State Conservation Commission. The division resolves environmental 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 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.

Legal Highlights: The division advised the Department of Ecology on developing environmental impact statements for two proposed coal export facilities, rulemaking to update fish consumption rates in the state's water quality standards, revision of the state's sediment management standards and development of a reclaimed water rule. The division is representing the department in litigation over municipal and instream flow water rights (*Foster v. Yelm*). It also represented the department in litigation challenging a local ban on biosolids application (*Ecology v. Wahkiakum County*). Wahkiakum County adopted an ordinance banning within its borders nearly all land application of biosolids. Ecology challenged the ordinance in Superior Court on the ground that it conflicts with state law. The Superior Court granted Summary Judgment and the county and Ecology appealed. The Court of Appeals, Division II reversed the Superior Court decision, holding that the county ban conflicts irreconcilably with state law because it: 1) prohibits what state law permits, 2) thwarts the legislative purpose of the statute, and 3) exercises authority not conferred on the county.

Fish, Wildlife & Parks

Division Chief: Joseph Shorin, Senior AAG

Overview: The Division represents the Department of Fish and Wildlife (WDFW) and the Parks and Recreation Commission. The division 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, typically relating 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:

Major cases included:

- *Skokomish Indian Tribe v. Goldmark*, concerning tribal hunting and gathering rights;
- Defending the state in *Wild Fish Conservancy v. WDFW*, challenging certain hatchery programs under the Federal Endangered Species Act;
- *United States v. Washington*, subproceedings 01-1 (fish passage and state culverts) and 09-07 (western boundary of certain Tribes' usual and accustomed fishing grounds);
- *Kinsail v. WDFW*, a significant contract case stemming from work to develop a new WDFW "WILD" computerized licensing system.

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 5.7 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 represented DNR in several derelict vessel cases that put public safety and the health of the state's waters at risk. It also received \$323,658 in the settlement of a large oyster trespass case and assisted the state in recovering fire suppression costs from parties responsible for causing several wildfires. Division attorneys also advised the governor's SR 530 Landslide Commission, which reviewed the March 2014 landslide and the emergency response to it and provided recommendations for policy changes.



Attorney General Bob Ferguson and Commissioner of Public Lands Peter Goldmark announce two sets of criminal charges against two derelict vessel owners.

STANDING UP FOR THE MOST VULNERABLE

Social and Health Services

Olympia Division

Division Chief: Rochelle Tillett, Senior AAG

Overview: The Social and Health Services, Olympia Division provides legal services to the Department of Social and Health Services (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. It also provides legal services to the Health Care Authority, which plays a key role in the purchase and delivery of health care services in Washington state, and legal support to the Department of Veterans Affairs and the Department of Services for the Blind.

Legal Highlights:

By the end of June 2014, the attorneys representing the Department of Social and Health Services state-wide had over 6,100 open child welfare cases, protecting over 10,000 children from abuse or neglect in their home environments, and over 940 open termination of parental rights cases, protecting over 1,500 children.



PROTECTED
10,000
CHILDREN

FROM ABUSE & NEGLECT
IN OVER
6,100
CHILD WELFARE
CASES

Seattle Division

Division Chief: Mary Li, Senior AAG

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

The team 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 caring for him or her. 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.

Legal Highlights:

The division represents Child Protective Services in cases involving approximately 900 children each year. It represents Adult Protective Services in cases involving elderly or disabled vulnerable adults alleged to be abused, neglected or financially exploited. Attorneys also handle administrative licensing actions on behalf of the Division of Licensed Resources, the Department of Early Learning and Residential Care Services to ensure the safety and wellbeing of children and adults cared for in licensed facilities.

PROMOTING EDUCATION

Education

Division Chief: David Stoler, 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:

Major legal issues included ongoing representation of the state in *McCleary v. State*, which examined whether the state was making ample provisions for education in Washington and defending the will of the voters in Initiative 1240, which passed in November 2012, authorizing the establishment of charter schools in Washington, in *League of Women Voters v. State*.

University of Washington

Division Chief: Karin Nyrop, AAG

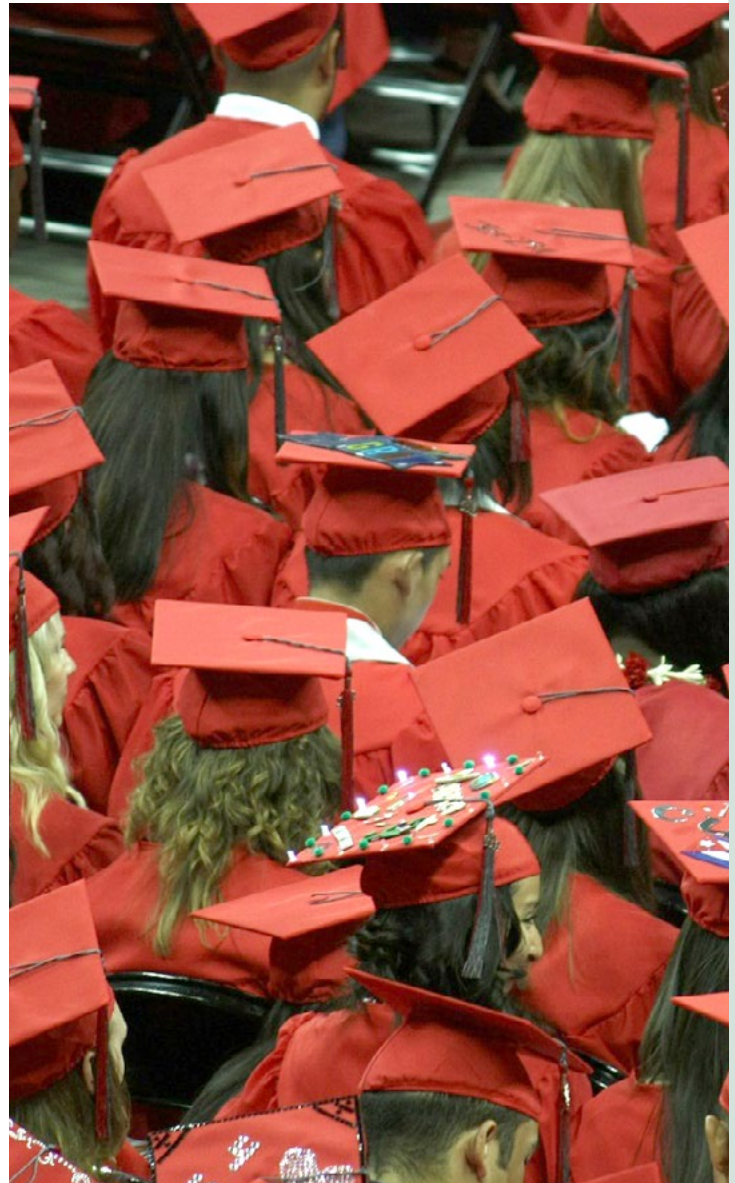
Overview: The University of Washington Division provides legal services to the University of Washington (UW), which includes campuses in Seattle, Bothell, and Tacoma, more than 48,000 undergraduate and graduate students, 29,000 employees, 50,000 students served through UW Education Outreach programs 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 four urban campuses. The division provides advice on a wide variety of legal issues, many of which are unique to higher education and include issues related to: risk management and compliance, research and intellectual property, health and veterinary sciences, public records and open meetings, the university's statewide Extension Program (including 4-H programs), athletics, students, personnel, university fundraising and development, public contracting, constitutional rights, real estate and construction and international programs and operations.





SPANNING THE STATE

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 the state agencies and institutions in surrounding communities. By locating attorneys and legal professional 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 represent multiple agencies and are adept in a wide variety of practice areas. Regional Services represents several agencies, including 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:

The seven offices of Regional Services opened more than 4,000 separate court and administrative matters in 2014.

Spokane

Division Chief: Antoinette (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:

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. The division also recovered \$1,824,561 for damaged state highways and bridges.

Tacoma

Division Chief: Julian Bray, Senior AAG

Overview: The Tacoma Division provides a wide range of legal services in matters arising out of Pierce and Kitsap counties to several state agencies, including the Departments of Labor and Industries, Licensing, Employment Security, and Social and Health Services (DSHS). The DSHS cases involve child abuse and neglect, licensing of care providers and protection of vulnerable adults. Tacoma also handles consumer protection functions including enforcement, mediation, community outreach and education. Tacoma's attorneys defend personal injury lawsuits filed against the state in Pierce and Kitsap counties.

Legal Highlights:

The Division is a leader in the Methamphetamine Family Treatment Court in Pierce County and the promotion of effective therapeutic courts. The division's DSHS caseload remains among the highest in the state for juvenile dependencies and termination of parental rights cases.

PROTECTING TAXPAYER DOLLARS

Revenue

Division Chief: Cam Comfort, Senior AAG

Overview: The Revenue Division provides legal services to the Department of Revenue (DOR), which administers and collects the state's major excise taxes. The unit provides legal services related to DOR's administration of the state's property tax system, valuation of operating property owned by public utilities, and administration of the state's estate tax and unclaimed property laws.

Legal Highlights:

The Revenue Division plays an important role in implementing the historic tobacco litigation master settlement agreement (MSA) by enforcing the escrow statute adopted by the legislature. The statute requires cigarette manufacturers that sell tobacco products within the state, but have not joined the MSA, to make payments to the state.

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 are based upon various theories of liability, including 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 with disputed facts or law. The division's Complex Litigation Unit assists other AGO divisions 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. The division defended more than \$450 million in tort claims against the state.

Legal Highlights:

In recent years, natural disasters have led to a series of complex tort actions against the State of Washington and its agencies. This trend continued in 2014 as a result of the Oso landslide and the Carlton Complex wildfires. The Torts Division is defending those actions, along with ongoing litigation that arose from the 2012 Taylor Bridge fire in Cle Elum and actions arising out of the 2007 Chehalis River flood.

Bankruptcy and Collections

Division Chief: Daniel Radin, Senior Counsel

Overview: The Bankruptcy and Collections Unit (BCU) of the Revenue 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 the revenue agents as they work to collect unpaid taxes.

Legal Highlights:

The BCU collected \$5,926,611 for its clients. The BCU opened 472 cases to proceed against contractors' bonds for nonpayment of taxes and recovered \$1,906,043. The BCU opened 81 cases to prevent the bankruptcy discharge of debts owed to Employment Security and Labor & Industries for benefit overpayments obtained by fraud, preserving \$332,937 for collection. Even without large bankruptcy cases, the BCU recovered \$1,347,006 in bankruptcy cases for the tax agencies.

SUPPORTING INFRASTRUCTURE

Transportation and Public Construction

Division Chief: Bryce Brown, Senior AAG

Overview: The Division represents and advises the Washington State Department of Transportation (WSDOT) as it designs, constructs, operates, and maintains Washington's highway system and other transportation operations, including ferries, buses, and rail. TPC's workload includes a mix of litigation and client advice on a wide range of issues, including condemnation, bid protests, construction claims, environmental litigation, regulatory compliance, hazardous waste claims, and land use issues that arise from state construction projects and the operation of state facilities. Division attorneys also handle a number of tort cases seeking recovery for property damage allegedly caused by floods, erosion and landslides.

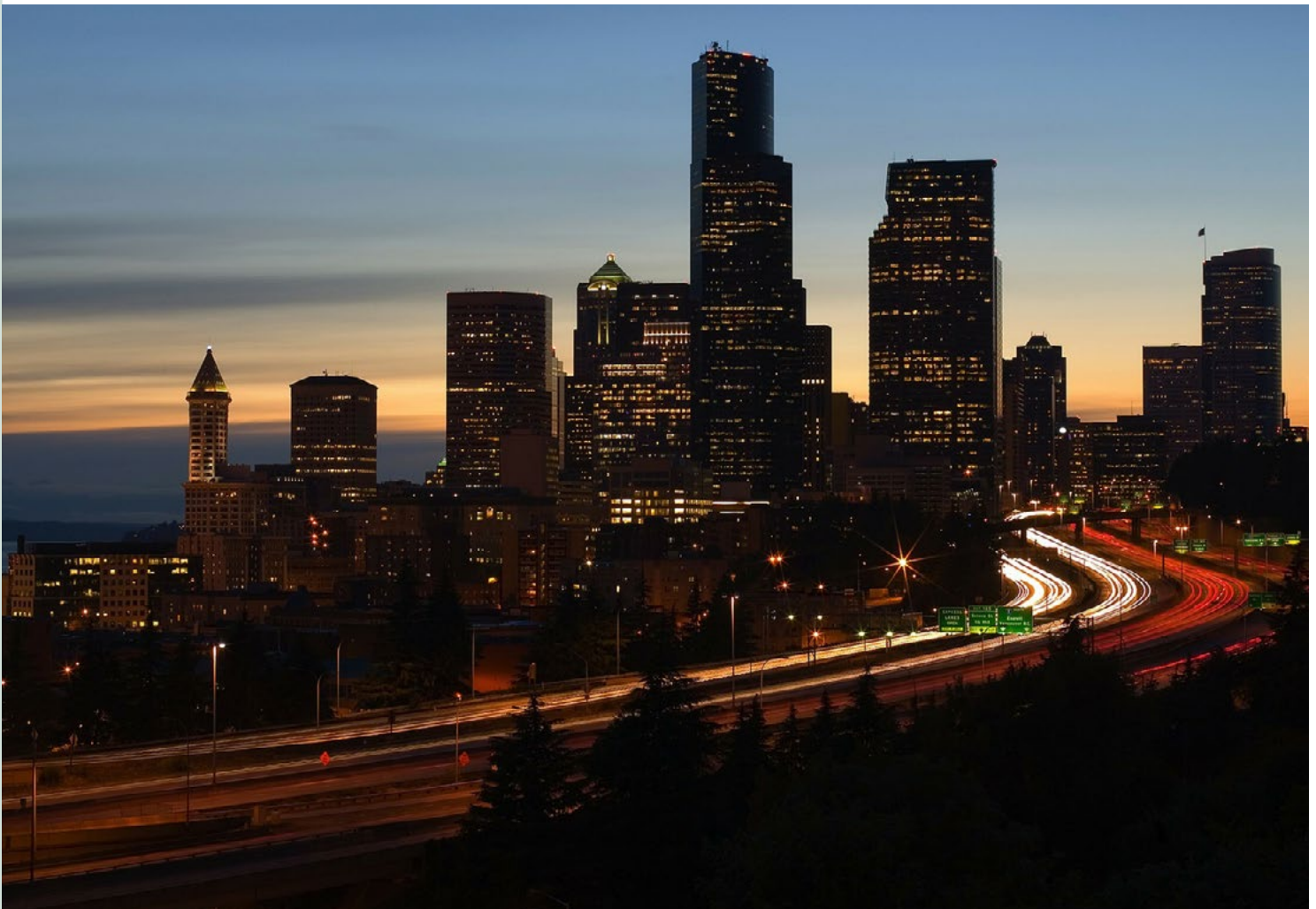
Legal Highlights:

The division provides legal advice and litigation services to WSDOT on a wide range of legal issues related to the Alaskan Way Viaduct Bored Tunnel Project, SR 520 Bridge Replacement, the state's Tolling program and public transportation.

Utilities & Transportation

Division Chief: Sally Brown, Senior AAG

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



SUPPORTING EFFECTIVE GOVERNMENT

Corrections

Division Chief: Timothy Lang, Senior AAG

Overview: The Corrections Division advises and represents the Department of Corrections, 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, 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 convinced the U.S. Supreme Court to reverse a lower court and reinstate the conviction of armed robber Joshua Frost. Additional highlights included successful post-sentence petitions ensuring criminals serve their full sentences (*Mahone, Gage*); dismissal of a class action seeking damages for failure to store inmate clothing (*Greenhalgh v. DOC*); and injunctions preventing inmates from using public records requests to harass and intimidate DOC employees (*McDonald, Troupe*).

Labor & Personnel

Division Chief: Shane Esquibel, 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, 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.

Legal Highlights:

Interest Arbitration: The division litigated 14 interest arbitrations to determine the final terms of the state's collective bargaining agreements not resolved during the collective bargaining process. *Centeno, et al. v. DSHS:* The division is defending the Department of Social and Health Services in a class action lawsuit filed in federal court alleging that the union security provision in the state's collective bargaining agreement with homecare workers is unconstitutional.

Government Operations

Division Chief: Mary Ellen Combo, Senior AAG

Overview: The Government Operations Division handles litigation and legal advice for more than 40 state agencies, boards and commissions and elected officials. The division's range of legal work is broad and complex, encompassing every aspect of state government operations. Examples include public pensions and deferred compensation, purchasing of goods and services, technology brokering and leasing, construction, real estate, National Guard, emergency preparedness response and E-911 system, investment of state trust funds, public finance, state budgeting and accounting, siting and regulation of energy facilities, corporations, archives and grant money for recreation and conservation.

Legal Highlights:

Division attorneys have provided legal advice and support on natural disasters in Washington, including the Oso landslide and the major fires in Eastern Washington; lawsuits from store lessors whose leases were terminated as a result of the liquor initiative; workgroups on oil trains traveling through Washington; application for a crude by rail terminal in the Vancouver area; significant IT projects requiring procurement advice; and matters involving unusual pension issues.

PROMOTING ECONOMY

Labor & 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.

Legal Highlights:

The division's 51 attorneys and 50 professional staff handled nearly 9,500 litigation matters before Washington courts and administrative tribunals, and a large volume of client advice work, including public records, Washington's Administrative Procedures Act, public contracts and proposed legislation. The division handled 41 appellate matters in 2014, with an 83 percent success rate. The year brought significant litigation and advice in the worker-safety arena, along with substantial growth in wage-and-hour litigation and advice.

Government Compliance and Enforcement

Division Chief: Linda Dalton, Senior AAG

Overview: The Division provides legal services to 19 state agencies, boards, and commissions, including those that protect residents of Washington by regulating health care providers, insurers, liquor and marijuana establishments, gambling, ethics 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 the Attorney General representation on the state and local records committees.

Legal Highlights:

The division's legal work plays an important role in public safety. The Liquor Control Board revoked the liquor license of Waid's Haitian Lounge for selling alcohol to minors and other violations. The Certified Professional Guardian Board suspended guardian Lori Petersen for violating Standards of Practice. The Medical Commission suspended Dr. Lloyd Olson for sexual misconduct. The Board of Naturopathy settled allegations of unsafe practices in making a cancer vaccine. The division also worked with the Gambling Commission and governor to negotiate multiple Tribal-State Gaming Compacts and Compact amendments.

Licensing and Administrative Law

Division Chief: Diane McDaniel, Senior AAG

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

Legal Highlights:

The division provided litigation and advice support to the Liquor Control Board regarding implementation of voter initiatives I-502 (state legalization of production and sale of marijuana) and I-1183 (privatization of liquor sales) as well as advice to the Department of Licensing regarding implementation of I-594 (background checks for gun sales and transfers).



Solicitor General Purcell answers questions from the media about AGO Opinion involving I-502.

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. It prepares and issues Attorney General Opinions in response to legal inquiries from state officials, coordinates legal advice on issues of statewide significance and manages 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 initiative and referendum. 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 2014, the division helped the state secure important victories in many cases, including two pension cases that would have cost the state \$10 billion, a number of tax cases that would have eliminated millions in revenue, and cases in which individuals convicted of serious crimes sought to be released. The division also filed a number of amicus briefs in the U.S. Supreme Court, drafted dozens of ballot titles, issued many AG opinions and defended several publicly-enacted initiatives against challenges.

SECURED VICTORIES
THAT WOULD HAVE COST THE STATE
\$10 BILLION
\$ \$ \$ \$

SOLICITOR GENERAL'S OFFICE

Amicus Briefs

The Attorney General's Office weighs in on important cases the office is not directly involved in by filing amicus curiae "Friend of the Court" briefs. This allows the office to provide its advice and opinions on a variety of topics. The following amicus briefs are a few highlights from 2014:

Lyons v. U.S. Bank Nat'l Ass'n

- Wash. Supreme Court No. 89132-8
- (opinion issued Oct. 30, 2014)

Frias v. Asset Foreclosure Services Inc.

- Wash. Sup. Ct. No. 8943-8
- (opinion issued Sept. 18, 2014)

In both of these cases, the Consumer Protection Division filed an amicus brief supporting a homeowner's argument that violations of the Deed of Trust Act can be violations of the Consumer Protection Act, even if those violations do not ultimately result in a foreclosure of the property. The homeowner alleged that the trustee failed to treat the homeowner and lender equally, as the trustee is required to do, in threatening foreclosure of the homeowner's property. The foreclosure was ultimately forestalled, but the homeowner incurred costs and brought suit. In both cases, the Court issued an opinion largely agreeing with the analysis in the AGO's amicus brief. Senior AAG Shannon Smith and Assistant Attorney General Kim Gunning authored the brief in *Lyons*. Senior AAG Shannon Smith and Assistant Attorney General Ben Roesch authored the brief in *Frias*.

State v. MacDicken

- Wash. Supreme Court No. 88267-3

The Washington State Patrol filed an amicus brief in this criminal case arguing that the immediate search of a duffle bag that had been moved a car lengths away from a person after his arrest was justified as a search of the person incident to arrest, and was not a separate search because the bag had been moved. The Court issued an opinion in February 2014 consistent with the State Patrol's brief. Assistant Attorney General Shelley Williams authored the brief.

Nissen v. Pierce Cy. Prosecutor's Office

- Wash. Ct. App. Div. 2 No. 44852-1
- (opinion issued Sept. 9, 2014)

The AGO filed an amicus brief in this case regarding whether documents associated with a prosecutor's privately owned cell phone were subject to the Public Records Act. The AGO argued that documents prepared, owned, used, or retained on a government employee's personally owned device can be public records, if the government employee was acting in their official capacity when preparing, owning, using, or retaining those records. Applying that test, the cell phone billing records at issue in *Nissen* were not public records, and the content of text messages might be public records, depending on whether the text messages were prepared, owned, used, or retained for public agency, work purposes or for personal purposes. The Court of Appeals issued an opinion largely agreeing with the AGO analysis; there is a petition for review to the Washington Supreme Court currently pending in the case. Deputy Solicitor General Peter Gonick authored the amicus brief.

J.S., S.L. and L.C. v. Village Voice Media Holdings, LLC

- Wash. Supreme Court No. 90510-0

The State filed an amicus brief supporting three minors who sued Backpage.com for abuse they suffered as a result of adult pimps advertising the minors on Backpage.com. Backpage.com argued that they were immune from suit due to the federal Communications Decency Act, 47 U.S.C. §230, because they were only Internet service providers and not content providers. The State argued that the minors had alleged sufficient facts in their complaint that, if true, established that Backpage should not be considered solely an Internet service provider, in part because Backpage.com created a section of its website for "Escorts," was aware of illegal prostitution occurring on its site, and otherwise facilitated the prostitution. Deputy Solicitor General Alan Copsey authored the brief.

FOR THE **EMPLOYEE**

INVESTING IN OUR EMPLOYEES



Seattle Human Resources team (left to right) HR Manager Kim Siebs with team members Linda Nakamura and Letrice Tobin.

INVESTING IN OUR EMPLOYEES

The Attorney General's Office strives to be an outstanding employer. Recognizing employees as its most valuable asset, the Office is committed to promoting diversity and inclusion, investing in employee training, fostering wellness, ensuring workplace safety and cultivating a culture of integrity, professionalism, civility and transparency.

TRAINING AND CLEs

Training and CLEs

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

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



AG Academy

The AG 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.

The event features a presentation on the Solicitor General's Office (by Solicitor General Noah Purcell) and a Q&A panel segment entitled "Ask the CLT", where members of the office's Core Leadership Team field questions from the audience.

Chair: Bill Frymire

Committee Members: Christina Beusch, Karen Delano, David Hankins, Aileen Huang, Patti Jacobsen, Daniel Judge, Cathy Marshall, Gayle Robbins, and Nick Williamson

Professional Staff Conference

In 2014, Attorney General Ferguson reinstated the Professional Staff Conference to provide training, development and networking opportunities for the office's professional staff. The day-long event in Tacoma featured training and development sessions and speakers, including Supreme Court Justice Steven Gonzalez, and staff recognition and award presentations.

Co-Chairs: Robert Rice and Whitney Morris

Committee Members: Andrea Baker, Julie Billett, Cindy Burke, Cami Feek, Roxanne Immel, Erin Johnson, Mamie Marcuss, Marion Portenier, Shelley Rohr, Teri Salo, Rose Sampson and Hoang Truong



Attorney General Bob Ferguson address attendees of the 2014 Professional Staff Conference.

Diversity and Inclusion

Diversity and inclusion are core values of our office. As the largest public law office in the state, the AGO recognizes that the people of Washington are best served by a legal community that reflects the great diversity of the state's population. A few highlights from 2014 include:

- The AGO Diversity Committee is dedicated to educating and training employees and managers on diversity issues and supporting the office's diversity recruitment and retention efforts.
- The Attorney General's Office sponsored the 28th Annual Northwest Minority Job Fair held in August. The event brings together private and public law firms, law students and lawyers. It provides a unique opportunity to match legal talent with the needs of employers.
- The office sponsored many internal diversity events, programs and cultural celebrations. For example, the theme of the office's 2014 Women's History Month was "Celebrating Women of Character and Leadership," and featured a special presentation by former Governor and Attorney General Christine Gregoire.

Committee Members: Lisa Apsay, Shirley Battan, Katie Christopherson, Lionel Greaves, Ailene Limric, Bill Long, Gerry Neumann, Milt Ruffins, Chalia Stallings-Ala'ilima, Adrian Schlueter, Linh Tran, Erika Uhl



Chief Deputy David Horn and Paralegal Milt Ruffins celebrate Black History Month at the Attorney General's Office.



AGO staff team up for the annual "Big Build" competition to help stock community food bank.

2014 AGO Diversity Events:

- A Tribute to Dr. King ~ "Letter from a Birmingham Jail"
- AGO Black History Month Celebrations (Tumwater and Seattle)
- Religious Freedom Month Presentation
- Asian-American Heritage Month Presentations (Tumwater and Seattle)
- Art of Cultivating Bonsai Trees Presentation
- Loren Miller Bar Association Annual Dinner
- Middle Eastern Heritage Month Presentation
- Juneteenth Celebration; Spokane Freedom Riders/ Civil Rights Presentation
- Tumwater Civil Rights Month Presentation
- AGO Little Red School House Drive
- AGO "Big Build" Competition
- Hispanic Heritage Month
- Understand the Spokane Refugee Community
- Diversity and Inclusion CLE
- AGO Domestic Violence Awareness Presentation
- Disability Employment Awareness Month Presentation
- Veteran's Awareness Month Presentations (Spokane, Seattle and Tumwater)
- Native American History Month Presentations (Seattle and Tumwater)
- Human Rights Month Presentation

AGO Social Committee

The AGO Social Committee organizes and promotes social and family events throughout the year to provide employees from all AGO locations around the state with opportunities to gather in non-work settings. Annual office events include a summer picnic, holiday celebration and a fall event for new employees.

Committee Members: Debbie Anderson, Sarah Kortokrax, Amy Phipps, Scott Douglas, Marlo Oesch, July R. Simpson, Megan Miller, Cami Feek, Erica Eddings, Nicole Walvatne, Ailene Limric, Becky Mitchell, Kristi Basic, Rebecca McGinnis, Sarah Reyneveld

AGO Historical Committee

Attorney General Ferguson convened the AGO Historical Committee to explore and document the rich history of the Washington State Attorney General's Office. The committee is conducting comprehensive research and documentation on the history of the office.



Former Attorney General John O'Connell presents AAG Wing Luke with a recognition award.

Committee Members: Cindy Ardelle, Lisa Balcom, Shirley Battan, Todd Bowers, Sue Box, Julian Bray, Melissa Burke-Cain, Dawn Cortez, Rob Costello, Susan Cruise, Brandy Cruz-Pedro, Marie Dinsmore, Katy Dixon, Kevin Elliott, Jeff Even, Bob Ferguson, Steve Fairchild, Rosann Fitzpatrick, Judy Gaul, Liz Gilletti, Mary Louise Gordon,

Marian Graham, Tom Graham, Carissa, Greenberg, Tracy Guinotte, Janelle Guthrie, Susan Hanes, Libby Hopfauf, John Humphrey, Kelsi Johnson, Nancy Kellogg, Lissa Kelsey, Nancy Krier, Ronda Larson, Holly Martinez, Tamara Matheny, Darcie McMullin, Robin McPherson, Beck Meyer, Mike Nicefaro, Joe Panesko, Apryl Parker, Carrie Parker, Scott Peterson, Susan Pierini, Raelynn Poulin, Mandy Rose, Marv Skeen, Grace Summers, Keely Tafoya, Mike Webb, Krystal Wells, Neil Wise, and Heather Young

Better Workplace Committee



Members of the new Better Workplace Committee meet in Olympia.

In 2014, the Attorney General's Core Leadership Team created a new statewide committee to empower employees, enhance the office's work environment and ensure the AGO becomes the best workplace it can be.

The Better Workplace Committee is comprised of 26 employees from a variety of positions and office locations. The group works to identify, research, and develop ideas to improve the culture and environment of the AGO by focusing on ideas, suggestions and comments from staff.

Committee Members: Andrea Baker, Katherine Casey, Lisa Cole, Cam Comfort, Carolyn Currie, Shane Esquibel, Cami Feek, Mistie Gillihan, Ingrid Golosman, Melanie Griffith, Mary Harper, Martin Heyting, David Horn, Danielle Hunter, Liz Kirwin, Nathan Kortokrax, Rochelle LaRose, Bill Long, Meghann McCann, Jane Rockwell, Shannon Sanders, Jodi Soper, Alex Syssoeva, Erika Uhl, Kimberly Warren, Michael Young

Professional Staff Mentoring Program

In 2014, the office launched a new Professional Staff Mentoring Program to develop and retain quality professional staff. A six-month pilot program matched 12 mentor/mentee partners from different divisions and job classifications across the agency based on each participant's interests and skills. The program offers professional growth, leadership opportunities, career guidance, and encourages promotions from within the AGO workforce.

FOR THE **EMPLOYEE**

ACHIEVEMENTS, AWARDS AND HONORS



The Attorney General's 2014 Senior Professional Staff

State Leadership

In November 2014, Assistant Attorney General Christine Kilduff was elected to the House of Representatives to serve the people of the 28th District.

Local Government

Clallam County Commissioners appointed Assistant Attorney General William Payne to serve as Clallam County Prosecuting Attorney.

Superior Court Judge Appointments

Governor Jay Inslee appointed three assistant attorneys general to superior court benches in 2014:

- Tanya Thorp, King County Superior Court
- Gretchen Leanderson, Pierce County Superior Court
- Mary Sue Wilson, Thurston County Superior Court

LEADERSHIP IN THE LEGAL COMMUNITY

Council on Public Legal Education

Attorney General Ferguson appointed Assistant Attorney General Eric D. Peterson to the Council on Public Legal Education, which promotes public understanding of the law and civic rights and responsibilities by conducting, coordinating, encouraging and publicizing public legal education efforts in Washington state.

Conference of Western Attorneys General

Assistant Attorney General Bruce L. Turcott participated as a panelist and presenter on the topic of marijuana legalization at the Conference of Western Attorneys General annual meeting.

Washington State Bar Association Volunteers

- Senior Counsel Anne Hall, Judicial Recommendation Committee
- AAG Dawn Cortez, Pro Bono and Legal Aid Committee
- AAG Linda Sullivan-Colglazier, council member for the Construction Law Section

Judicial Diversity Publication

Assistant Attorney General Tsering Kheyap had an article published in the September 2014 NW Lawyer based on her interview with Supreme Court Justice Gonzalez on judicial diversity. Kheyap also serves as the Attorney General's Diversity Advisory Committee representative to the Asian Bar Association.

National Attorneys General Training and Research Institute

As a trainer for the National Attorneys General Training and Research Institute, Senior Counsel and Tacoma Section Chief Julian Bray presented multi-state training in Louisville, KY and ethics training for the Colorado Office of the Attorney General.

Author, 2014 American Indian Law Deskbook

Senior Counsel Fronda C. Woods authored the fish and wildlife chapter in the 2014 American Indian Law Deskbook, published by Thomson Reuters/Westlaw.

WSBA Local Hero

Deputy Solicitor General Becca Glasgow received the 2014 Local Hero Award from the Washington State Bar Association in recognition of her "unparalleled commitment to service within the legal community, both locally and statewide."

Clallam County Bar Association President

Assistant Attorney General Cathy Marshall, Section Chief of the Attorney General's Port Angeles office, was elected to serve as the 2014 President of the Clallam County Bar Association.

Washington Leadership Institute Fellow

Assistant Attorney General E. Rania Rampersad was selected as a fellow for the 2015 class of the Washington Leadership Institute, which recruits, trains and develops minority and traditionally underrepresented attorneys for future leadership positions in the Washington State Bar Association and legal community.

Faculty of the Year

Senior Assistant Attorney General Rene Tomisser received the National Attorneys General Training and Research Institute's (NAGTRI) 2014 Faculty of the Year award. Rene was honored for his enthusiasm and effectiveness as a trainer, mentor and supporter of professional development, both within this office and on behalf of NAGTRI.

Washington Defense Trial Lawyers Award

Assistant Attorney General Ed Winskill received the President's Award from the Washington Defense Trial Lawyers for his years of outstanding work as a defense counsel.

NACUA Lifetime Membership Award

In recognition of 31 years of service to the National Association of College and University Attorneys (NACUA), retiring Senior Counsel Wendy Bohlke of the Bellingham Section was awarded lifetime membership in NACUA. NACUA is a national organization that is the primary source of higher education law programming and information, serving more than 4,000 attorneys.

INSIDE THE AGO

2014 Excellence Awards

Each year, employees from a range of job classifications are honored for their outstanding job performance, extraordinary contributions to the office and ethical excellence.

- **Ellen Austin Hall**, Policy Analyst/Outreach Specialist
- **Daniel Baker**, AAG
- **Nicole Beck-Thorne**, Legal Assistant
- **Jerei Bargabus**, Paralegal
- **Eric Beckendorf**, AAG
- **Colette Benefiel**, Paralegal
- **Julie Billett**, Paralegal
- **Sarah Blocki**, AAG
- **Stacey Bowen**, Financial Analyst
- **Kim Boyd**, Administrative Assistant
- **Kristin Brewer**, AAG
- **Sue Brown**, Budget and Operations Manager
- **Mark Calkins**, AAG
- **Tobin Carlson**, AAG
- **Diana Cartwright**, AAG
- **Sarah Coats**, AAG
- **Beverly Cox**, Legal Assistant
- **Susan DanPullo**, AAG
- **Sarah Delaney**, AAG
- **Joseph Diaz**, AAG
- **Dale Eastman**, Litigation Support Manager
- **Erica Eddings**, Legal Assistant
- **Susan Edison**, AAG
- **Jodi Elliott**, Legal Assistant
- **Tim Feulner**, AAG
- **Phil Ferester**, AAG
- **Jessica Fogel**, AAG
- **Bill Frymire**, AAG
- **Judy Gaul**, Executive Assistant
- **Amanda Goss**, AAG
- **Margaret Graves Esteve**, Administrative Office Manager
- **Lionel Greaves IV**, AAG
- **Carissa Greenberg**, AAG
- **Melanie Griffith**, Administrative Assistant
- **Anne Hall**, AAG
- **David Hankins**, AAG
- **Kimberly Hitchcock**, Paralegal
- **Dorothy Jaffe**, AAG
- **Trish Jenne**, Paralegal



Attorney General Bob Ferguson presents 2014 AGO Star Awards.

- **Kristin Jensen**, Executive Assistant
- **Scott Kappes**, Office Assistant
- **Ursula Konschak-Grover**, Legal Assistant
- **Nancy Krier**, AAG
- **Rich La Monica**, Chief Health Care Fraud Investigator
- **Hang Nguyen-Le**, Legal Assistant
- **Lori Lawrence**, Paralegal
- **Amber Leaders**, AAG
- **Amy McCloud**, Paralegal
- **Jennifer Meyer**, AAG
- **Eric Peterson**, AAG
- **Pamela Reuland**, AAG
- **Sarah Reyes**, AAG
- **Mary Robnett**, AAG
- **Benjamin Roesch**, AAG
- **Amy Rose**, Senior Supervisor Investigator/Analyst
- **Rose Sampson**, Administrative Office Manager
- **Annika Scharosch**, AAG
- **Kay Shirey**, AAG
- **Alan Smith**, AAG
- **Kim Sobol**, Legal Assistant
- **Chalia Stallings-Ala'ilima**, AAG
- **Donna Stambaugh**, AAG
- **Pandora Thoorsell**, Paralegal
- **Michael Throgmorton**, AAG
- **Teresa Trippel**, Legal Assistant
- **Catherine Trodahl**, Paralegal
- **Mary Valley**, Paralegal
- **Cassie vanRoojen**, AAG
- **Mary Ward**, AAG
- **Laura Watson**, AAG
- **Carrie Wayno**, AAG
- **Heather Welch**, AAG
- **Patty Willoughby**, Legal Assistant
- **Brandi Wilson**, Legal Assistant
- **Kimberly Witherspoon**, AAG
- **Frona Woods**, AAG
- **Charles Zalesky**, AAG
- **Kathryn Zivic**, Legal Assistant



Attorney General Bob Ferguson and Jacqueline Franklin of the Medicaid Fraud Control Unit.

2014 Senior Employee Designations

Twenty four employees received senior staff designations from Attorney General Ferguson during ceremonies held in Everett, Olympia, Spokane and Tacoma. 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: Robert Bouvart; Ann Essko; Kari Hanson; Frank Hruban; John McIlhenny; Eric Mentzer; Kristin Mitchell; Joe Panesko; Alan Reichman; Ann Salay; Anastasia Sandstrom; and Carrie Hoon Wayno.

Senior Professional Staff: Carol Baker; Betty Fraser; Todd Hamilton; Trish Jenne; Melissa Kornmann; William Long; Margaret Lopez; Kim Miller; Donna Russell; Theresa Salo; Kim Siebs; and Jennifer Watsek.



The Attorney General's 2014 Senior Counsel

Junior League Volunteer of the Year

Assistant Attorney General Jessica Fogel received the 2013-14 Volunteer of the Year Award from the Junior League of Tacoma for her leadership in serving homeless youth, promoting access to healthy foods and facilitating the purchase of refrigeration units for a mobile food bank.

2013-2014 AGO Star Awards

The STAR (Special Thanks and Recognition) Awards recognize employees who have been nominated by their peers for professional excellence and outstanding contributions to the Attorney General's Office.

Outstanding Employees:

Donna Fredricks, Malcolm Ross, Jenny Singleton, and Judith Vandergeest

Outstanding Leaders:

Brian Buchholz and Gary Ikeda

Outstanding Teams:

Regional Services Division Lead Support Group:

Teri Salo, Kim Boyd, Cindy Thompson, Cathy Lamoureux, Mindy McFann, Elaina Koepke, and Connie Williams.

ISD Shared Service Email Migration Team:

Siobhan Jackson, Pam Rhubart, Melanie Palmer, Martin Singleton, Jodi Soper, Debbie Eggen, Kami Rock, Marvin Young, Kaya Imamura, Shirley Lee, and Michael Marty.

Diversity Advocate: Shirley Battan

Innovation: Lantz Newberry

Mentors: Melissa Kornmann and Kristin Brewer

Pro Bono: Dawn Cortez

Volunteer/Intern: Jeri Marcus

Better Workplace: Scott Kappes

Better Communities: Marian Graham

OFFICE LEADERSHIP



David Horn
Chief Deputy



Mark Melroy
Chief Financial Officer



Rob Costello
Deputy Attorney General



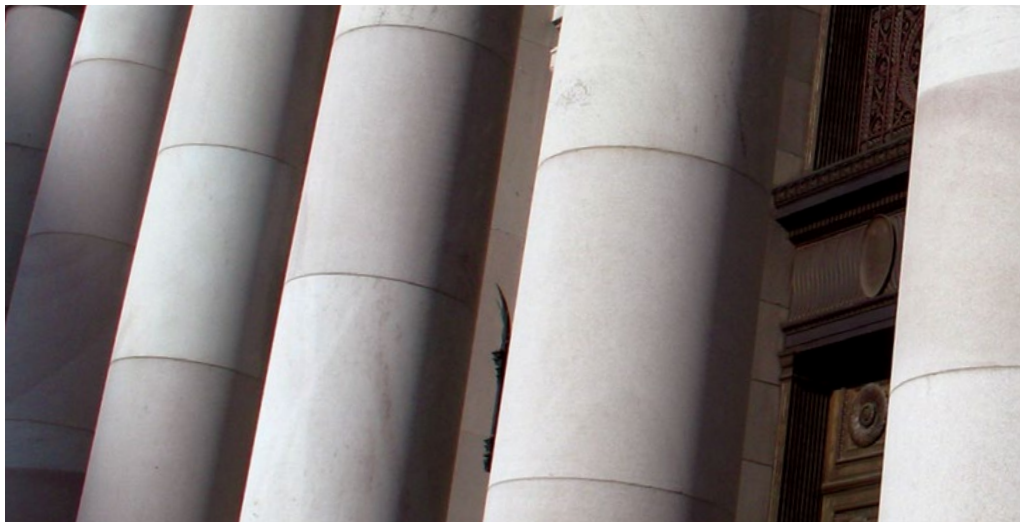
Noah Purcell
Solicitor General



Erica Uhl
Deputy Attorney General



Peter Lavalley
Director of Communications





Mamie Marcuss
Chief of Staff



Mike Webb
Legislative Affairs Director



Paige Dietrich
Deputy Attorney General



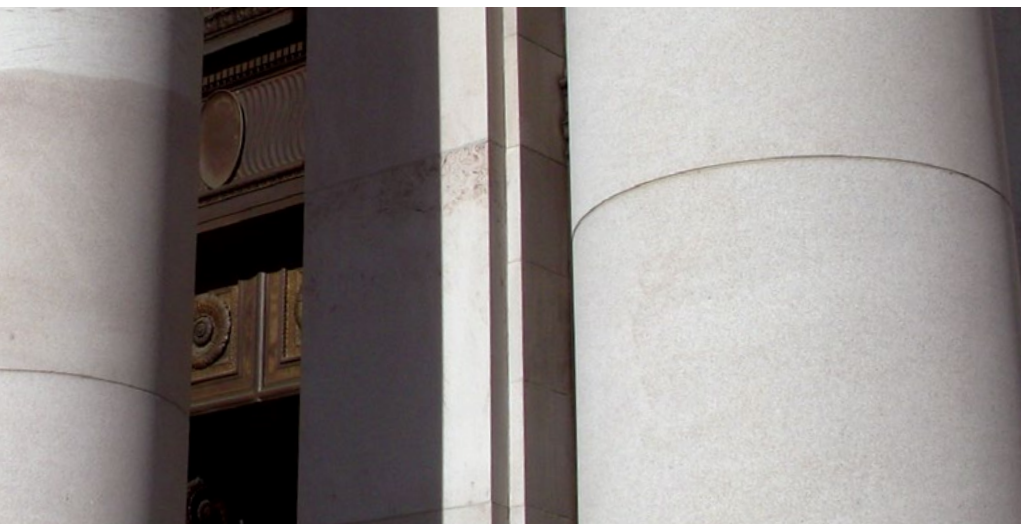
Darwin Roberts
Deputy Attorney General



Cami Feek
Director of Operations



Christina Beusch
Deputy Attorney General



FOR THE **EMPLOYEE**

ADMINISTRATIVE DIVISIONS

Public Records and Constituent Services



Division Chief: LaDona Jensen, Director of PRCS

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, as well as all garnishments served by statute on the AGO, guides state agency payroll staff through wage withholding procedures, and assists with the process of assigning cases.

Facilities and Office Services

Division Chief: Cami Feek, Director of Operations

Overview: Facility Services oversees the management of AGO facility needs as well as archiving, surplus property and vehicles. The division develops and implements the agency's six-year facility plan and provides comprehensive document services.



Information Services

Division Chief: Jon White,
Chief Information Officer

Overview: 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. The division ensures data security and disaster recovery for 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.

Financial Services

Division Chief: Mark Melroy,
Chief Financial Officer

Overview: 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.

Human Resources

Division Chief: Pam Skinner, Human
Resources Director

Overview: 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.



Public Affairs

Division Chief: Peter Lavallee,
Director of Communications

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, external web site, social media, blogs, presentations, newsletters and the annual report, 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

Division Chief: Mamie Marcuss, Chief of Staff

Overview: The Policy and Legislative Affairs team is responsible for supporting the Attorney General's policy priorities through outreach, policy action and legislative work. The team coordinates with state lawmakers, supports AGO request legislation from inception to enactment into law, and directs external relations.

The Research Center

Division Chief: Cindy Ardell, Library and Archival Professional

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 non-legal research areas, and acquiring and cataloging research materials.

General Services, Seattle

Division Chief: Karen Cowan,
Office Manager

Overview: The Seattle General Services Unit supports the Seattle office staff by managing its fleet and providing facility and office support, including copying, scanning, and preparation of trial exhibits and manuals, reception, centralized mail services and security access for the Seattle office. The unit maintains the Seattle law libraries and manages the agency's Commute Trip Reduction Program.

Office Locations



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

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

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

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

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

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

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

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

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

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

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

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

1250 Pacific Ave, #105
Tacoma, WA 98401
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