



# 2017



OFFICE OF THE UTAH ATTORNEY GENERAL  
**ANNUAL REPORT**



# CONTENTS

## 2017 Overview

## Constitutional Appellate

## Civil

## Criminal

4	Mission & Vision
5	Office Priorities
7	2017 Highlights
10	Constitutional Defense Special Litigation (CDSL)
15	Criminal Appeals
17	Civil Appeals
22	State Agency Counsel
24	Education
27	Litigation
29	Natural Resources
30	<i>Oil, Gas &amp; Mining, Forestry, Fire, &amp; State Lands</i>
31	<i>Water, Wildlife, &amp; Parks</i>
32	<i>Public Lands</i>
34	Environment & Health
36	Highways & Utilities
39	Tax, Financial Services, & Antitrust
43	Justice
45	<i>Criminal Non-Support (CNS)</i>
47	<i>Internet Crimes Against Children (ICAC)</i>





## Criminal

## Special Units/Projects

## Operations

52	<i>Statewide Enforcement of Crimes by Undocumented Residents (SECURE)</i>
55	<i>Special Prosecutions</i>
56	<i>Cooperative Disability Investigation Unit (CDIU)</i>
58	Investigations
58	<i>Special Investigations Unit (SIU)</i>
62	<i>Utah Trafficking in Persons Task Force (UTIP)</i>
68	Child Protection
71	Child & Family Support
73	Medicaid Fraud Control Unit (MFCU)
75	White Collar & Commercial Enforcement
81	Utah Opioid Task Force
83	Children's Justice Center Program (CJC)
85	Utah Prosecution Council (UPC)
87	SafeUT App
89	White Collar Crime Offender Registry (WCCOR)
92	Performance Audit
94	Current Challenges
95	Appendix



## Mission

To uphold the constitutions of the United States and the State of Utah, to enforce the law, and to protect the interests of the State of Utah, its people, environment, and resources.

## Vision

Directed by Attorney General Sean D. Reyes, the Utah Attorney General's Office (AGO) strives to be the best state public law office in the United States. With over 500 full-time employees, including attorneys, paralegals, investigators, and other dedicated professionals in offices across the state, the AGO serves well over 100 state agencies, boards, commissions, committees, colleges, and universities, as well as the Governor, other executive branch officers, the Legislature, and the people of Utah. Each member of the AGO team is committed to representing the citizens of Utah with the highest quality of legal work, integrity, professionalism, civility, and transparency.



# PRIORITIES

## Protect Utahns, Particularly Children and Victims

---

Keeping citizens safe, especially from violent crimes, domestic abuse, and predatory crimes against children—and any victims—is the top priority of the Utah Attorney General’s Office. The AGO works hard through its task forces and with law enforcement partners to fight the illegal drug trade, human trafficking, government corruption, and many other types of serious criminal activity. The office investigates and prosecutes these crimes to make the state safe for Utah families, while protecting and empowering victims to reclaim their lives.

## Restore Public Trust

---

Efficiency, ethics, and transparency are key components to the foundation of good government. It is vital that citizens know what their public officials do. In addition to investigating and prosecuting public corruption, the Utah Attorney General’s Office is, itself, committed to best practices of proper government and providing the best possible legal representation while carefully using public funds and being accountable to the people who vest the AGO with authority.

## Protect Utah Business and Consumers from White Collar Crime, Identity Theft, and Cybercrime

---

The Utah Attorney General’s Office is committed to protecting businesses and consumers from those who abuse the law. Whether investigating and prosecuting tax fraud and Ponzi schemes, enforcing the Consumer Protection Act, cracking down on internet abuse and anti-competitive business practices, combating counterfeiting and identity theft, or safeguarding against other crimes and abuses, these protections translate into a safer Utah for all of us.

## Defend Utah’s Laws Against Federal Government Overreach

---

Utah’s rich, natural resources and wild landscapes reflect a strength and independence that the Utah Attorney General’s Office is proud to represent. From urban to rural interests, energy development to conservation, and pioneer stock to new residents, defense of our economy and enforcement of our laws has a far-reaching impact.

Attorney General Reyes is committed to listening to and representing our citizens and our business owners in concerns as diverse as mining, technology, agriculture, direct sales, manufacturing, finance, retail, energy, hospitality, healthcare, professional services, insurance, entertainment, real estate, and automobile issues. He will continue to lead our state in fighting crime and federal overreach that threaten Utah’s safety, independence, and economic growth.



# AG OFFICE LOCATIONS





# 2017 HIGHLIGHTS

## Justice

- Filed **87 new criminal cases** and obtained **126 convictions** and over **\$5 million** in asset forfeitures and restitution.
- Received **761 reports of fraud** in healthcare, worker's compensation, and insurance (agent) forgery, and collected \$300,000 from 50 dependents.

## Highways & Utilities Division:

- **Saved the state over \$12 million dollars** by persuading the court that the Mountain View Corridor land appraisals were based on faulty methods.

## Litigation

- Closed over 100 lawsuits, **saving the state nearly \$150 million** in cases demanding expensive settlements.

## Education

- **Recovered \$5 million per quarter** for the University Hospitals and Clinics.
- **Saved the state over \$6 million** by successfully defending the Utah School for the Deaf and Blind in a lawsuit about their services.

## Environment & Health

- Helped to recover nearly **\$900,000** for clean-up costs associated with the Gold King Mine blowout.
- Successfully **won \$35 million** for the state in the Volkswagen settlement.

## State Agency Counsel

- Negotiated costs for the Utah State Hospital's Outreach Program down to **\$700,000 per year, saving the state over \$8 million.**
- Saved the state **hundreds of thousands** of dollars by resolving a class action lawsuit alleging unconstitutional wait time for competency restoration treatment for inmates.

## Medicaid Fraud Control Unit

- Recovered over **\$2 million** from pharmaceutical cases.

## Child & Family Support/Criminal Non-Support

- **Collected nearly \$1.3 million** in child support while providing services to nearly 3,500 families across the state.

## Investigations

- Recovered **\$1.14 million** in unpaid state and federal taxes and **\$900,000** in coins and funds in bank accounts from an illegal gambling promotion and money laundering operation.



**This page intentionally left blank.**



# CONSTITUTIONAL SECTION



1 DIVISION

---

2 ATTORNEYS & 1 STAFF

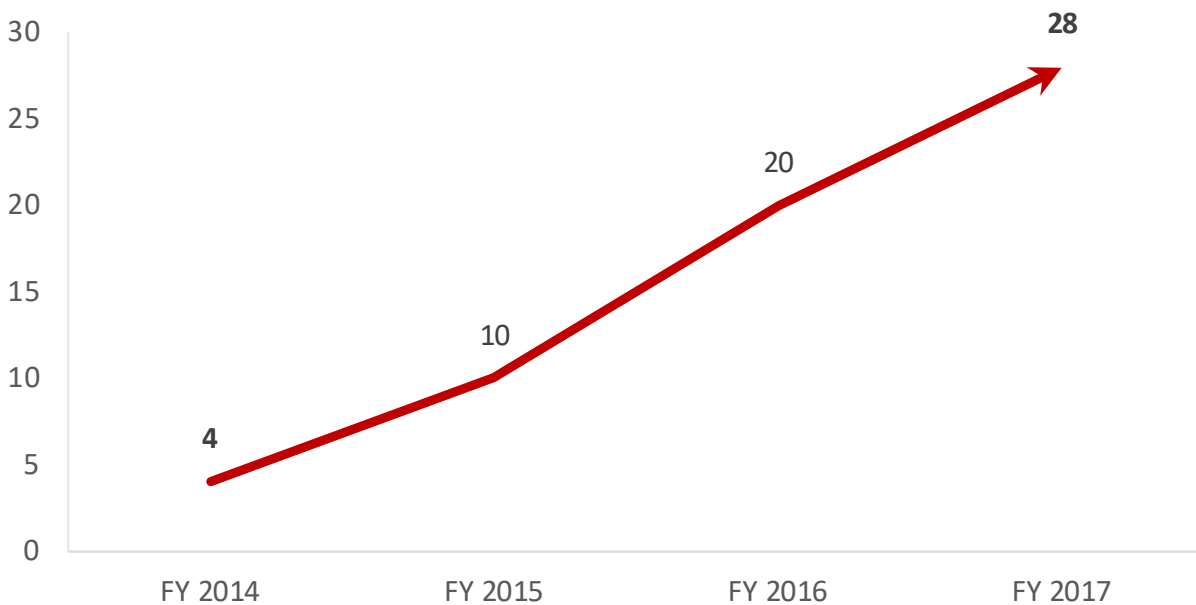


# CONSTITUTIONAL DEFENSE SPECIAL LITIGATION (CDSL)

## Overview

Lawsuits challenging the constitutionality of state law are vigorously defended by the Constitutional Defense and Special Litigation Division (CDSL) under the supervision of Solicitor General Tyler Green.\*

### CASES REPORTED DURING 2017



\*The CDSL does not defend lawsuits covered by indemnification for civil liability for money damages in the Risk Fund.



## Notable Cases

### *American Charities v. O'Bannon*

The plaintiff contended that the state's regulatory requirement that out-of-state professional fundraising consultants register with Utah's Consumer Protection Division is unconstitutional. The plaintiff brought First Amendment, Commerce Clause, and Due Process (legislative jurisdiction) claims. The court granted the state's motion for summary judgment dismissing the remaining claims in this 10-year-old case. The plaintiff appealed the court's ruling on November 9, 2017.

### *Disability Law Center, et al. v. State of Utah and Governor Herbert*

The Disability Law Center (DLC) and two individuals challenged the constitutionality of House Bill (HB) 101, a law that modified the procedures for appointing a guardian for an incapacitated person. Previously, the procedures required courts to appoint counsel for the person for whom a guardianship was sought. Under HB 101, appointment of counsel remains the default rule. However, in cases where the parents seek guardianship, HB 101 gives probate courts the discretion to not appoint counsel for their adult child when certain conditions are met and "the court is satisfied that counsel is not necessary in order to protect the interests of the person."

Plaintiffs contended that not appointing counsel in every circumstance violates due process. Plaintiffs further contended that not providing counsel violates Title II of the ADA. Plaintiffs also asserted that "[e]ven when Defendants partially comply with the ADA's required accommodation by appointing counsel for the respondent in a guardianship proceeding, Defendants violate Title II of the ADA and its implementing regulations by requiring the respondent to pay for this representation." Plaintiffs sought an injunction and judicial declaration that the Fourteenth Amendment to the United States Constitution and the ADA require Defendants to appoint and pay for counsel for all guardianship respondents in the state.

### *Equality Utah v. State Board of Education, et al.*

Equality Utah and three students of Utah schools challenged state statutes and administrative laws prohibiting "the advocacy of homosexuality" in school curriculum. Plaintiffs claimed the Board of Education, superintendent, and school districts were violating Title IX of the Education Amendments of 1972, the Equal Access Act, and the Equal Protection Clause of the Fourteenth Amendment to the United States Constitution. The parties agreed to stay the case pending the Legislature's consideration of Senate Bill (SB) 196 that eliminated prohibitions related to the advocacy of homosexuality and added a prohibition related to the advocacy of premarital or extramarital sexual activity.

On March 20, 2017, SB 196 became law. As a result, the Utah State Board of Education revised Administrative Rule 277-474-3 to track the changes to Utah Code § 53A-13-101. On October 6, 2017 the Court granted the Parties' Stipulated Motion to Dismiss Plaintiffs' claims seeking declaratory or injunctive relief. Each party was required to bear its own attorneys' fees and costs.

### *Salt Lake County, et al. v. State*

Plaintiffs Salt Lake County, Duchesne County, Uintah County, Washington County, and Weber County (the "Counties") contended that portions of SB 157 passed in 2017, SB 237 promulgated in 2008, and SB 165 passed in 2015 (the "Acts") violated the State and Federal Constitutions. Plaintiffs argued that the Acts resulted in unconstitutionally low taxes for commercial passenger airlines which, in turn, resulted in higher taxes for county taxpayers.

The state moved to dismiss the counties' claims, contending the Court lacks subject-matter jurisdiction because the plaintiffs had not based their claims on a specific assessment or case, and instead asked the court to decide on abstract questions.



***Remick, et al. v. State of Utah***

This class-action lawsuit alleged the state had failed to provide constitutionally-adequate legal representation to indigent criminal defendants. Plaintiffs requested an order declaring Utah's indigent defense program unconstitutional and asked the court to act as a monitor to ensure that Utah provides additional funding, training, and supervision to those who serve as counsel for indigent criminal defendants.

The court dismissed the plaintiffs' claims, concluding that they failed to allege sufficient facts to establish their standing to sue or to state a claim for relief.

***United Utah Party v. Cox***

Following Representative Chaffetz's resignation from office, the United Utah Party (UUP) wanted Lieutenant Governor Cox to place the party's nominee on the special election ballot for the Congressional seat. However, the UUP could not comply with the statutory requirements to become a registered political party within the time frame set by the Governor for the special election, so the UUP sought a court order requiring Lieutenant Governor Cox to place their nominee on the ballot. The court granted the UUP's requested relief, finding: 1) the special election procedures violated the First and Fourteenth Amendments; 2) the Constitution guarantees the freedom to associate in political parties for the advancement of beliefs and ideas; and 3) the state's interests do not justify barring UUP and its candidate from participating in the special election as a new political party. The court awarded plaintiffs' counsel \$115,000 in fees and costs.

***CinemaPub, L.L.C. d/b/a Brewvies v. Petiols, et al.***

Brewvies brought a First Amendment challenge to the statutory prohibition against serving alcohol while showing movies containing sexual images. The Utah Department of Alcohol and Beverage Control cited Brewvies for showing the movie *Deadpool*, which contains images of sexual content. The court granted Plaintiff's summary judgment, concluding the statute was over-inclusive and punishes protected free speech. Following the court's ruling, the legislature amended the statute. The plaintiff's motion for approximately \$600,000 in attorney's fees is pending.

***In the Matter of the Adoption of C.E.F. & In the Matter of the Adoption of K.O.:***

These two adoption proceedings involved the biological parents' claim to the right of counsel, paid for by the state, prior to the termination of their parental rights. The legislature amended statutes to reconcile the inconsistency in the prior law that entitled petitioners to counsel in juvenile court proceedings, but not in district court proceedings. The court dismissed the state as a defendant in these cases because the amendments to the applicable statutes rendered petitioners' claims moot.





**This page intentionally left blank.**



# APPELLATE DEPARTMENT



2 DIVISIONS

---

16 ATTORNEYS & 18 STAFF



# CRIMINAL APPEALS

## Overview

The Criminal Appeals Division is part of the Appellate Department under direction of Solicitor General Tyler Greene. The division defends successful convictions, promotes fair treatment for victims and defendants, and represents the State of Utah in all appeals statewide from capital and felony convictions and from juvenile delinquency adjudications. It also represents the state in all state post-conviction and federal habeas proceedings, including all death penalty challenges. In addition, the division advises county prosecutors statewide on issues of criminal law and procedure, particularly in capital cases and cases presenting complex search and seizure issues.

The division has also made significant progress moving capital cases forward. While no death-sentenced inmate is likely to be executed in the coming year, the division has successfully brought several capital cases to or near the end of their present litigation stage. In one case, the division is prosecuting an appeal which, if successful, should result in a rule that will considerably shorten the delay in all of the division's capital cases.

## BY THE NUMBERS, FY 2017

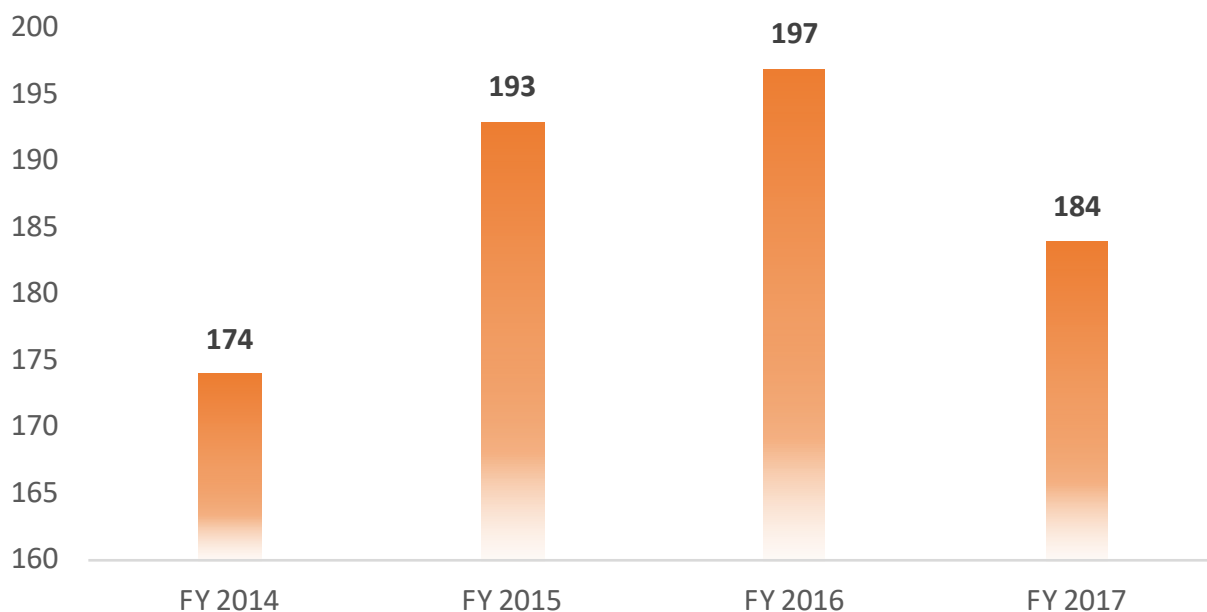


**184** Briefs Filed



**3** Average Number of Extensions Per Case

## NUMBER OF BRIEFS FILED





## Notable Cases

### *State of Utah v. Ainsworth*

In this case, the Criminal Appeals Division successfully argued that the Utah Supreme Court should reverse a Utah Court of Appeals decision that struck as unconstitutional the Utah statute making it a second-degree felony to drive with a measurable amount of a Schedule I or II controlled substance in the body and negligently causing the death of or serious bodily injury to another. The defendant (Ainsworth), already convicted of four DUIs, was convicted of three second-degree felonies under Utah law after he drove over a median and collided head-on with a car carrying a young family, seriously injuring both parents and killing their 18-month-old son. A blood test showed that Ainsworth had methamphetamine in his system at the time. The Utah Court of Appeals held that the second-degree felony designation was unconstitutional and that the Legislature could only make the crime a third-degree felony. The division argued, and the Utah Supreme Court agreed, that the Legislature acted well within its constitutional authority to make the offense a second-degree felony.

### *State of Utah v. Martinez*

This case adopted an important rule for assuring police officer safety. The division argued, and the Utah Supreme Court agreed, that during a traffic stop a police officer may request a passenger's identification and run a warrant and criminal background check on the passenger. The Utah Supreme Court agreed with the AGO that this practice is a reasonable and negligibly burdensome safety precaution for traffic stops, which pose unique and inherent dangers to law enforcement. Learning whether a vehicle's occupants have outstanding warrants or a violent criminal history helps inform an officer's decision on how to proceed with a stop; for example, whether to request backup or ask passengers to exit the car.

### *State of Utah v. Francis*

This case assured that Utah prosecutors retain important and needed flexibility in plea negotiations. The Utah Supreme Court agreed with the division that the state must be allowed to withdraw from a plea agreement at any time before the defendant actually enters a plea, as long as the defendant has not detrimentally relied on the agreement. This case exemplified the need for the rule: after the prosecutor made the offer, the crime victim objected to the proposed resolution. The state promptly withdrew the offer before the defendant had relied on it in a way that irreparably harmed his rights.



# CIVIL APPEALS

## Overview

The Civil Appeals Division is part of the Appellate Department under direction of Solicitor General Tyler Green. Appellate lawyers in the division defend the state's victories from challenges on appeal or obtain reversals by the appellate court of erroneous, adverse decisions. The division frequently works together with other trial attorneys in the AGO on complex substantive matters involving challenges from administrative actions and district court cases, as well as questions certified to the Utah Supreme Court from other courts. Wide-ranging challenges handled by the division may involve constitutional challenges, Native American law, administrative law, eminent domain, tax law, water law, public lands, and prisoner parole issues.

## Importance of Civil Appeals

The division handles virtually all civil appellate matters involving the state and its myriad agencies, officers, and employees represented by the AGO. The division also drafts amicus briefs on important issues raised in other appellate cases that do not directly involve a state party. Civil appellate matters arise in both state and federal appellate courts, including the Utah Court of Appeals, Utah Supreme Court, U.S. Court of Appeals for the Tenth Circuit, and the United States Supreme Court. These are particularly important as they are likely to become binding precedent throughout the state, the Tenth Circuit (six western states), or the nation.



*Solicitor General Tyler Green and Stan Purser, Division Director of Civil Appeals and Deputy Solicitor General, at the 10th Circuit Court of Appeals in Denver, Colorado.*





## How the Civil Appeals Division Works

---

The division is divided into two sections: the Civil Appeals Section and the Litigation Appeals Section. The Litigation Appeals Section has three attorneys and handles appeals from risk management-covered cases involving torts, civil rights, and employment claims against the state, other governmental entities, and their employees. These appeals not only present important legal questions; they also often pose significant financial risk for the state and its agencies.

The Civil Appeals Section has three attorneys and handles all other civil appeals within the AGO. These appeals cover a wide variety of issues, including constitutional challenges, Native American law, administrative law, eminent domain, tax law, water law, education law, public lands, environmental law, and prisoner parole decisions, among others.

On appeal, attorneys generally defend the lower court's decision, but can occasionally take appeals seeking to reverse adverse lower court decisions. The appellate attorneys are some of the few attorneys in the office that are required to play both offense and defense, each of which involve different skill sets. Done properly, most appeals take significant time, effort, and skill. Besides drafting their own briefs, division attorneys also review and edit each other's work.

In addition to briefs (merits or amicus), attorneys may have to draft other substantive pleadings, and they participate in mediations when settling an appeal is in the state's best interest. In addition to preparing for their own oral arguments, attorneys spend significant time helping prepare their colleagues for oral argument by reviewing the briefs, discussing the issues, and acting as judges in moot courts.





## Notable Cases

### *Tesla Motors UT, Inc. v. Utah Tax Commission*

Utah law prohibits new car manufacturers from directly selling new cars to Utah consumers through wholly-owned dealerships. Tesla argued that the law didn't prohibit direct sales through wholly-owned dealerships and, if it did, the law was unconstitutional. The division argued that Utah law barred Tesla's direct-sales plan and that the law survived Tesla's state and federal constitutional challenges. Despite strong representation for the plaintiff, the Utah Supreme Court found in favor of the Tax Commission and rejected Tesla's arguments.

### *Garfield County v. United States*

The state of Utah and several counties have asserted ownership of thousands of rights of way under R.S. 2477 in cases pending in federal district court. The federal court asked the Utah Supreme Court to determine whether Utah Code section 78B-2-201(1) was a statute of repose, which would cut off Utah's claims. After two rounds of briefing and two oral arguments by the division, the court ruled in the state's favor. The court held that the section's plain language indicated the statute was one of repose but rejected that construction under the absurdity doctrine because the statute would have automatically lost title to any R.S. 2477 rights seven years after they accrued without any effective way to prevent the loss. The court found that the legislature could not have intended this absurd result.

### *Larsen v. Davis County School District*

This appeal stemmed from the much-publicized case of a school teacher who had sexual relations with several high school students. One student sued the school district arguing that it had negligently hired and supervised the teacher. The division argued that the suit must be dismissed because the sexual misconduct constituted an assault or battery for which the district retained immunity under the Utah Governmental Immunity Act. The plaintiff attempted to argue his way around the Governmental Immunity Act, but the court rejected his arguments.





**This page intentionally left blank.**

# CIVIL DEPARTMENT



7 DIVISIONS

---

99 ATTORNEYS & 93 STAFF



# STATE AGENCY COUNSEL

**The State Agency Counsel Division provides legal counsel and services for the following:**

- Board of Examiners
- Capital Indigent Defense Trust Fund Board
- Capitol Preservation Board
- Child Abuse Offender Registry
- Governor's Office of Economic Development (GOED)
- Governor's Office of Management & Budget (GOMB)
- Governor's Rural Partnership Board
- Indigent Parental Defense Board
- Interstate Agreement on Detainers and Extradition
- Judicial Performance Evaluation Commission (JPEC)
- Legislative Compensation Commission
- Lieutenant Governor (Elections, notaries)
- Martin Luther King, Jr. Human Rights Commission
- Museum Services Advisory Board
- Native American Legislative Liaison Committee/  
Remains Review Committee
- Navajo Trust Fund
- Office of Medicaid Inspector General (OIG)
- Office of State Debt Collection (OSDC)
- Office of the Public Guardian
- Olene Walker Housing Loan Fund Board
- Pete Suazo Boxing Commission
- Private Activity Bond Board
- Quality Growth Commission
- Sex and Kidnap Offender Registry
- State Archives & Records Committee
- State Armory Board
- State Armory Board
- State Auditor
- State Homeless Coordinating Committee
- State Post-Retirement Benefits Trust Fund (OPEB)
- State Treasurer (all matters except Navajo Trust Fund)
- STEM Activity Center Board
- Transparency Board
- USTAR/USTAR Governing Authority
- Utah Board of Pardons and Parole
- Utah Capital Investment State Board (Fund of Funds)
- Utah Commission on Criminal and Juvenile Justice (CCJJ)
- Utah Department of Administrative Services (DAS)
- Utah Department of Agriculture and Food (DAF)
- Utah Department of Alcoholic Beverage Control (DABC)
- Utah Department of Corrections (DOC)
- Utah Department of Corrections- Adult Probation & Parole
- Utah Department of Heritage and Arts (DHA)
- Utah Department of Heritage and Arts (DHA)—  
Utah Arts Council
- Utah Department of Technology Services (DTS)
- Utah Department of Veterans and Military Affairs (DVMA)
- Utah Department of Workforce Services (DWS)
- Utah Department of Workforce Services—  
Permanent Community Impact Fund Board
- Utah Division of Aging and Adult Services
- Utah Division of Facilities & Construction  
Management (DFCM)
- Utah Division of Finance
- Utah Division of Fleet Operations
- Utah Division of Indian Affairs
- Utah Division of Juvenile Justice Services
- Utah Division of Purchasing
- Utah Division of Purchasing—Division of Surplus  
Property
- Utah Division of Services for People with  
Disabilities
- Utah Film Commission/Motion Picture Advisory  
Commission
- Utah International Relations and Trade Commission
- Utah Labor Commission—Utah Anti-  
Discrimination Labor Division (UALD)
- Utah Labor Commission—Utah Occupational  
Safety & Health (UOSH)
- Utah Money Management Council



**(Cont.) Legal counsel and services for:**

- Utah National Guard
- Utah Office of Administrative Rules
- Utah Office of Crime Victim's Assistance
- Utah Office of Energy Development (OED)—Utah Energy Infrastructure Authority Board
- Utah Office of Multicultural Affairs—Multicultural Commission
- Utah Outdoor Recreation Grant Advisory Committee
- Utah School and Institutional Trust Funds (SITFO)
- Utah State Building Board
- Utah State Developmental Center
- Utah State Fair Corporation Board (USFCB)
- Utah State Hospital
- Utah State Library Board
- Utah State Prison Relocation
- Utah Tourism Board

**In addition to serving these agencies, the office also has specialists and advises on the following:**

- Civil Prisoner Relief Petitions
- Civil Review Committee & Local Government Specialist
- Competency Issues
- Constitutional Issues
- Gambling Complaints
- GRAMA
- Notary Public Issues
- Public Ethics
- State Government Powers and Authority
- Tobacco Enforcement & Litigation/Settlement
- Trademarks
- Weatherization
- Wiretapping & Eavesdropping

## Notable Cases

***Disability Law Center v. State of Utah***

The Disability Law Center filed a class action lawsuit against the Utah State Hospital (USH) in September 2015 for the alleged unconstitutional wait time for inmates to receive competency restoration treatment in criminal cases. The State Agency Counsel successfully negotiated a settlement agreement in June of 2017 that resulted in the appointment of the state's expert, chosen jointly by the parties, to assist in monitoring newly developed USH efficiency programming. It also included closure of the case with no ongoing court monitoring. No damages, no court costs, and no attorney fees were assessed to the state, which saved the state hundreds of thousands of dollars.

***ReconTrust Settlement***

ReconTrust had been acting as a non-judicial foreclosure trustee in Utah contrary to state law, claiming authority under federal law. The state intervened in a class action lawsuit to insure that the state's interests were protected. In the settlement, ReconTrust agreed to follow Utah law in all its transactions going forward. It also agreed to pay approximately \$1.25 million into a fund for damages to the plaintiffs, administrative costs, and attorneys' fees, as well as \$50,000 to the AGO for attorneys' fees.



# EDUCATION

## Overview

The Education Division provides legal counsel to the state's system of higher education and public education, which consists of the State Board of Regents, the University of Utah, Utah State University, Weber State University, Utah Valley University, Southern Utah University, Dixie State University, Snow College, and Salt Lake Community College. Legal services provided to the colleges and universities vary from campus to campus, but are primarily focused on “preventative law” practices, compliance with state and federal statutes, and defending the institutions during internal hearings, including student conduct hearings, employee discipline matters, and tenure appeal hearings.

## Responsibilities

- Represent state colleges and universities before the State Records Committee related to the disclosure of student records/information concerning sexual misconduct claims filed on each campus
- Represent institutions—as well as student loans serviced and held by the Utah Higher Education Assistance Authority—in bankruptcy courts
- Represent and advise internal university matters and hearings (student code of conduct, appeals of denial of tenure, student rights and employee discipline)
- Represent colleges and universities in bonding efforts

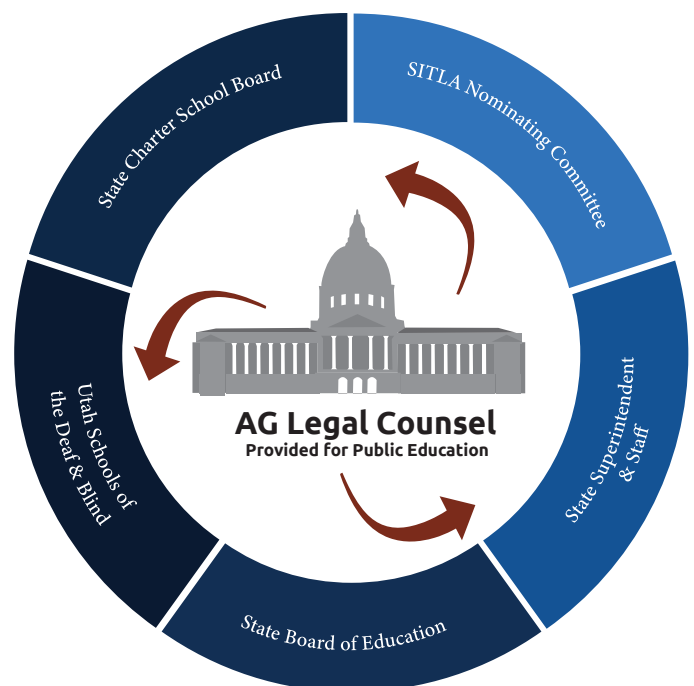


AG Reyes visiting with seniors from rural Wayne High School in Bicknell, UT

In addition, the division also handles delinquent student loan collection for the Utah Higher Education Assistance Authority.

## Public Education

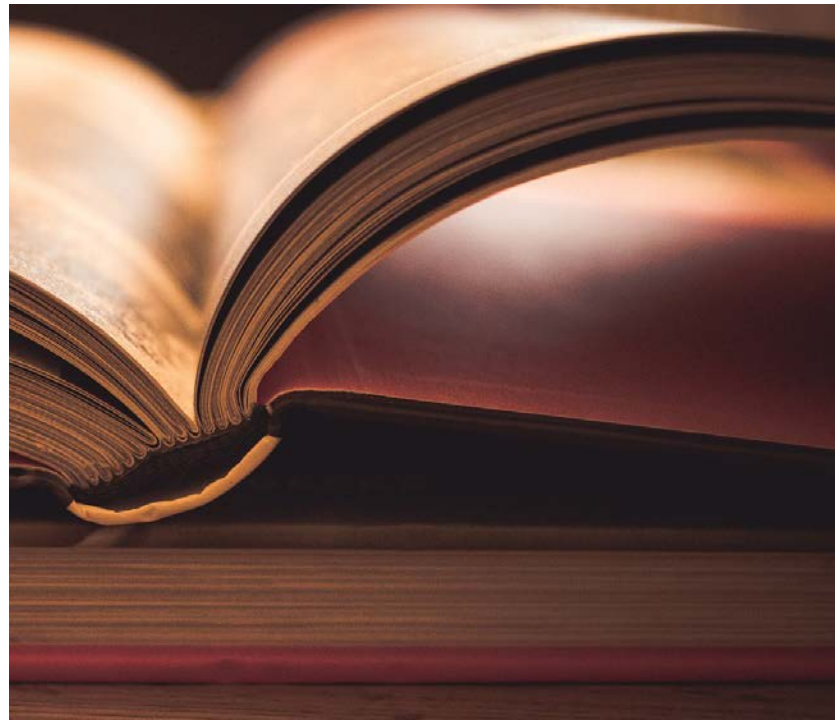
In public education, the division provides legal counsel and guidance to the 15-member State Board of Education (USBE) and its committees, the State Superintendent and staff, the State Charter School Board, the SITLA nominating committee, the Utah Schools for the Deaf and Blind (USDB), and the various departments, programs and boards associated with the USBE. In addition, the division provides counsel for state agencies under the direct control and supervision of the USBE.





## Legal Services Provided

- Reviewing, drafting, and negotiating hundreds of grants, contracts, and procurements totaling nearly \$4 billion, as well as 20 agreements between the USBE and other government agencies.
- Acting as general counsel to ensure compliance with state and federal laws and regulations to properly conduct educational programs and implement educational policies.
- Providing legal representation during administrative hearings and for non-Risk covered litigation, including teacher misconduct, civil rights, educational rights of indigent or immigrant families, EEOC/UALD discrimination claims, sexual misconduct or sexual harassment, and student rights.



## Notable Successes

During the fourth quarter of 2017, the Education Division provided expert legal guidance for every stage of the procurement and grant sub-recipient award process for over 200 contract or grant actions amounting to approximately \$1 billion. The division also reviewed approximately 20 agreements and memoranda between the USBE and other government agencies.

In December, after a nearly five-year dispute with the parent of a severely disabled student who requested the U.S. District Court order Utah Schools for the Deaf and Blind (USDB) to pay approximately \$350,000 a year to place the student at a facility for the deaf and blind in Maine, the division successfully defended against the claim, saving USDB several hundreds of thousands of dollars.

## University Hospitals & Clinics

### Insurance & Patient Collection

The division has two full-time attorneys assisting the University Hospitals and Clinics with this collection effort.

For the fourth quarter of 2017, the Attorney General's Office collected \$4.4 million from patients. From general insurance collection efforts, the amount was \$1.5 million. This amounts to about \$5.9 million in total.



*"Teachers are among our greatest public servants." —AG Reyes to educators at the Hinckley Institute.*





## Higher Education

The division has nine attorneys assigned to provide legal counsel and advice to each of the state's eight institutions of higher education; the Offices of the Commission of Higher Education; the Utah System of Technical Colleges and its eight separate college campuses; the Utah Higher Education Assistance Authority; the Utah Educational Savings Plan; and the Utah Education Network.





# LITIGATION

## Overview

The Litigation Division includes Civil Rights, Torts, and Employment Sections that defend state agencies, school districts, charter schools, and their employees from lawsuits seeking money damages. Attorneys exercise independent, professional judgment and render candid advice, referring not only to the law but also to moral, economic, social, and political considerations relevant to the individual client’s situation. The division handles some of the most important and highest profile cases in the state.

## Lawsuits

On average, the division has about 250 active lawsuits at any given time. The Civil Rights Section deals with lawsuits claiming constitutional and statutory civil rights violations, such as free speech, religious freedom and establishment claims, as well as search and seizure, due process, cruel and unusual punishment, equal protection, Title VI, Title IX, ADA, and IDEA claims. The Torts Section works on lawsuits involving money damage for catastrophic bodily and emotional injury, property damage, and other personal loss, allegedly caused by negligent or intentional acts and within the insurance coverage of the Utah Division of Risk Management.



Attorneys in the Employment Section specialize in defending state agencies and school districts who are sued by present and former public employees claiming wrongful termination or other job related mistreatment under numerous federal and state laws including Title VII, the ADA, the ADEA, and FMLA. The section also regularly advises state agencies that are contemplating adverse employment actions.

The division closed nearly 125 lawsuits in 2017. These closed lawsuits represent cases that were settled, dismissed on motion, or tried to conclusion in court or administrative bodies. All of these lawsuits sought monetary awards by demanding either specific dollar amounts or unspecified “reasonable damages.”



## Notable Cases

### ***District of Columbia v. Wesby***

The Civil Rights Section of the division wrote an amicus brief, *District of Columbia v. Wesby*, on behalf of seventeen states in a case before the U.S. Supreme Court which raised an important issue on the legal defense of qualified immunity. This is critical for government officials defending constitutional lawsuits for money damages. The U.S. Supreme Court issued its opinion in January agreeing with the division's position.

### **University of Utah Matter**

The Torts Section represented the University of Utah in a slip-and-fall case in which the plaintiff blamed the university for her fall in the campus showers and asked for \$350,000 in damages. The case went to trial, but through division attorney efforts, the jury found in favor of the university, returning a “no cause” verdict.

### **School District**

The Employment Section was able to settle a case brought by eight women alleging sexual harassment. The plaintiffs demanded over \$2 million but the section attorneys were able to settle the case early. By promptly and thoroughly investigating the claims and resolving the case before extensive litigation ensued, the attorneys were able to save the state hundreds of thousands of dollars.





# NATURAL RESOURCES

## Overview

The Natural Resources Division provides general legal and litigation support to the Utah Department of Natural Resources (DNR) and its divisions: Forestry, Fire & State Lands; Oil, Gas & Mining; Parks & Recreation; Water Resources; Water Rights; Wildlife Resources; and Utah Geological Survey. The division also represents and supports the Public Lands Policy Coordination Office (PLPCO) and the Constitutional Defense Council (CDC) in the protection, preservation, development, use, stewardship, and conservation of the state's public lands, roads, and natural resources.

Division attorneys maintain specific expertise in the fields of water rights, oil and gas, public lands, sovereign lands, public roads, public recreation, wildlife, fire suppression cost-recovery, endangered species, and Native American law.

## Responsibilities

- Protecting Utah's interstate water allocations and providing litigation support for the general adjudication of water rights in Utah.
- Determining rights-of-way across federal lands and litigating with the United States to determine ownership and maintain uses of land.
- Overseeing ownership of and access to lands and waterways for recreational uses.
- Conserving sensitive wildlife species and ensuring that the listing decisions and habitat designations affecting Utah under the federal Endangered Species Act are scientifically and legally substantiated.
- Preserving the State's sovereign authority to manage wildlife resources on private and public lands within its borders.
- Negotiating with the United States and Native American tribes to resolve reserved water rights claims for Indian reservations, national parks, and other federal reservations.
- Assuring all requirements are met to allow appropriate development of lands for extraction of mineral, oil, and gas resources.

The attorneys in the division devote substantial time acting as in-house counsel, engaging in "advise-and-consent" practices, and transactional work. As such, counting the number of cases they handle alone does not provide a complete picture of their workload and productivity. Their work is critical to the client agency's efficient operations, fulfillment of statutory mandates, compliance with state and federal laws in areas of complex regulation, and litigation avoidance. The DNR Executive Director fondly refers to the lawyers in this division as "part of his team." The division does not measure success by the number of cases litigated or won, but by the number of cases that never happen because of its attorneys consistently participating in client decision-making, providing sound legal advice, and creating trust between attorney and client. The product of these relationships is incalculable in saving the state funds and resources that would otherwise be required to litigate disputes. Any analysis of attorney workload and productivity must consider the array of legal tasks performed and the fact that many cases often drag on for many years.



# Oil, Gas & Mining and Forestry, Fire & State Lands

The five attorneys in this section, co-located with their clients at the Department of Natural Resources Building, represent four agencies: the Utah Division of Oil, Gas & Mining; Utah Board of Oil, Gas & Mining; Division of Forestry, Fire & State Lands (FFSL); and Division of Wildlife Resources (including acting as administrative law judges in hunting and fishing license suspension hearings).



## Oil, Gas & Mining

### Oil, Gas, Coal, and Hardrock Mine Permitting

- Advise the agency and board in connection with a host of regulatory and permitting matters for hundreds of oil and gas wells annually.
- Represent the agency and board in about 30 formal trial-type hearings per year to authorize oil and gas development projects statewide.
- Represent the agency in connection with permitting, bonding, and reclamation activities for coal and hardrock mines statewide.

### Oil, Gas, and Mining-Related Litigation

- Defend the decisions of the agency and board before Utah's courts when appealed and participate in bankruptcy proceedings.
- Represent the state in disputes with the federal government regarding Utah's primacy over the regulation of coal mines and challenges to federal overreach in areas such as the regulation of fracking.



## Sovereign Land

### Sovereign Land Management, Leasing, and Permitting

- Assist with the leasing of sovereign lands (primarily near Great Salt Lake), which generates approximately \$10 million in revenue annually.
- Help FFSL draft comprehensive management and mineral leasing plans for sovereign lands such as Great Salt Lake, Utah Lake, Bear Lake, and the Colorado, Green, Bear, and Jordan rivers. The division also advises FFSL in connection with the issuance of leases and permits.

### Sovereign Land Title and Boundary Litigation

- Represent FFSL in quiet title and boundary litigation concerning state-owned, submerged lands at Great Salt Lake, Utah Lake, Bear Lake, and along the Colorado, Green, Bear, and Jordan rivers. This litigation is frequently against the federal government and occurs on an ongoing basis as disputes arise.



## Wildfire

### Wildland Fire Litigation and Related Cost Recovery Efforts

- Represent FFSL in seeking recovery of costs incurred in suppressing wildland fires. These efforts include litigating against those starting wildfires, pursuing federal FEMA funds on larger fires which require emergency/disaster response, and securing reimbursement from local governments for their share of wildland fire costs under the statutory framework established by the Legislature.





## Water, Wildlife, & Parks

---

The eight attorneys in this section, co-located with their clients at the DNR Building, perform diverse legal tasks including civil and administrative adjudication cases relating to water, wildlife, and parks. Transactional work includes participating in complex, multi-million dollar real estate agreements; drafting and reviewing contracts, from the routine to the highly complex; reviewing high-profile listing decisions under the Endangered Species Act such as the Mexican wolf, sage-grouse, and Utah prairie dog; remediating natural resource damages caused by unlawful contaminant releases; allocating responsible use of natural resources; protecting natural resources from unlawful use; resisting federal encroachment on State sovereignty over its natural resources; guiding development of large-scale water projects, such as the Lake Powell Pipeline; enforcing water rights and participating in water right adjudications; equitably allocating water resources; responding to GRAMA requests; and much more.

The attorneys representing the State Engineer's Office in the general adjudication program participate in the monumental task of determining thousands of water rights in different areas of the state. Other attorneys in the division work to protect the state's interests in interstate waters such as the Colorado River; to minimize the impact of the quantification of federal reserved water rights such as for national parks and monuments and Indian reservations; and to promote water project construction. In addition to legal counsel and transactional work, each attorney also represents his or her client agency in civil and administrative adjudication matters and contract litigation. Over the past four years, the eight attorneys representing the Department of Natural Resources, Division of Water Rights, Division of Water Resources, Division of Parks and Recreation, and Division of Wildlife Resources collectively litigated dozens of civil cases a year, handled multiple cases in appellate courts, and participated in significantly more administrative adjudications.





## Public Lands

---

Six lawyers comprise this section, which is co-located in the State Office Building with its primary client being the Public Lands Policy Coordination Office (PLPCO). This section also represents the Constitutional Defense Council (CDC) which has required representation in legal and political matters. The section primarily litigates a large number of complex cases on various matters, including the assertion of the state's right to more than 12,000 R.S. 2477 Roads located on federal lands. This massive case involves taking hundreds of preservation depositions to memorialize witness testimony of individuals who traveled the roads during the time frame required under the federal statute.

This section is also involved in litigation on sage-grouse and endangered plant species, use of ATV trails, challenges to federal resource management plans for certain areas (including national monuments) and activities (including mineral leasing), designation of wildlands and wilderness areas, implementation of travel and transportation management plans, challenges to oil and gas leases located on federal lands, law enforcement issues on federal lands, and other matters.



## Notable Cases

### Federal Reserved Water Rights Settlement

The state's water agencies made significant progress regarding settlement of federal reserved water rights claims in 2017. This progress included signing a settlement with the U.S. Department of the Interior for the claim related to Bryce Canyon National Park. Senator Hatch introduced SB 664 in Congress and participated in the first hearing on that bill to resolve the reserved rights claims for the portion of the Navajo Nation located in Utah. This outcome fits within Utah's Colorado River allocation and causes minimal disruption of Utah water resource management and administration. It was accomplished in accordance with a legislative directive and consistent input from the AGO.

### Mexican Wolf Recovery Plan

The U.S. Fish and Wildlife Service abandoned its initial proposal to recover endangered Mexican wolves in Utah. Instead, with active involvement from AG attorneys, the agency was able to structure a Mexican wolf recovery plan. A draft plan was published in 2017 that confines active recovery efforts only to the subspecies' historic range in Mexico, southern Arizona, and southern New Mexico.

### Lee Kay Property Exchange

With the help of AGO attorneys, the Division of Wildlife Resources was able to finish a three-phase property transaction at the Lee Kay Shooting Range that provided necessary access for the Utah Department of Transportation for construction of the Mountain View Corridor Highway. This exchange, completed in 2017, involved UDOT, SITLA, the U.S. Fish and Wildlife Service, and the U.S. General Services Administration, and resulted in DWR disposing of approximately 170 acres of property which had little wildlife value and receiving in exchange over 23,000 acres of high-value wildlife habitat in several areas across the state.

### Certified Question to the Utah Supreme Court Regarding R.S. 2477 Roads

After a referral from the federal court, the Public Lands Section attorneys succeeded in having the Utah Supreme Court rule that an applicable state statute as applied to R.S. 2477 roads is a statute of limitations, not a statute of repose, thus maintaining the viability of all of Utah's R.S. 2477 cases, which involve over 12,000 roads statewide.

### Uintah Basin Drilling

AGO attorneys assisted the Division of Oil, Gas & Mining in addressing a number of emerging regulatory issues and authorizing several large-scale projects to permit the drilling of two-mile-long horizontal oil and gas wells in the Uintah Basin. The development of these projects will involve hundreds of millions of dollars of private investment and may generate even greater amounts of revenue, benefiting both the state and local communities.

### Mining Division

The Division of Oil, Gas & Mining, with the assistance of the AGO, resolved questions regarding reclamation bond adequacy for a coal mine and protected the state's existing bond in bankruptcy proceedings concerning a copper mine. These actions safeguarded the state from significant fiscal exposure valued in the millions of dollars, and allowed the subject mines to continue their operations.



# ENVIRONMENT & HEALTH

## Environment

The Environment Section of the Attorney General's Office provides legal representation to all five divisions of the Utah Department of Environmental Quality (DEQ) in matters of air quality, water quality, waste management, incinerators and radiation control, drinking water, mines, refineries and energy production facilities, and environmental remediation.

## Responsibilities

- Writing and implementing environmental regulations as well as providing legal support in rule-making, record requests, and legislative requests.
- Interpreting, administering, and enforcing permits issued to regulated facilities.
- Participating in administrative hearings, adjudicative proceedings, civil litigation, and appeals before state and federal courts.
- Working with the Investigations Division to investigate and prosecute environmental crimes throughout the state.
- Providing counsel to the Natural Resource Damages Trustee appointed by the Governor and to four regulatory boards: the Utah Air Quality Board, the Utah Water Quality Board, the Utah Waste Management and Radiation Control Board, and the Utah Drinking Water Board.

## Health

The Health Section of the Attorney General's Office represents the Utah Department of Health (UDOH) in Medicaid hearings, licensing, and other administrative proceedings.

## Responsibilities

- Advising and assisting the UDOH with promulgating its rules and regulations.
- Reviewing contracts and agreements with local health departments and other agencies.
- Coordinating health care through Medicaid Managed Care Organizations (MCOs).
- Assisting with HIPAA/HITECH records (privacy and security) compliance.
- Conducting formal and informal hearings regarding managed care and judicial appeals of administrative decisions.
- Providing representation in such recent matters as implementation of medical marijuana legislation and in litigation surrounding same-sex couple marriages, birth certificates, and adoptions.
- Advising a variety of boards and committees in UDOH.
- Representing the Medical Examiner's Office, State Lab, and the licensing of ambulance services (air and ground) and health care facilities (hospitals, nursing homes, assisted living facilities, etc.).





## Notable Cases

### Gold King Mine Blowout

The division continued to provide legal assistance to the Utah Department of Environmental Quality (DEQ) to recover costs for damages incurred as a result of the Gold King Mine blowout in August of 2015. The blowout occurred while EPA and its contractors were working on the Gold King Mine in Colorado, discharging about three million gallons of contaminated water into the Animus and San Juan Rivers, both of which flow into Utah. As of August 2017, the division had recovered \$675,909 from the EPA to pay for clean-up efforts. The division will continue to pursue an additional amount in compensatory damages for the spill.

### Volkswagen Diesel Consent Decree

On October 25, 2017, the division filed a certification on behalf of the DEQ and the Governor's Office allowing the state to become a beneficiary under a mitigation trust for the purpose of offsetting missions from non-compliant Volkswagen vehicles. The trust was authorized under the terms of a consent decree between the EPA and the state of California to settle violations of the Clean Air Act, which occurred as the result of software installed by the Volkswagen company in diesel powered vehicles designed to circumvent emissions controls. The division participated in a multi-state working group in the development of procedures to become a beneficiary. Under the terms of the trust, the state is eligible to receive \$32.4 million for 2.0 liter vehicles, plus an additional \$2.84 million for 3.0 liter vehicles.

### Resolution of Utah Department of Health HIPAA Data Breach Investigation

On June 3, 2017, as a result of representation by the division, the U.S. Health and Human Services Office of Civil Rights (OCR) notified the UDOH that it closed its investigation in the April 2012 Breach Notification Report. The OCR did not impose a monetary penalty or require a corrective action plan. Instead, the division attorneys had successfully argued that the corrective actions UDOH had already taken in response to the incident to demonstrate its compliance with the Health Insurance Portability and Accountability Act were sufficient and the OCR agreed. The closure of a data breach of this size without a monetary penalty (likely to be in the millions of dollars) is unprecedented.



# HIGHWAYS & UTILITIES

## Overview

The Highways & Utilities Division represents and provides legal advice to the Utah Department of Transportation (UDOT) in the areas of eminent domain actions (condemnation), real estate transactions, leases, property valuation, property encroachments, right-of-way boundary and access disputes, easements (construction, access, utility, light, air, and view), exactions and dedications, construction disputes, construction contracts, debarments and suspension of contractors, relocation assistance, billboards/outdoor advertising regulation, junkyard regulation, ski lifts/ropeway/tram regulation, rule-making, and all aspects of motion and trial practice.

In addition, the division represents the Division of Public Utilities and the Office of Consumer Services to help ensure that public utilities only charge reasonable rates and provide efficient services.

Utah's favorable utility rates continue to attract new businesses and encourage the expansion of existing businesses. Currently pending are two major Rocky Mountain Power projects that will cost about \$3.5 billion dollars, which would add approximately \$1.5 billion to Utah's rate base. Division lawyers are working hard to ensure continued fair treatment of all rate payers.

## BY THE NUMBERS, FY 2017



**Department of  
Transportation (UDOT)**

**42** New Condemnation  
Cases

**30** Condemnation Cases  
Settled/Tried

**48** Pending  
Condemnation Cases

**8** Other Pending  
Litigation

**18** Training Seminars  
Conducted



**Division of  
Public Utilities**

**304** Matters

**Approximate  
Dollar  
Amounts at  
Issue**

**\$17,000,000**

Condemnation Cases

**\$6,200,000**

Other Matters





# HIGHWAYS & UTILITIES (CONT.)

The division also represents and provides legal advice as agency counsel to the Utah Department of Public Safety (DPS) on a variety of matters such as law enforcement, peace officer certification, driver licensing, concealed firearm licensing, criminal history records, fire prevention, emergency response, forensics, and highway safety.

The division represents the Driver's License Division in District Court on actions they take to suspend or revoke a driver's license for driving under the influence of alcohol and/or drugs. The division keeps hundreds of impaired drivers off the road each year through driver license suspensions and revocations, and it is particularly proud of the fact its attorneys keep Utah's roads and highways safe for the public.

## BY THE NUMBERS, FY 2017



### Office of Consumer Services

90 Matters



### Driver's License Division

151 New Cases    290 Continuing Cases  
111 Cases Closed



### Department of Public Safety (DPS)

49 POST Agency Actions

12 POST Formal Hearings

15 BCI and DLD Informal  
Administrative Adjudications

5 Records Committee  
Appeals

6 Other Court Cases (UHP  
and Third Party)





## Notable Cases

### ***UDOT v. LEJ Investments, LLC***

Property owned by LEJ Investments, LLC (LEJ) consisted of 353 acres of agriculturally-zoned land in West Jordan south of the airport, one of the largest vacant parcels in the Salt Lake Valley. The Utah Department of Transportation condemned approximately 63 acres for the Mountain View Corridor highway project and the condemnation bisected the LEJ property. LEJ sought \$26.09 million in just compensation for the taking. The Highways & Utilities Division argued that the owner's appraisal methods were unreliable, and the judge agreed. In the end, LEJ was awarded less than half of the amount they had demanded before trial, with a savings to taxpayers exceeding \$12 million dollars. In addition to the monetary savings to the state, the ruling on this case ensured that the Mountain View Corridor, a critical highway and trail system, will serve Utahns for generations. The 7800 South interchange will be a boon to residents of West Jordan, and the mixed commercial and high density residential development will significantly enhance the tax base of this community.

### ***UDOT v. Starline Properties, LLC***

This eminent domain case involved the acquisition of 5.26 acres for the Northern Utah County Mitigation Bank associated with major highways projects including I-15 CORE, Pioneer Crossing, and Mountain View Corridor. The landowners claimed \$3.8 million in just compensation and contract damages. The division successfully argued for a more equitable assessment, and the jury awarded \$1.4 million plus interest, saving taxpayers approximately \$2.2 million.

### ***Utah Division of Parks & Recreation v. Lee, et al.***

This eminent domain case involved the acquisition of approximately three acres of property near Utah Lake. Resolution of the case was challenging because the boundaries of Utah Lake affecting the property were also the subject of federal court litigation dating back many years. The landowner claimed \$4.3 million dollars in just compensation and damages. After a mediation in September 2017, the case was resolved for \$60,000, saving the state more than \$4.2 million.



# TAX, FINANCIAL SERVICES & ANTITRUST

## Overview

The Tax, Financial Services & Antitrust Division of the Attorney General's Office provides legal representation to the Utah State Tax Commission, the Utah Insurance Department, and the Utah Department of Financial Institutions. The division also represents the State of Utah in the issuance of state and local governmental bonds and monitors the termination and modification of charitable trusts.

Attorneys in the Tax, Financial Services & Antitrust Division are actively involved in data breach investigations and continue to work with a task force of other states to determine violations of the Utah Consumer Credit Protection Act and Utah's Protection of Personal Information Act.

The division represents the state in tax litigation involving millions of dollars in sales, income, and other taxes, as well as providing legal representation on a large number of key property-assessment tax matters.

## Tax

The tax section of the division represents the Utah State Tax Commission in administrative proceedings heard by the Tax Commission and in trial and appellate courts (if the Tax Commission's decisions are appealed) in the areas related to the following units of the Tax Commission: Auditing, which includes tobacco; Centrally Assessed Property Tax; Taxpayer Services, which includes payment, collection, and tax lien issues; Motor Vehicle Division; and the Motor Vehicle Enforcement Division, which primarily regulates automobile dealers and salespersons. The division also represents the Taxpayer Services Division in matters originating in State and Federal Court, including Federal Bankruptcy Court.

## Financial Services

The financial services section of the division acts as general counsel to the Utah Insurance Department, providing legal advice on all aspects of insurance law, and as enforcement counsel to the Insurance Department concerning violations of the Utah Insurance Code. The division also provides legal counsel to the Department of Financial Institutions to assist in carrying out the provisions and purposes of the Financial Institutions Act, which includes ensuring the safety and soundness of all state-chartered financial institutions and protecting the customers of financial institutions operating in Utah. The division also enforces federal and state antitrust laws and state data breach laws.





## Antitrust

The Antitrust Section of the division protects Utah consumers and businesses from unfair competition. It enforces federal and state antitrust laws and related laws that help to keep the free market competitive. The Antitrust Section promotes fair competition by challenging monopolistic behavior and conspiracies to restrain trade or commerce and mergers that may have anti-competitive effects in Utah markets. In addition to enforcing those areas of law locally, the section works closely with federal agencies and with other states' antitrust units to solve national and regional problems. The section also enforces Utah's data breach laws, patent trolling laws, and procurement laws.

### BY THE NUMBERS, FY 2017

Aggregate Recovery  
**\$3,996,241**

#### Antitrust Enforcement

During 2017, antitrust attorneys and staff participated in multi-state enforcement actions and settlements regarding alleged violations of federal and state antitrust and other laws by:

- (1) manufacturers of the prescription drug Provigil, for collusive conduct causing higher consumer prices for Provigil; and
- (2) banks for manipulating certain interest rate indexes, which harmed consumers holding financial instruments tied to those indexes.







**This page intentionally left blank.**



# CRIMINAL DEPARTMENT



6 DIVISIONS

---

85 ATTORNEYS & 147 STAFF



# JUSTICE

## Overview

The Justice Division is comprised of prosecutorial units working together with specialized investigative units in the areas of Criminal Non-Support (CNS), Internet Crimes Against Children (ICAC), the SECURE Strike Force, and the DEA/HIDTA Drug Prosecution Unit, as well as units servicing the Insurance Division, the Office of Recovery Services (ORS), and the Department of Workforce Services (DWS). The division includes a Special Prosecution Unit that handles or assists other jurisdictions on complex matters including public corruption; State RICO; identity theft; serious and violent felonies including murder, capital murder, child and elder abuse and exploitation; and asset forfeitures.

The division also manages and houses Identity Theft Central (formerly known as IRIS), the Utah Children's Justice Centers, the Victim's Assistance Program, and the Utah Prosecution Council.

## Victim Services

Critical to the AGO's efforts against crime is its support of victims of crime. Currently, the AGO has one Victim Coordinator for the thousands of cases it handles yearly.

The Victim Coordinator is tasked with ensuring the office complies with the Utah's Victims' Rights Statute. The coordinator also provides assistance and support to victims and staff during the investigation, prosecution, and appeals of a case.

The Victim Coordinator also provides assistance to victims on inactive cases, victims on cases not prosecuted by our office, and inquiries of the general public. In addition, the coordinator often provides assistance to potential victims and witnesses while our SECURE team investigators determine a party's specific role in the case. The coordinator also serves on the Utah Trafficking in Persons (UTIP) task force, acts as Co-Chair of the UTIP Youth Subcommittee, and provides quarterly reports for the UTIP grant.



### The Victim Coordinator currently serves on the following local/state committees:



- Third District's Rights Committee
- National Crime Victims' Rights Week Committee
- Utah Coalition Against Sexual Assault Training Committee
- Salt Lake County Victim Advocate Committee
- Utah DPS SIAC (Interdiction for the Protection for Children-Certified Trainer)
- Human Trafficking Juvenile Working Group
- STOP VAWA (Violence Against Women Act) Implementation & Planning Committee



## BY THE NUMBERS, FY 2017



**975** Victims & Witnesses

**30** Victim Meetings\*



**1,000** Hearing Notifications/ Letters\*



**25** Court Escorts\*



**9** Active Appellate Cases

## Special Projects

Digitized, organized, and created electronic case files on all active cases.

Created an electronic database for victim contact and case information on all active cases.

## Notable Cases

### ***State vs. Lynnsie Reddish and Terrance Jones***

This human trafficking case involved eight young adult females and witnesses, including a victim with developmental disabilities. The Victim Coordinator met with the victims multiple times, helped coordinate direct victim services such as housing and counseling, maintained contact, provided multiple court escorts, and provided ongoing emotional support to the victims and victim guardian throughout the case. (A fuller account of this case can be found on page 65.)

### ***State vs. Drake Richard Samson***

This human trafficking case involved a 16-year old female victim with a history of running away and multiple suicide attempts. The victim was in a romantic relationship with the defendant who ultimately committed suicide prior to prosecution. The Victim Coordinator worked with the victim, DCFS, the victim's parents, and the investigator extensively on this case. (A fuller account of this case can be found on page 54.)

### ***State vs. Todd Rettenberger***

This human trafficking case involved two young adult females who were both romantically involved with the defendant. The Victim Coordinator met with the victims multiple times, provided court escorts, and helped coordinate direct victim services such as housing, drug rehabilitation, and trauma counseling. The Victim Coordinator has continued to provide support to the victims post-conviction by attending the defendant's parole hearing and continuing to assist in coordinating ongoing victim services with Refugee & Immigrant Center – Asian Association of Utah (RICAAU) when the victims reach out for assistance. (A fuller account of this case can be found on page 65.)

\*This is a close approximation as there is currently not a mechanism in place for tracking specific victim contacts such as phone calls, emails, in-office meetings, court escorts, letters sent, etc.



# Criminal Non-Support

Utah's legislature has declared that children are presumed to need the financial support of both parents. When a non-custodial parent fails to provide their portion of that support, extreme hardship may befall both the child and the custodial parent. The AGO utilizes Utah's Criminal Non-support (CNS) statute to prosecute those who would disregard this inherent parental responsibility and cause such hardship.

When a noncustodial parent has failed to pay full court-ordered child support for at least 18 months within a 24-month period, and the child support arrears exceed \$10,000, the Utah Office of Recovery Services (ORS) may refer the matter to the AGO to review for CNS charges. These matters have been pursued by ORS for many years with little or no success. In such cases, the state is regularly forced to provide public assistance for basic needs like food, shelter, and medical treatment. However, for some non-custodial parents, the threat of criminal penalties, including prison, are sufficient enough to compel compliance with child support orders. If not for the increased child support collections resulting from the AGO prosecution of CNS cases, Utah taxpayers would increasingly be required to make up the difference with no hope of reimbursement.

When CNS charges are filed and a plea agreement or conviction obtained, the defendant is sentenced to abide by specific conditions. Chief among those terms is a requirement to make minimum monthly payments. The payments include all ongoing child support as well as a portion of the arrears. If a defendant fails to abide by the terms of the sentence, the AGO may recommend jail time. Continued violations will result in recommendations for increasing periods of jail time or even prison.

## CNS Mission Statement

The Criminal Non-support (CNS) Team mission is to improve the lives of Utah families by helping parents provide for the financial and emotional needs of their children by establishing and enforcing child support orders. The CNS team consists of two attorneys, two paralegals, and a legal secretary.

## Amount of Child Support Collected FY 2017

**\$1,268,030.02**

## BY THE NUMBERS FY 2017



**61** New Cases Filed



**336** Total CNS Cases



**55** Pre-Conviction Cases



**281** Probation Monitoring Cases



**55** OSC Evidentiary Hearings Attended

**155** OSC Hearings Attended





## Noted Successes

### ***State v. Mac Adamson***

In 2005, Mac Adamson failed to provide adequate support for his two children. After five years and many unsuccessful attempts by ORS to collect child support, ORS referred the case to CNS. In August of 2010, CNS filed its criminal case. A judgment in the amount of \$59,938 was entered against Adamson for child support owed. Early on in his probation, Adamson had multiple probation violations, and as a result, Orders to Show Cause were filed. Adamson came into compliance with his probation and has successfully completed the terms of his probation, including payment of his child support arrears and interest in full. Adamson's probation was terminated successfully.

### ***State v. Anderson***

In 2011, Anderson failed to support her child. After four years and many unsuccessful attempts by ORS to collect child support, ORS referred the case to CNS. In November of 2015, CNS filed its criminal case, charging three counts of Criminal Non-support against Anderson. A judgment in the amount of \$62,000 was entered against the defendant for child support owed. Anderson was ordered to make monthly payments but failed to comply. Anderson had multiple probation violations, as well as new criminal drug charges. In December 2017, after six hearings, the court terminated Anderson's probation as unsuccessful and sentenced Anderson to prison on all three counts, to run consecutively.





## Internet Crimes Against Children (ICAC)

---

The Internet Crimes Against Children (ICAC) Program is a national program composed of a network of sixty-one coordinated state and regional task forces representing more than 3,500 federal, state, and local law enforcement and prosecutorial agencies. These agencies are engaged in both proactive and reactive investigations, forensic examinations, and criminal prosecutions. By helping state and local agencies develop effective, sustainable responses to online child victimization—including responses to child sexual abuse images—the ICAC Task Force has increased law enforcement's capacity to combat technology-facilitated crimes against children at every level.

The ICAC Program was developed in response to the increasing number of children and teenagers using the Internet and other technology, the proliferation of child sexual abuse images available electronically, and the heightened online activity by predators seeking to commit illegal sexual acts against underage victims.

Because ICAC members understand that arrests alone cannot resolve the problem of technology-facilitated child sexual exploitation, the ICAC Task Force is also dedicated to training law enforcement officers and prosecutors, as well as educating parents and youth about potential dangers of online activity.



## Utah AGO ICAC Task Force

The Utah AGO ICAC Task Force is a multi-jurisdictional task force that investigates and prosecutes individuals who use the Internet to exploit children within Utah. The ICAC prosecution team consists of four attorneys and one legal secretary. Their mission is to serve the citizens of Utah through timely, proactive, ethical, vigorous, and impartial enforcement of the laws of Utah; improve the safety of our communities; and do justice in every matter. This mission is accomplished by:

- Assisting state and local law enforcement agencies and prosecutors to investigate and effectively prosecute cases involving enticement of minors, dealing in material harmful to minors, child pornography, and other related Internet-facilitated crimes against children;
- Seeking the imposition of evidence-based sentences on offenders, appropriately protecting the children of our community, and effectively reducing recidivism;
- Acting as a resource and fostering continual collaboration between local, statewide, and federal agencies in information sharing, networking, and case prosecution; and,
- Seeking and maintaining a reputation for professionalism, respect, efficiency, reliability, and legal expertise.



**ICAC Tip Line: 801.281.1211**

**ICAC Email: [utahicac@agutah.gov](mailto:utahicac@agutah.gov)**

## Criminal Offenses Prosecuted

The primary criminal offenses prosecuted under both state and federal law include the production, receipt, possession, or distribution of child sexual abuse images; enticing an underage victim to engage in any sexual activity which is a violation of state criminal law; distributing material harmful to a minor; and interstate travel offenses, such as transporting a minor or traveling to meet an underage victim for the purpose of illegal sexual exploitation. The prosecution team assists during all stages of a case, including investigation, warrant execution, and criminal prosecution. In addition, prosecutors act as a resource to numerous investigative, prosecutorial, and community agencies.

The team is also responsible for proposing, drafting, and providing advice on legislation, including the Contraband Device Destruction Statute and the Sexual Extortion Statute during the 2016 and 2017 legislative sessions, respectively.

ICAC prosecutors participate in the following committees and writing groups:

Child Fatality Review Committee

Domestic Violence Fatality Review Committee

Child Abduction Response Team

Sexual Assault Response Team

Utah Attorney General's Ethics Committee

Salt Lake County Unsubmitted Sex Assault Kit Initiative

Domestic Violence Planning Advisory Council

Domestic Violence Planning Advisory Council Sub Committee

National Association of Extradition Officials and the Domestic Violence Offender Management Group

Case Management Software Committee



## 2017 Accomplishments

In 2017, the ICAC Task Force received 4,950 Child Sexual Exploitation referrals, conducted 1,504 investigations, served 330 search warrants, and made 246 arrests. In addition, the task force forensically examined 3,761 electronic devices resulting in 910,695 gigabytes of data processed. The ICAC Education Specialist and Utah NetSmartz conducted 1,248 Internet Safety presentations for 549,153 attendees.

The task force also hosted six national ICAC specialized trainings at AGO facilities. In addition to providing specialized training to our officers in Utah, several ICAC Task Force officers from across the country travel to Utah to attend these trainings.

## BY THE NUMBERS CY 2017



**4,950** Child Sexual  
Exploitation  
Referrals



**3,761** Electronic Devices  
Forensically  
Examined



**246** Arrests Made

**359** Search Warrants Served



**1,504** Investigations Conducted



**NetSmartz**

**1,248** Internet Safety Presentations Made by  
Education Specialist and Utah NetSmartz

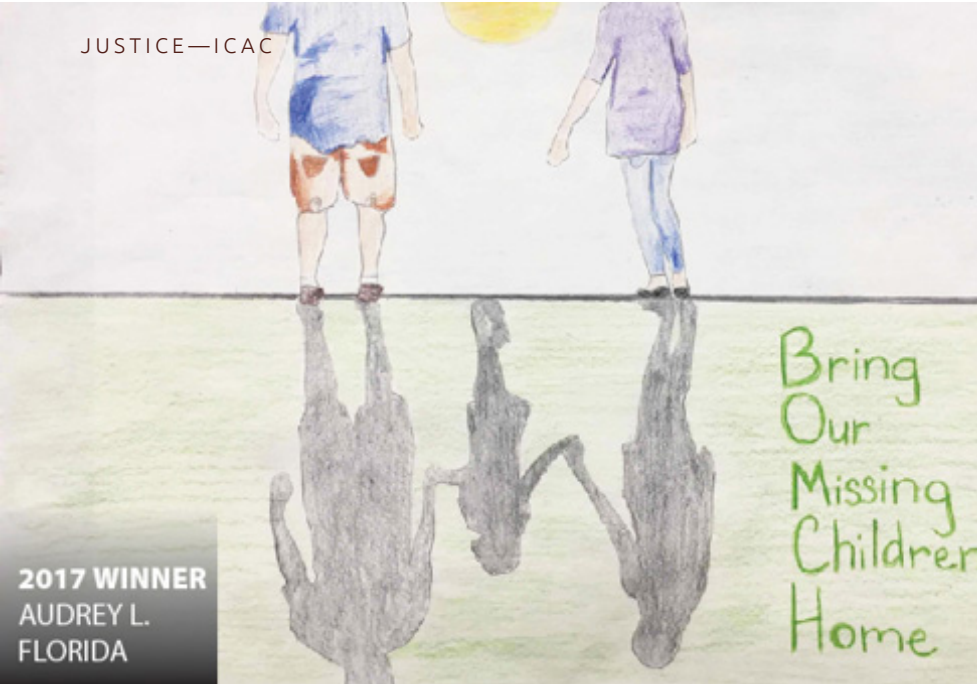
## Increased Internet Presence

The Utah ICAC Task Force proactively participates in and with local communities. This year, they added an Internet Safety Resources section on the home page of the AGO website. This new addition to the website includes an app resource sheet with information on current smartphone app trends, as well as issues and concerns parents should be aware of when their children use these apps. Two blogs on the site are updated bi-weekly, and they are meant to educate both parents and youth in regards to all aspects of the Internet and social media.



## 2017 National Missing Children's Day Poster Contest

The AGO again participated in the Annual National Missing Children's Day Poster Contest. The AGO mailed out contest information to schools throughout Utah as well as to all of the state's community partners. The AGO hopes to have a significant increase in Utah's participation next year.



## Statewide Community Advisory Board

In 2015, the ICAC Education Specialist created the ICAC Community Advisory Board. This group has increased awareness and bridged the gap between law enforcement and the communities we serve. It includes more than 20 members from school districts, faith-based organizations, community groups, non-profit organizations, crime-prevention organizations, and others. The board meets bi-monthly and collaborates with other professionals to raise awareness about issues associated with youth. Trainings are called "ICAC Cops Q&A," are about 60 minutes in length, and include an ICAC Investigator and the ICAC Education Specialist. These trainings are open to the public to promote Internet safety awareness and explain the role of ICAC.

## Utah Child Abduction Response Team (CART)

The Utah Child Abduction Response Team (CART) is a resource to all Utah law enforcement agencies. The team is comprised of over 180 officers and support personnel from 30 local, state, and federal agencies. The Utah CART received National Certification from the Department of Justice in 2010. Whenever an AMBER alert is issued, a Utah CART coordinator will contact the issuing law enforcement agency to offer the assistance of Utah CART. During 2017, Utah CART was not activated. The team continues to train and add new members, and they are prepared in the event that a child goes missing and Utah law enforcement agencies need their assistance.







## Notable Cases

The ICAC Task Force conducted two week-long undercover operations which resulted in the arrests of 25 individuals who traveled to meet underage boys and girls for sex. The first week-long operation was conducted in Utah County during the month of January and resulted in thirteen arrests. The second week-long operation was conducted in Weber County in August and resulted in twelve arrests. Both operations were successful in locating the individuals who intended to abuse children. As a task force, they were able to allow several newer officers involved an opportunity to make their first arrests using new skill sets obtained through advanced training. These operations helped them utilize the training they received and keep the task force at the forefront of the national ICAC program. Most importantly, many sexual predators were arrested and charged during these operations.





## Statewide Enforcement of Crimes by Undocumented Residents (SECURE)

SECURE is a state-funded task force that focuses on human trafficking, fraudulent government documents, and other felony-level crime within the undocumented population.

SECURE is made up of multiple agencies, including five AGO Special Agents, two Department of Public Safety Investigators, one University Police Department Detective, one Ogden Police Department Detective, one United States Department of Agriculture Special Agent, one US Marshal, and one Homeland Security Investigations Agent. Part-time participating agencies include Bountiful PD, Park City PD, Summit County SO, Heber City PD, Enforcement and Removal Operations Field Offices, and Davis County SO.

The SECURE team continues to follow the mandate of the Utah Legislature by ensuring the safety of Utah's communities, focusing their investigation on human trafficking, document mills, and criminal enterprises involving the trafficking of narcotics and firearms. Human trafficking investigations do not always result in human trafficking-related charges for various reasons, including the protection of the victim(s).

As a result, there are always more investigations than prosecutions. When a report is received by SECURE, a case is opened. At different stages of the investigation and for various reasons, the investigative case may be closed and not reflected as a prosecution statistic, even though the prosecutor may have advised on the investigation, approved search warrants, or opened an investigation.

### Goals

SECURE will continue to educate and train local law enforcement agencies, juvenile services, non-governmental organizations (NGOs), and other related entities in the area of human trafficking. SECURE will also evaluate investigative techniques as traffickers have adapted in response to the success SECURE has had in arresting them.

### Legislation

SECURE cases spurred legislation for the improvement of eradicating criminal activity in Utah and ensuring protection of victims. Enacted legislation included the HB 99 High Need Children Adoption Amendments, HB 274 Human Trafficking Modifications, Vacatur for Victims of Human Trafficking, and Expanding the definition of Contraband to include digital devices that house child pornography, and HB 354 Digital Piracy Update Amendments.





## Warrants

**36** Warrants

**195** Search Warrants



## Cases & Prosecutions

**67** Cases Initiated By/Assigned to SECURE Prosecutor

**67** SECURE Prosecutions (State)

**272** Cases Generated by Investigators



## Crimes

**31** Drug Crimes

**68** Fraud/Forgery/Counterfeiting



## Misc

**581** Misc. Cases, Citizen Arrest, Police Assist, Etc.



*Investigation Team after a raid.*



## Notable Cases

### **Lynnsie Reddish and Terrance Chavez Jones**

Lynnsie Reddish and Terrance Chavez Jones trafficked as many as 13 women in Ogden, Utah. Both defendants were extremely violent with the victims. In one such episode, the victim received a laceration to the head, requiring staples after Jones hit her with a belt buckle. Besides human trafficking, Reddish and Jones were charged with rape and aggravated assault. (A fuller account of the case can be found on page 65.)

### **Santos Moyica Mojica**

Santos Moyica Mojica was arrested and charged with human trafficking. The victim was so traumatized that she was not willing to testify against her trafficker. SECURE accepted a plea to identity fraud, a second-degree felony. Mojica had been deported from the United States previously.

### **Drake Richard Sampson**

SECURE Strike Force was alerted that a 16-year-old female was engaged in a sexual relationship with Drake Sampson. Sampson had recruited the girl into a commercial sex operation. This operation included several incidents in which the female child engaged in commercial sex and returned the proceeds to Sampson. Unfortunately, prior to prosecution, Sampson took his own life.

### **Diego Cristobal Espinoza-Espinoza**

Diego Espinoza-Espinoza, an undocumented person, stole the identity of a U.S. citizen and created 13 different fraudulent identification documents. He had already been deported on previous occasions. The AGO successfully prosecuted him for identity fraud.

### **Emanuel Jesus Florindo**

Emanuel Florindo, an undocumented person, was successfully prosecuted for identity fraud after he was found in possession of a fraudulent Social Security card using the number belonging to a 13-year-old U.S. citizen.

### **Abisai Romero Perez**

Abisai Perez, an undocumented person, was successfully prosecuted for possession of forged writing after he was found in possession of cocaine, a fraudulent Social Security card, and a fraudulent permanent resident card, both of which belonged to other individuals.



The Special Prosecution Unit is an experienced group of elite attorneys specializing in aggravated felonies, public corruption, sexual abuse, narcotics, weapons, theft, and fraud.

The section works in partnership with both the AGO Special Investigations Unit and local law enforcement agencies to promote a safe and lawful environment for residents statewide.

The section serves to implement the criminal justice system and minimize negative impact upon the lives of victims, witnesses, and their families during the prosecution of felony crimes, which is best achieved through:

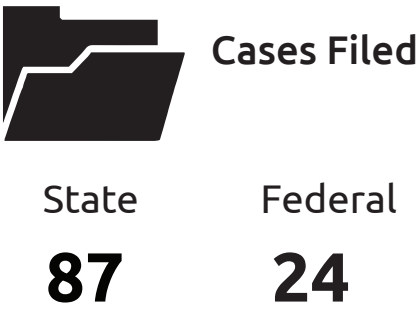
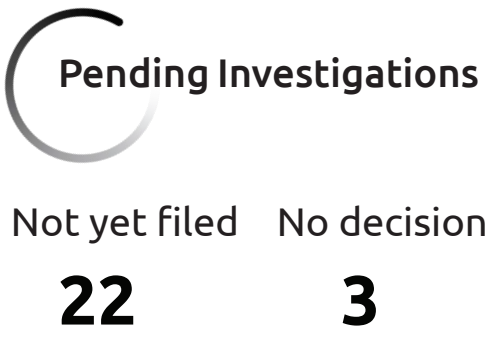
Justice

Fairness

Prompt and courteous  
attention

Cooperation with law  
enforcement

## BY THE NUMBERS, FY 2017



Total Asset Forfeiture  
**\$5,007,117**

### The Special Prosecution Unit is comprised of the following units:

- 1 DEA/HIDTA Drug Prosecution Unit, which handles Federal and State DEA related cases.
- 2 Department of Workforce Services and Social Security Administration Unit, which handles fraud cases.

The Special Prosecution Unit advises, handles, or assists other jurisdictions on complex matters including multi-jurisdiction and conflict cases, public corruption, asset forfeiture, factual innocence, State RICO, and all serious and violent felonies including death penalty, capital murder, homicide, and physical sexual abuse and exploitation.





The Salt Lake Cooperative Disability Investigation Unit (CDIU) is a multi-agency task force that investigates fraudulent disability applicants and recipients. The Salt Lake CDIU investigates disability claims under the Social Security Administration's (SSA) Title II and Title XVI programs that Utah disability examiners believe are suspicious. There are currently four Special Agents and one Criminal Information Specialist assigned to the Salt Lake CDIU from the AGO. The AGO is reimbursed from the SSA for the costs associated with the five staff members assigned to the Salt Lake CDIU. The Salt Lake CDIU program's primary mission is to obtain evidence that can resolve questions of fraud before benefits are ever paid. The Salt Lake CDIU may also provide investigative support to examiners during continuing disability reviews that can be used to cease benefits of in-payment beneficiaries.

Upon completion of the investigation, a report detailing the investigation is sent to Disability Determination Services (DDS), where staff serve as the ultimate decision-making entity in determining whether a person is eligible to receive a monthly disability benefit payment. If the claimant is already receiving benefits, DDS and/or SSA will determine whether the person's benefits should be continued or terminated. In some cases, the possibility of criminal prosecution or the imposition of Civil Monetary Penalties (CMP) or administrative sanctions may occur.

The Salt Lake CDIU began operating in April 2011. A team leader assigned from the Office of the Inspector General (OIG) supervises the Salt Lake CDIU. The following agencies are members of the Salt Lake CDIU Task Force: the Office of the Inspector General, Disability Determination Services, Social Security Administration, and the Utah Attorney General's Office.

## Notable Case

On September 13, 2017, the SSA OIG entered a default judgment against Rhela Harley of Clearfield, Utah, following an investigation by the CDIU for fraud. The CDIU investigation revealed numerous false statements by Harley in her application for SSA Title II Disability Benefits and Title XVI Supplemental Security Income (SSI) in which she alleged a variety of mental and physical impairments that prevented her from working. As a result of the CDIU investigation, the OIG imposed a \$35,000 civil monetary penalty on Harley. In addition, the CDIU investigation resulted in \$47,814 in SSA program savings and \$69,101 in Medicare/Medicaid savings for a total Civil Monetary Penalty (CMP) and program savings of \$151,915.



## Notable Successes

The Justice Division filed 87 new criminal cases in FY 2017 and logged 126 convictions from new and pending cases, recording over \$5 million in asset forfeitures and over \$650,000 in restitution.

The Victim Coordinator held dozens of meetings with victims, witnesses, and others, meeting with over 975 individuals, and provided 25 court escort services.

The Justice Division's ICAC unit filed 51 new cases against perpetrators where a total of 127 children were identified as victims.

The Justice Division received reports of 761 instances of fraud in healthcare, worker's compensation, insurance (agent), forgery and other crimes, and collected approximately \$300,000 from 50 defendants.



# INVESTIGATIONS

## Overview

The Investigations Division identifies, apprehends, and assists in the prosecution of violations of the criminal laws of the State of Utah and the United States through investigation of criminal complaints in the areas of:

- **Complex white-collar and financial crimes**
- **Public corruption**
- **General fraud**
- **Child abuse and exploitation (includes sex abuse, physical abuse, homicide, and child pornography)**
- **Cybercrime, internet fraud, identity theft, and internet crimes against children**
- **Crimes associated with closed societies**
- **Environmental crimes**
- **Antitrust**
- **Disability**
- **Significant street crime, including homicide, aggravated assault, and sex crimes where a local authority requests involvement**

This division provides investigative support to the prosecutors of the Justice Division on prosecution referrals and also receives referrals from the Grand Jury Panel of Judges to conduct investigations to determine if sufficient cause exists to convene a state grand jury.

All investigators are POST-certified state peace officers.

## Special Investigations Unit (SIU)

The Special Investigations Unit (SIU) has a primary focus of complex, multi-jurisdictional, multi-victim, felony-level investigations. These investigations include: fraud, public corruption, officer-involved critical incidents, conflict cases, agency assists, and other miscellaneous crimes.

SIU is currently made up of nine Special Agents, one Direct Supervisor, three Reserve Agents, two Evidence Technicians, and one Training Specialist.

In 2017, SIU opened 214 cases, served over 130 search warrants, and made numerous arrests. This number of cases is higher than usual, but the majority of those cases were related to search warrants served in a gambling investigation. Generally, the average yearly number of cases opened is around 100.

## School and Institutional Trust Lands Administration (SITLA)

There is one SIU agent that assists the School and Institutional Trust Lands Administration (SITLA) investigating any potential crime involving SITLA. These investigations have included issues arising from staged protests, seed gathering, illegal timber cutting, and illegal mining. This position is fully paid for by SITLA.





## Professional Development for Law Enforcement

SIU houses the Professional Development Section, which specializes in developing upper-level critical skills for patrol officers, detectives/investigators, and attorneys in relation to the application of force, de-escalation, law application, and other skills utilized by professionals in the criminal justice field.

### Goals

#### Fraud Training

SIU is working on developing a comprehensive fraud training for local jurisdictions. A survey has already been released statewide to detectives in order to assess what trainings are wanted by agencies. Once needs are assessed, SIU will assemble a tailored training to be offered statewide.

#### New Legal Education Video Media

SIU continues work to develop new legal education video media in consultation with AGO Prosecutors. This continues a partnership with Crisis Intervention Team Utah and major Utah public safety risk management groups to provide additional de-escalation learning opportunities. SIU hopes not only to secure resources that allow a distance learning capability, but also to increase video production to maximize the benefit of using the legal subject matter experts. SIU is reconfiguring the core scenario learning experience to add value to the trainees' time. This comes at a significant staffing cost as it intensifies legal education for each trainee. Recruiting and training additional qualified VirTra operators/educators from within the division staff will facilitate these efforts.



#### Testimonial

"This training was very helpful. I feel like I understand the overall aspects of good communication better, while still being able to feel like I can maintain safety and effect an ideal outcome of the situation."

- **Officer R. Lofgran**, West Jordan Police Department





## Professional Development Highlights

Beyond maintaining steady numbers of officers receiving professional education and skills practice in the VirTra center, 2017 brought significant program enhancements, including:

- Street Smart De-escalation courses: Officers learned vital crisis communication techniques to help de-escalate confrontations and were able to practice those techniques in virtual reality scenarios.
- Officer Involved Critical Incident (OICI) investigation course: Investigators completed a 5-class series that strengthened their ability to thoroughly investigate officer-involved critical incidents.
- Prosecutor Officer-Involved Shootings (OIS): Several prosecutors from a variety of Utah cities and counties received practical training in OIS scenarios and bolstered that training with a legal screening exercise.
- COP Talks: SIU launched a legal education video vignette series that carefully tailors critical constitutional policing education to specific virtual reality learning scenarios.





## Notable Case

### Intermountain Vending & Western Coin

Intermountain Vending and Western Coin were two related Salt Lake-based organizations which promoted gambling throughout the state by using electronic kiosks and mechanical quarter pusher machines. During the course of the investigation and pending court case:

- **131 search warrants** were written for businesses utilizing approximately **350 Intermountain Vending and Western Coin machines** to promote gambling to the public. These businesses were located in **296 different jurisdictions**, and several hundred items of evidence were seized along with the money.
- In addition, a search warrant was written for Intermountain Vending and Western Coin's primary place of business, and three search warrants were written for bank accounts belonging to the two companies.
- A total of just over **\$900,000 was seized** from the machines, the primary business, and bank accounts, including over **five tons of quarters**.
- Two individuals were charged with multiple counts of gambling promotion and money laundering and are currently in the court system with a plea agreement in place.
- The business entities which owned Intermountain Vending and Western Coin were charged with multiple counts of gambling promotion and possession of gambling devices. They have pled guilty and been sentenced. The sentence included a \$20,000 fine.
- As part of the plea agreement, Intermountain Vending and Western Coin, along with other related entities and owners, agreed to accurately report and resolve unpaid taxes to both the State of Utah and federal government. This has resulted in \$137,000 being paid to the State of Utah and over \$1,000,000 being paid to the federal government. These amounts are still under review with possible penalties and interest yet to be assessed.





# UTAH TRAFFICKING IN PERSONS TASK FORCE

## Overview

The Attorney General's Office's SECURE Strike Force, investigates and prosecutes human trafficking offenses as part of its mandate from the Utah Legislature. The AGO also hosts and helps to coordinate the efforts of the Utah Trafficking in Persons Task Force (UTIP). UTIP is a multi-disciplinary group of experts from law enforcement, academia, victim services, state and federal agencies, and non-governmental organizations (NGOs) working together to combat human trafficking in Utah. UTIP's goal is to attack every aspect of the human trafficking problem—not just prosecuting offenders, but also rescuing victims and providing them with aftercare, educating the public on trafficking issues, and improving legislation. Working together with UTIP, the AGO has made major strides in bolstering Utah's response to human trafficking. Our state is now recognized as a leader in combatting this horrible crime.

**"The eradication of human trafficking should be a priority for all who value virtue and freedom. As a humanitarian issue, ending human trafficking transcends political and ideological differences. It is critical for Utah and all states to work even more closely with law enforcement, various first responders, and the communities who come in contact with human trafficking victims to combat modern-day slavery."**

**-Sean Reyes**



## Human Trafficking

Human trafficking is a modern-day form of slavery involving the illegal trade of people for exploitation or commercial gain.

Every year, millions of men, women, and children are trafficked in countries around the world, including the United States. It is estimated that human trafficking is a \$32 billion per year industry, second only to drug trafficking as the most profitable form of transnational crime.

Human trafficking is a hidden crime, as victims rarely come forward to seek help because of language barriers, fear of the traffickers, and/or fear of law enforcement.

Traffickers use force, fraud, or coercion to lure their victims and force them into labor or commercial sexual exploitation. They look for people who are vulnerable for a variety of reasons, including economic hardship, natural disasters, or political instability. The trauma can be so great that many may not identify themselves as victims or ask for help, even in highly public settings.







## Human Trafficking Arrests and Prosecutions in 2017

---

Human trafficking investigations are complex and can stretch on for months or years before enough evidence is gathered to make an arrest. Often proving the elements of these offenses requires testimony from victims who have been severely traumatized by their experience. Sometimes human trafficking victims do not wish to participate in an investigation or prosecution. In those cases, investigators and prosecutors will work to prosecute offenders for other offenses that do not require victim testimony. Prosecutors work closely with victim service providers to shepherd victims through the criminal justice process and to prepare them for the reality of testifying against their traffickers. In some cases, there will not be enough evidence to make an arrest. For those reasons, arrest numbers are lower than the number of investigations.

---

- In 2017, the AGO arrested nine suspects in cases arising from human trafficking investigations. Prosecutors filed eight felony criminal cases charging these suspects with various offenses including human trafficking, aggravated exploitation of prostitution, rape of a child, aggravated kidnapping, rape, forcible sodomy, money laundering, aggravated assault, and pattern of unlawful activity.
- AGO prosecutors also convicted two defendants of related offenses for money laundering and identity fraud in cases that arose from human trafficking investigations.
- Four cases of human trafficking were filed in Salt Lake County and four were filed in Weber County, two of which were later re-filed in federal district court.
- These numbers represent a 66% increase in arrests made compared to six in 2016 and over a 200% increase in cases filed compared to three in 2016.
- AGO prosecutors convicted four defendants of human trafficking. In all four cases, the defendants were sentenced to prison for the full one-to-fifteen year terms. This represents a 400% increase over the one defendant convicted of human trafficking in 2016.





## New Human Trafficking Investigations in 2017

AGO investigators actively investigate human trafficking cases throughout the state. In addition to running its own proactive investigations, the Investigations division also takes referrals from local police departments, follows up on tips from the National Human Trafficking Hotline, and works with victims referred by UTIP partners.

In 2017, AGO investigators opened 61 new human trafficking investigations. This is a 30% increase over the 43 new investigations opened in 2016.

## Human Trafficking Victims Identified

In the course of its human trafficking investigations, the division works to identify human trafficking victims and refer them to comprehensive victim services through its UTIP partners. Although arresting and prosecuting offenders is a major goal of the division, rescuing human trafficking victims is even more important.

In 2017, 32 human trafficking victims were identified and referred to UTIP partners for comprehensive victim services. Six victims were children (under 18) and 26 were adults. This is more than a 300% increase over the ten victims identified in 2016.



## Notable Cases

### ***State v. Lynnsie Reddish and State v. Terrance Jones***

In July of 2017, the AGO SECURE Strike Force arrested and charged Lynnsie Reddish and Terrance Jones with sixteen felony offenses, including aggravated kidnapping and multiple counts of human trafficking, based on evidence of a long-term sex trafficking operation they ran out of a residence in Ogden City.

At a preliminary hearing in July 2017, seven women testified about their experience working for the operation. They testified that Reddish and Jones exploited their drug addictions, poverty, lack of housing, and other vulnerabilities to recruit them to work in commercial sex. According to the women, Jones served as the “muscle” for the operation, drug supplier, and payment collector with nearly all of it going to him and Reddish.

Two of the women testified to the violence Reddish and Jones used against them when they tried to leave. One woman shared that Reddish and Jones held her in a room, cut off her hair, and beat her with a belt. The other, after refusing to have sex with a “client,” left the house and was chased down and beaten in the street. One of the women Reddish is alleged to have recruited is autistic and does not function on the level of a typical adult. According to the victims, Reddish knew about her disability and forced her to work anyway, often beating her up or locking her into a closet when she refused.

In total, division investigators identified 26 women believed to have been trafficked through Reddish and Jones’ commercial sex operation.

In December of 2017, Reddish and Jones were sentenced in Weber County 2nd District Court to an indeterminate prison sentence of 1-15 years, the maximum sentence for their offenses, for charges related to sex trafficking five women over a period of nearly two years.

### ***State v. Todd Jeremy Rettenberger***

Todd Jeremy Rettenberger was charged in April of 2016 after police received reports that he was running a commercial sex operation out of Bountiful along the Wasatch Front and into other states. The AGO's SECURE Strike Force, in conjunction with the Bountiful City Police Department, investigated the allegations and found two young adult women who were victimized by Rettenberger as part of this operation.

Rettenberger trafficked the women using various forms of force, fraud, and coercion. He initially recruited them by fraudulently promising them love and money. He then began manipulating them through heroin addiction. By controlling the supply of the drug, he was able to keep the women working for him on the edge of painful withdrawal. Rettenberger also used a pattern of veiled threats to keep the women afraid. He would often allude to his criminal past, including referencing a homicide he was involved with. Both victims stated they were terrified that Rettenberger would kill them or their families if they crossed him.

Through the combined efforts of the AGO and UTIP partners, the victims were provided services and shepherded through the justice process. Division investigators were also able to locate another victim Rettenberger had trafficked in the past and get a new statement from her. Division prosecutors sought to call this third victim at the upcoming trial as well. At that point, Rettenberger decided to plead guilty.

In February of 2017, Rettenberger was convicted of second-degree felony human trafficking and third-degree felony exploitation of prostitution. Rettenberger was sentenced to 1-15 years in prison, the maximum for his offense.

The victims continued receiving aftercare services through UTIP partners at the Refugee-Immigrant Center, Asian Association of Utah (RICAAU).



### ***State v. Quinlen Atkinson***

On July 14, 2016, the AGO charged Quinlen Atkinson with human trafficking of a child and other offenses in Weber County, Utah. The case arose from allegations that the defendant had been running a commercial sex operation from Ogden traveling north to Idaho and south to Las Vegas. The defendant recruited a 17-year-old to work in this operation even though he knew she was a minor. He also recruited a girl who had recently turned 18 to work for him by promising her he would make a lot of money for her. Both victims were trafficked for sex for several months while they were still in high school. Neither of the victims was ever allowed to keep any of the money.

The defendant was held to answer at a preliminary hearing and later pled guilty to human trafficking on December 20, 2017. He was sentenced to 1-15 years in prison.





In June, the AGO hosted the first annual Utah Human Trafficking Conference at Salt Lake Community College. The Conference was focused on training members of the law enforcement community, medical professionals, victim services providers, and educators. It was hosted in conjunction with AGO partners, the Department of Public Safety, the Utah Trafficking in Persons Task Force, and the Refugee & Immigrant Center – Asian Association of Utah (RICA AU).



"It was my great honor to be both a speaker and a panelist for the 2017 Utah Human Trafficking Conference! Thank you, Attorney General Sean Reyes, for your passion and your courage to fight for victims of human trafficking!"

Warmest Regards,  
Jerome Elam  
CEO Trafficking in America  
Task Force

## Regional Training Forum for Human Trafficking in Salt Lake City

In August, the Utah Trafficking in Persons Task Force served as host for the U.S. Department of Justice Office for Victims of Crime's 2017 Regional Training Forum for Human Trafficking. Prosecutors, law enforcement officers, and victim service providers from Utah, Colorado, Wyoming, Idaho, Nevada, and Montana attended the two-day training. AGO prosecutors and investigators presented on their successes, including a keynote presentation on the Rettenberger prosecution.

## Statewide Human Trafficking Training Efforts

The AGO has become a recognized expert on human trafficking investigation and prosecution. Working with its partners in UTIP, the AGO has trained law enforcement officers, criminal justice workers, victim service providers, medical professionals, and other community groups from throughout the state.

## Highlights of the AGO's 2017 Human Trafficking Training Efforts

- **Utah Domestic Violence Coalition Core Advocacy Training** – An Introduction to Human Trafficking in Utah  
*Navajo Nation – Montezuma Creek, UT*  
*Moab Regional Hospital – Moab, UT*
- **University of Utah Human Trafficking Symposium** – Panel Discussion on Human Trafficking in Utah  
*S.J. Quinney College of Law – Salt Lake City, UT*
- **BYU Anti-Human Trafficking Summit** — Investigating and Prosecuting Human Trafficking in Utah  
*Brigham Young University — Provo, UT*
- **Cache County Children's Justice Conference** – An Introduction to Human Trafficking in Utah  
*Logan, UT*
- **Utah Crime Victims' Conference, Plenary Session** – Human Trafficking Case Study: Todd Jeremy Rettenberger  
*Midway, UT*
- **Utah Children's Justice Symposium** — Prosecuting and Investigating Human Trafficking: A Victim-Centered and Offender-Focused Approach  
*Snowbird Resort, Salt Lake County, UT*
- **Utah Intelligence Liaison Officer Training** – Investigating and Prosecuting Human Trafficking in Utah  
*St. George, UT*



# CHILD PROTECTION

## Overview

The Child Protection Division provides judicial protection for children who are in imminent danger or at risk of abuse or neglect. Division attorneys work in tandem with partners in the Utah Division of Child and Family Services (DCFS) to ensure that evidence is clear and that proper legal processes are followed whenever the state decides to intrude into the privacy of a family in order to protect a child.

## Office Locations



*The Child Protection Division is the largest division in the AGO, with staff located in Logan, Brigham City, Clearfield, Ogden, Salt Lake City, Provo, Vernal, Roosevelt, Price, Manti, Moab, Cedar City, and St. George.*

## Responsibilities

- Present evidence of abuse and neglect to prove that a child is in need of the court's protection.
- Provide DCFS with legal advice on its duties and responsibilities and represent the agency in making its recommendations regarding a child and its family to the court.
- Assure that court orders entered for the protection of the child and for the rehabilitation of the family are enforced.
- Bring legal action to provide supervision and services in the home or to determine an alternative permanent living arrangement for an abused or neglected child when a family fails or refuses to remedy the abuse or neglect within the time allowed by law and the behavior makes the home unsafe for the child.





## Cases

**4,045** Juvenile Court Cases

**126** Average Caseload  
per Attorney

**8,678** Case Staffings



## Hearings

**2,142** Review Hearings

**3,919** Pre-Trial Hearings

**1,408** Shelter Hearings

**1,211** Permanency Hearings

**581** Motion Hearings

**506** Delinquency Hearings



## Trials

**2,142** Adjudications/  
Trials

**530** Termination of  
Parental Rights Trials



## Actions

**1,234** Mediations

**452** Warrants Issued





## Notable Successes

### Legislation on Human Trafficking and Re-homing Leadership

Because of the division's involvement during the 2017 legislative session, Utah became the first state to pass legislation addressing authority for investigation and court proceedings (civil or criminal) so that children who are victimized by human trafficking or re-homing are identified, protected, and stabilized in an appropriate placement. Sponsored by Rep. Merrill Nelson in the Utah House of Representatives, the legislation protects children at risk from unregulated re-homing and assures they end up with parents who have the children's best interests at heart.

### Protect Children from Abuse

The division provided critical legal support for the protection of thousands of child victims of abuse and neglect in over 4,000 cases. The division also sought and achieved permanent safe living arrangements for these child victims through stabilization of families and other permanent placements.

### Indian Child Welfare Act Training

The division began the process of ensuring that all of its staff are properly trained on the new Federal Indian Child Welfare Act (the Act) regulations, as well as assisting its client agency in its efforts to come into compliance with the Act. The division also began drafting new agreements with the Native American tribes in Utah to ensure compliance, and it facilitated a successful collaboration with the tribes in carrying out the purposes of the Act.





# CHILD & FAMILY SUPPORT

## Overview

The Division of Child & Family Support represents the Office of Recovery Services (ORS) in establishing paternity, enforcing and modifying child support orders, and ensuring child support orders to recover improperly received public benefits.

## Office Locations



Child & Family Support Division offices are located in Ogden, Salt Lake, Provo, Richfield, and St. George.

## Responsibilities

- establish paternity
- enforce and modify child support orders
- ensure child support orders are recovered properly

Additionally, the division works in the areas of probate, torts, and bankruptcy.

## Notable Successes

- Served 3,500 Utah families in 2017
- Recovered \$1.3 million in child support payments

## 3,639

Caseload

## 190

Caseload per Attorney

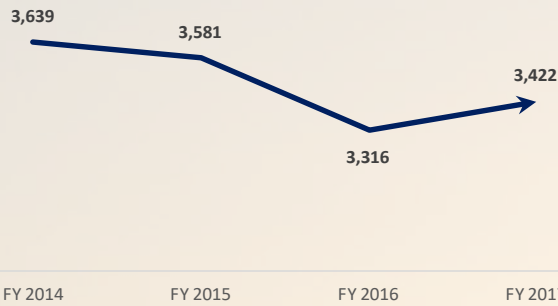
## 6,742

Number of Court Appearances

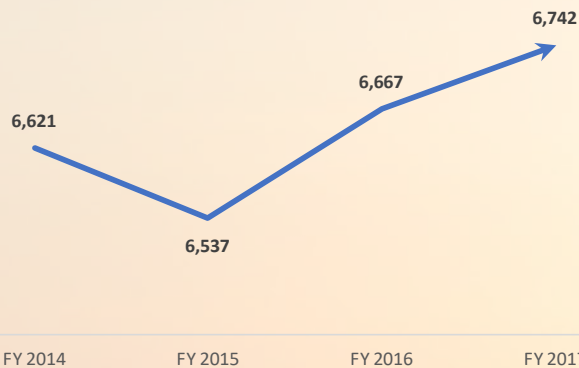
## 58,317

Total Miles Traveled for Court Coverage

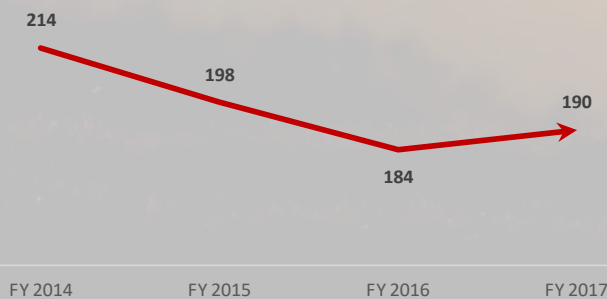
Division Caseload Over the Years



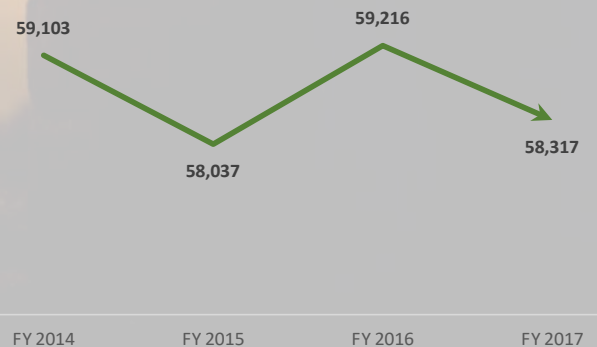
Number of Court Appearances Statewide



Average Caseload Per Attorney



Total Miles Traveled for Court Coverage



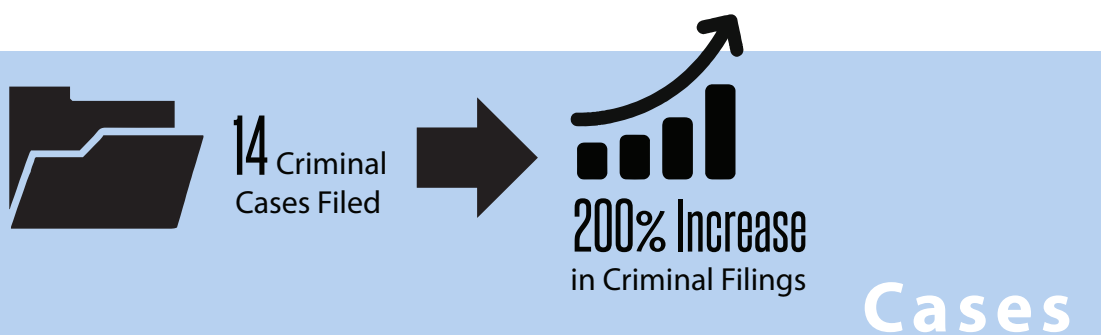


# MEDICAID FRAUD CONTROL UNIT (MFCU)

## Overview

The Medicaid Fraud Control Unit (MFCU) is a division of the AGO that investigates and prosecutes Medicaid fraud by providers of medical services, products, and drugs, including patient abuse and neglect. It lowers medical and drug costs for Utah consumers and employers by challenging fraudulent practices that result in over-payments to Medicaid. Cases range from local prosecutions of doctors and facilities that charge Medicaid for services that were not provided, to participating in national lawsuits against drug companies that conspire to limit competition for generic drugs.

## BY THE NUMBERS FY 2017



MFCU filed 14 criminal cases in FY 2017, which represents a 200% increase in criminal filings over the last year.

MFCU launched 20 fraud investigations and 20 abuse and neglect investigations. However, based on early levels of referrals, these numbers are expected to double in FY 2018.



+ Over \$1,000,000 Recovered

Civil Fraud Recoveries

This section has a blue background. It features a large white plus sign followed by the text 'Over \$1,000,000 Recovered'. Below this, the words 'Civil Fraud Recoveries' are written in large white letters.

MFCU recovered more than a \$1,000,000 as a result of its ongoing litigation over average wholesale pricing. Additional recoveries are also being obtained in a variety of national false claims act cases.

## Notable Cases

### Medicaid Fraud

- MFCU Director Robert Steed prosecuted a program contractor who managed mental health and rehabilitation services to youth under the jurisdiction of Juvenile Justice Services. Michael James Blomquist of St. George pled guilty to a second-degree felony False Claims Act violation and a third-degree felony pattern of unlawful activity for forging and fabricating therapy visits for a number of juveniles who were receiving court-ordered treatment.
- MFCU prosecuted six individuals for fraud against the Medicaid program. Four of these individuals committed fraud relating to care for the disabled. The unit also prosecuted an undocumented alien for identity theft for assuming the identity of another person in order to obtain certification as a CNA. The defendant, Arturo Flores, pled guilty to a third-degree felony and was detained by the Immigration and Custom Enforcement bureau. The unit also prosecuted a CNA who forged her state issued credentials during more than one renewal period.

### Opioid and Controlled Substance Enforcement

- MFCU is a partner in the fight against opioid abuse and works with partner agencies at the state and federal level to combat this crisis. The MFCU assisted in the investigation of Dr. Jeffrey Holverson, who pled guilty to the unlawful distribution of a controlled substance. In addition to paying restitution, Holverson surrendered his medical license and DEA registration.
- MFCU has also prosecuted two individual caregivers, one of which diverted drugs from a health facility, and the other who appeared at work under the influence of opioids.

### Exploitation of Vulnerable Adults

*MFCU actively investigates individuals who financially exploit vulnerable adults in board and care facilities.*

- In *State v. Whitney*, a former state employee who handled Medicaid eligibility was convicted of exploiting her disabled son by using his social security benefits for personal use while neglecting to pay rent and other essentials for the son's board and care. The defendant was ordered to pay \$51,172 in restitution.
- In *State v. Jones*, the defendant was tried and convicted of two second-degree felonies in connection with the financial exploitation of his aging father. The defendant was sentenced to 180 days in jail and ordered to pay restitution.
- In *State v. Jordan Jack*, MFCU prevailed on appeal of a defendant who financially exploited disabled residents at several group homes. The defendant was convicted at trial of exploitation of a vulnerable adult and communications fraud for his efforts to conceal his fraud from his employer.
- MFCU also successfully prosecuted a man who managed the accounting for a nursing home and unlawfully diverted trust account funds of several residents. Robert Carney pled guilty to exploitation of a vulnerable adult and was ordered to pay \$20,826 in restitution.
- MFCU also prosecuted eight separate cases involving exploitation of the disabled or of elder adults who reside in facilities. Some victims of exploitation are forced to go on Medicaid to cover the costs of their long-term care which costs the state hundreds of thousands of dollars. Some of the perpetrators are contractors whom are entrusted to care for the poor and disabled. The MFCU is very active in protecting these vulnerable victims from abuse, neglect and exploitation.



# WHITE COLLAR & COMMERCIAL ENFORCEMENT

## Overview

The White Collar & Commercial Enforcement (WCCE) Division represents most of the divisions in the State of Utah Department of Commerce, including the Division of Occupational & Professional Licensing, the Division of Consumer Protection, the Division of Real Estate, the Division of Securities, and the Division of Corporations.

In addition, the division enforces the antitrust laws of the state and participates in multi-state antitrust enforcement. Finally, the division prosecutes securities fraud, consumer fraud, and other white-collar fraud cases, both civil and criminal.

The division is divided into two sections: 1) the Civil and Administrative Matters Section, and 2) the Criminal Mortgage and Financial Fraud Unit.



## Civil/Admin Section

The Civil and Administrative Matters Section of the division serves as agency counsel for the Utah Department of Commerce and its various divisions, including the Division of Occupational and Professional Licensing (DOPL), the Division of Consumer Protection, the Division of Real Estate, the Division of Securities, and the Division of Corporations and Uniform Commercial Code. The Civil/Admin staff represent the Commerce agencies in varying licensing and enforcement matters before professional boards and commissions, as well as in state and federal court.

## Mortgage & Financial Fraud Unit

The Mortgage & Financial Fraud Unit (MFFU) is a criminal unit. Its mission is to diligently and ethically investigate and prosecute mortgage fraud and other major financial fraud committed within the State of Utah. In every case, MFFU pursues justice on behalf of the state and victims of fraud and vigorously applies its resources toward investigation, prosecution, and financial remedies and recovery. MFFU specializes in felony-level multi-jurisdictional investment fraud matters and prosecutes large-scale communications fraud, theft, and racketeering cases.

MFFU protects Utah citizens by prosecuting many varieties of white collar crime, including mortgage fraud, securities fraud, communications fraud, affinity fraud, general consumer fraud, and other fraudulent conduct that threatens Utah consumers and businesses. MFFU aggressively prosecutes fraud perpetrated against the most vulnerable citizens of Utah, in particular the elderly. MFFU works closely with many state and federal agencies to accomplish its goals. MFFU prosecutions can range from cases involving a single victim and a small loss to sophisticated schemes with hundreds of victims and millions of dollars in lost money and assets. MFFU regularly monitors and enforces all restitution orders against those people the unit convicts, and every year the unit returns substantial amounts of restitution to victims of these crimes.



## White Collar & Commercial Enforcement CIVIL/ADMIN CASES BY THE NUMBERS, FY 2017

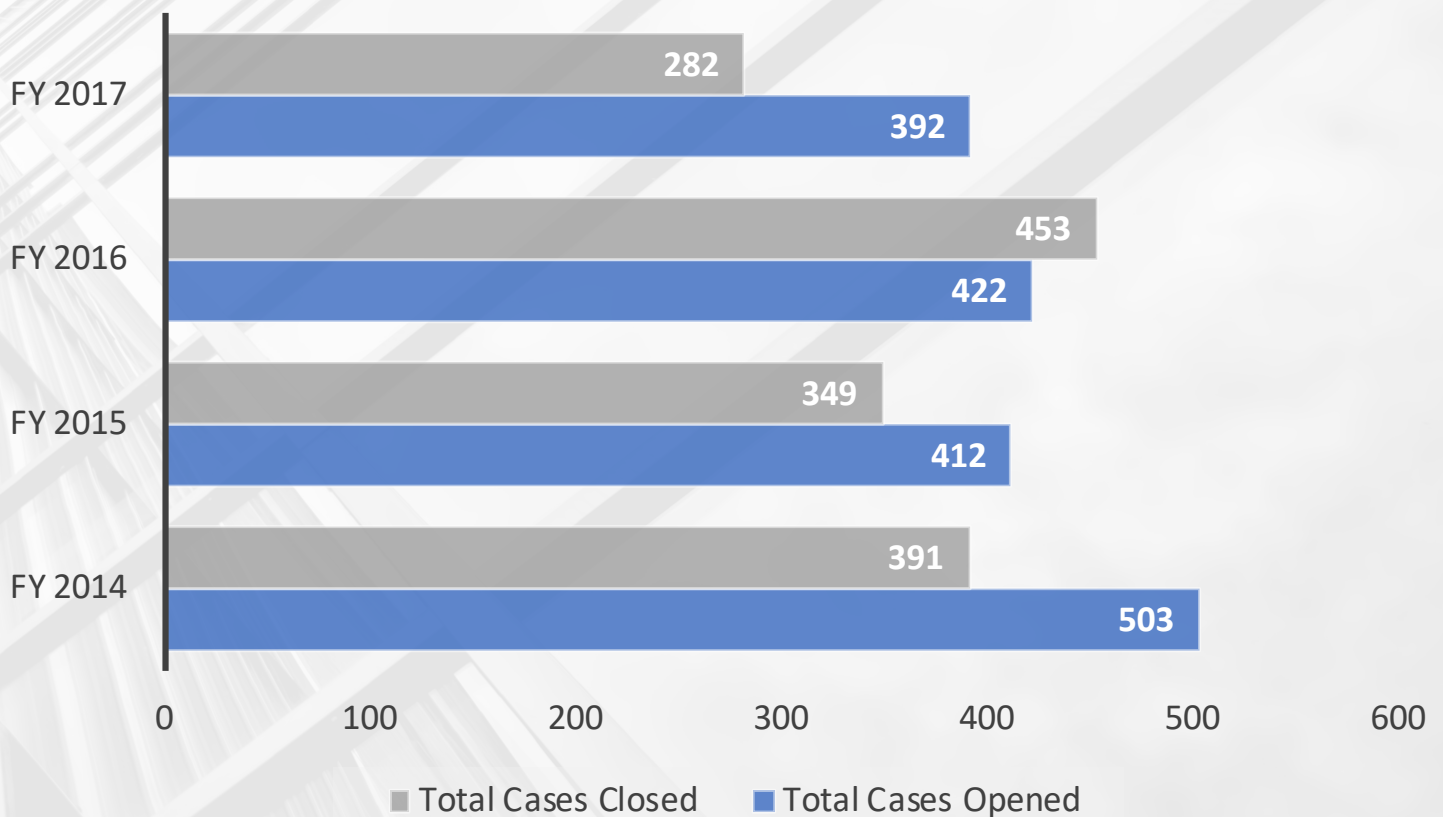


**392** Total Cases  
Opened



**282** Total Cases  
Completed

### Over Time





## White Collar & Commercial Enforcement MORTGAGE & FINANCIAL FRAUD BY THE NUMBERS, FY 2017

Restitution Ordered  
**\$8,458,117**

Restitution Collected By AGO\*  
**\$1,471,772**



**46** Cases Pending  
from Prior Year(s)



**63** New Criminal  
Cases Opened



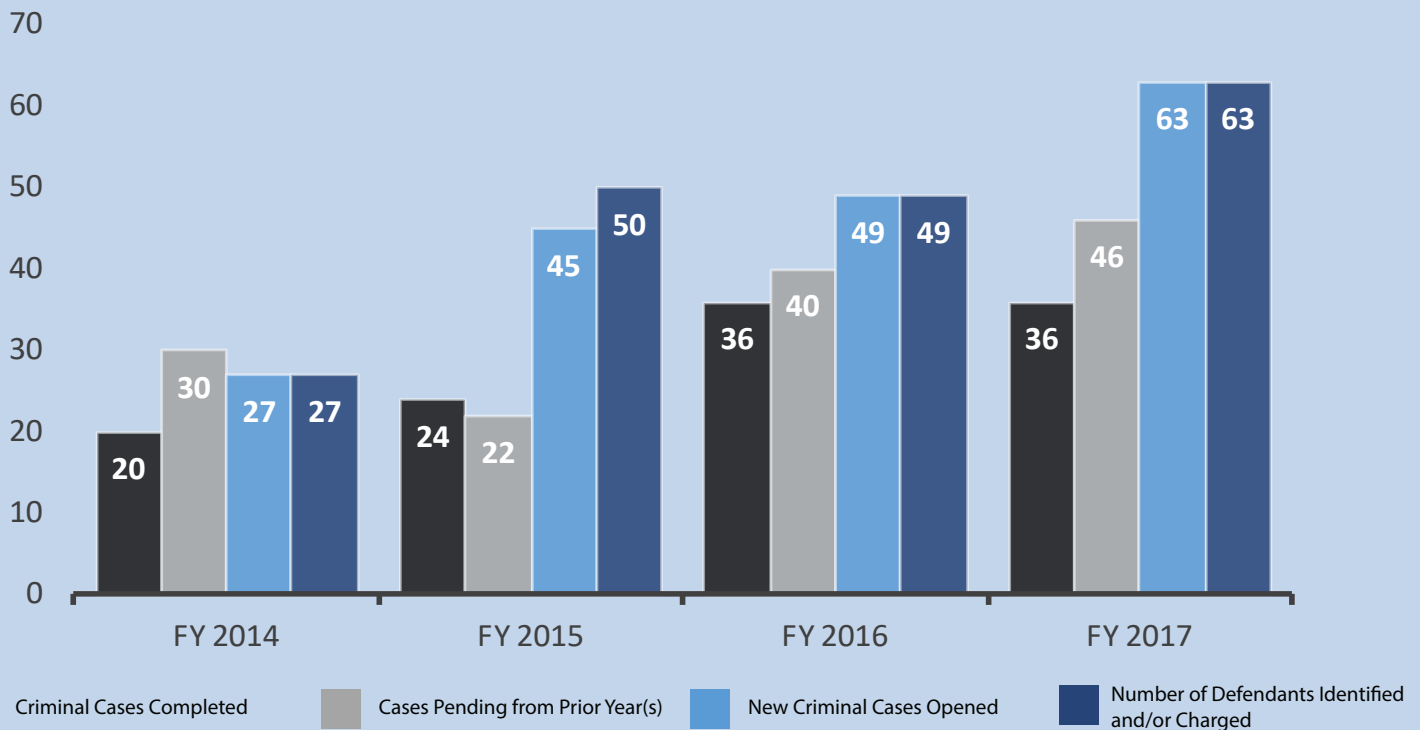
**150** New Victims  
Identified for  
Restitution



**63** Defendants Identified  
and/or Charged



**36** Criminal Cases  
Completed



\*Does not include restitution collected by the Office of Adult Probation and Parole (AP&P) or the Office of State Debt Collection (OSCD). Also does not include restitution for tax prosecutions, which is collected by the Utah State Tax Commission.

## Notable Successes

### ***State of Utah v. Randall***

Randall operated several businesses and sold interests in those businesses to hundreds of investors, even after declaring bankruptcy. His businesses operated at a loss for over ten years with Randall effectively creating a Ponzi scheme to cover his losses from one business to the next. Randall was convicted and sentenced to three consecutive prison sentences on enhanced charges of securities fraud. He will serve a minimum of nine years and max of 30 years at the Utah State Prison. The District Court ordered restitution of \$10.15 million.

### ***State of Utah v. Daniel***

Daniel entered guilty pleas to four felony counts brought against him by the White Collar & Commercial Enforcement Division for soliciting investment funds from numerous investors and misrepresenting how funds would be used. In total, he defrauded investors out of \$1.13 million. The District Court sentenced Daniel to 1-15 years in the Utah State Prison.

### ***State of Utah v. Beecher***

Beecher entered guilty pleas to four counts of securities fraud and one count of pattern of unlawful activity. Beecher, a former CPA who fraudulently solicited investment funds totaling \$1.02 million, was sentenced to 1-15 years at the Utah State Prison.

**In addition, the WCCE team handled numerous civil complaints.**

### **Carver Mortuary Service, LLC**

This matter involved a mortuary that provided cremation and embalming services to the Utah Medical Examiner, local hospitals, and Salt Lake County. The funeral home violated numerous laws, including laws prohibiting the commingling of ashes, abuse of bodies, and theft of personal property. After an emergency hearing, the funeral home's license was suspended, and ultimately, two principals of the business surrendered their licenses. The funeral establishment is now operating under the supervision of a DOPL-appointed monitor.

### **One for the Money, LLC and Stephen Abraham Ashton**

Stephen Ashton provided unlicensed investment advice to dozens of clients, most of whom were retirees. Ashton would sell retirees high-commission insurance products, the purchase of which was financed with the proceeds of the sales of the victims' retirement accounts. After a four-day hearing conducted by the division, the Utah Securities Commission barred Ashton from providing financial advice and imposed a \$250,000 fine. This is the first case which involves insurance agents selling securities and investments without a securities license.





**This page intentionally left blank.**



**SPECIAL UNITS/  
PROJECTS**



# UTAH OPIOID TASK FORCE

## Overview

Working with legislators, community activists, the medical community, and the Drug Enforcement Agency, Attorney General Sean Reyes organized the Utah Opioid Task Force in 2017 to combat the opioid epidemic. The Utah Opioid Task Force is a voluntary task force made up of representatives from partner agencies and organizations across the state. The mission of the task force is to take action against opioid abuse through law enforcement, prosecution, proposed legislation, and innovation. The collaborative process brings together leaders to create solutions that take on the opioid crisis with direct action.

## Taking Action

In 2017, Utah Attorney General Sean Reyes co-authored a letter representing a coalition of 37 states and territories urging health insurance companies to examine financial incentives that contribute to the opioid epidemic in Utah.

Additionally, AG Reyes announced that an investigation by a bipartisan coalition of 41 state attorneys general is seeking documents and information from manufacturers and distributors of prescription opioids. This information will enable the attorneys general to evaluate whether these businesses are engaged in unlawful practices in the marketing, sale, and distribution of opioids.

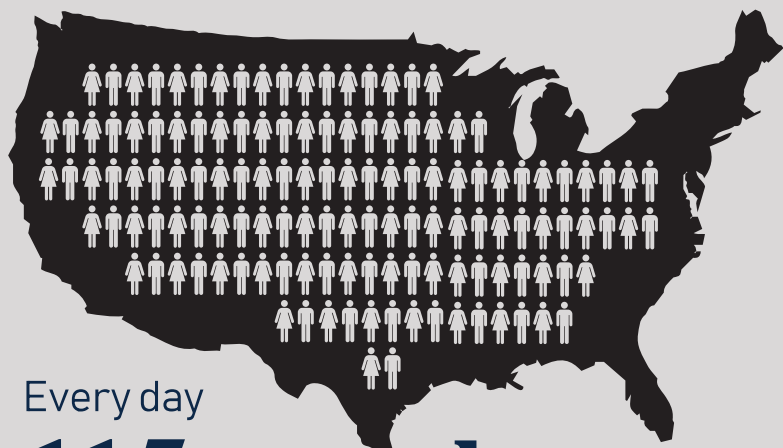
The AGO has joined with a bipartisan group of attorneys general from across the country in letters to 15 healthcare companies that provide pharmacy benefit management (PBM) services to encourage the companies to implement programs to mitigate prescription opioid abuse.

The task force was called on to make available naloxone rescue kits, which are used solely as an antidote to reverse an opiate overdose. Additionally, legislators and medical community members of the task force are collaborating to forward legislation to address various aspects of the opioid epidemic.



# OPIOID CRISIS

## Quick Facts



Every day

# 115 people

in the U.S. die of opioid overdose.

Utah is ranked

# 7th

in the nation

for drug  
overdose  
deaths between  
2013-2016.



**6 Utahns** die every  
week from opioid  
overdose.

**That's 24 people a month.**

**80% of users of hard heroin**  
start with prescription  
opioids.



Opioid poisoning deaths in Utah have outpaced deaths caused by

FIREARMS



FALLS



MOTOR VEHICLE CRASHES





# CHILDREN'S JUSTICE CENTER PROGRAM (CJC)

## Overview

The Utah Children's Justice Center (CJC) Program is an accredited chapter of the Nation Children's Alliance and is dedicated to helping local communities respond to allegations of child abuse in ways that are effective and minimize trauma for the child. Administered by the Utah Attorney General, the Utah CJC Program includes 23 locations statewide.

When abuse is suspected, the child is brought to a Children's Justice Center—a safe, child-focused facility—to talk to a trained interviewer. A team of law enforcement members, child protective services agents, medical and mental health providers, victim advocates, and prosecutors make decisions together about how to handle the case and help the child. Children and families are connected with services and supported throughout the process.

In an average year, Utah's CJsCs conduct 5,500 interviews, handle 6,200 cases, and serve as many as 15,000 people.



## Highlights

**Annual Children's Justice Symposium** - The 2017 Children's Justice Symposium drew 750 professionals from around the state. This was the conference's 22nd year and featured national-caliber presentations to ensure that professionals are aware of emerging trends, research, and best practices in the field of child abuse.

**Medical Program Development** - In 2017, the Washington County CJC and Summit County CJC both added an onsite forensic medical exam room to their facilities. Child victims no longer have to travel to a separate clinic or hospital for those services.

**Forensic Interview and Mental Health Training** - The Utah CJC Program coordinated eight forensic interview training sessions and two Trauma-Focused Cognitive Behavioral Therapy (TFCBT) training sessions, providing training to hundreds of professionals throughout the state.

**Train the Trainers Project** - As part of a forensic interview training initiative, the CJC cultivated trainers statewide to ensure that law enforcement members, child protective services agents, and others who interview alleged child abuse victims are trained in evidence-based guidelines that reflect the latest research. Trainers are selected from AGO partner agencies, who agree to allow them to train other professionals on a limited basis as a scope-of-work duty. This cost-effective approach improves the quality of interviews conducted at CJC while developing trainers' skills so they can provide post-training interview consultation and peer review to their own multidisciplinary teams. Four of the trainers are also on-site forensic interview specialists—part of a separate pilot project designed to develop expert child interviewers in select CJC.

**CJC Implementation of Risky Behaviors Teen Questionnaire** - In 2017, Dr. Corey Rood of Primary Children's Center for Safe and Healthy Families developed a screening tool to identify minors who are at risk for trafficking. The CJC Program worked with Dr. Rood to pilot the tool through medical programs at two CJC in the state, with the goal of eventually expanding it statewide.

**Drug-Endangered Children Training** - Some of the CJC have reported an increase in the number and severity of cases involving drug-endangered children. These children have often suffered multiple types of victimization (sexual and/or physical abuse in addition to drug endangerment) and with the opioid epidemic growing, CJC have asked for more support on this topic. The CJC Program hosted two trainings, in partnership with the National DEC Alliance and the Department of Public Safety, to encourage more collaboration in these cases.

**VOCA Funded Mental Health Initiative** - Nine CJC serving 19 counties received funding from the Victims of Crime Act (VOCA) to implement trauma screening and support evidence-based mental health services for victims served at CJC. The trauma screening tool, which also screens for suicidality risk, was developed by the University of Utah and Primary Children's Center for Safe and Healthy Families. The goal is to eventually expand this pilot statewide.

**Best of State** - The Utah CJC Program was selected for the 2017 Best of State award in the category of Public/Private Partnership. While CJC are government-based, they also rely on private donations and volunteers to support their efforts.



### 2017 Performance Outcomes\*

- Outcome #1: The CJC facilitates healing for children and caregivers.
  - Over 94% of caregivers agreed their child felt safe at the center.
  - More than 96% agreed the CJC provided them with resources to support them and their child.
- Outcome #2: The multidisciplinary team (MDT) approach fosters more collaborative and efficient case investigations.
  - Nearly 99% of team members agree that clients benefit from the collaborative approach of the MDT.

(\*Based on surveys conducted at Utah CJC during 2017)



# UTAH PROSECUTION COUNCIL (UPC)

## Purpose

The purpose of the Utah Prosecution Council and the Statewide Association of Public Attorneys and Prosecutors (SWAP) is to effectively and accurately represent and advocate the interests of public attorneys; to enhance and facilitate communication and coordination within the organization and with other entities; to provide high-quality, relevant training through full participation of all members with an exchange of information and experience; and to coordinate programs among public attorneys to assist all members to better perform their duties.

## Overview

The Utah Prosecution Council (UPC) provides assistance, training, and continuing legal education for state and local prosecutors. UPC also trains law enforcement officers. The Council is composed of ten members who supervise the full-time staff and ensure UPC's mission is being met. The Council meets quarterly.

Full-time staff include a Director, a Training Coordinator, a Director of IT, and two specialty resource prosecutors. The Traffic Safety Resource Prosecutor (TSRP) focuses on DUIs and traffic safety. The Sexual Assault/Domestic Violence Resource Prosecutor (SADVRP) is becoming an expert in trauma and its effects on the brain.

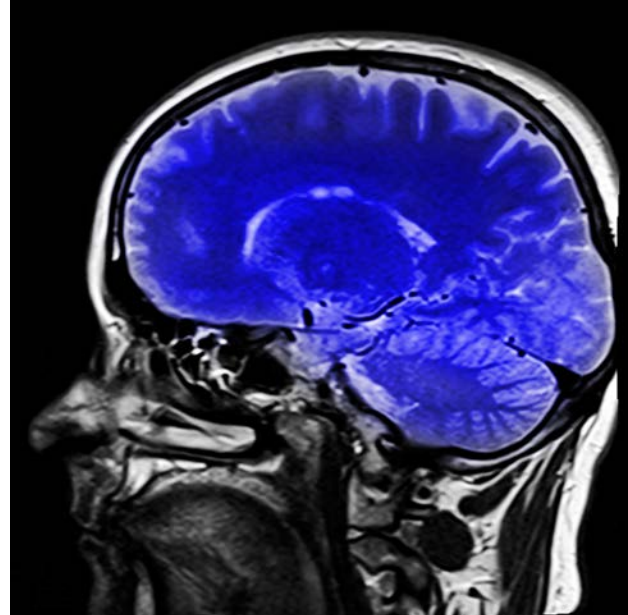


*Members of UPC Training Committee*

## Training in Trauma-Informed Response

Through HB 200 of the 2017 legislative session, UPC and the Department of Public Safety (DPS) were statutorily required to develop and offer training in trauma-informed response to sexual assault and sexual violence to all law enforcement officers in the State of Utah.

The statute enacted through HB 200 specifically focuses the curriculum on the trauma that victims of sexual assault go through. However, this training is equally applicable to anyone who suffers a traumatic event, including domestic violence victims and even law enforcement when engaged in use of force, pursuits, etc. Behavior of victims that was historically interpreted as counter-intuitive, deceptive, or confusing is now explained by science.



## Effects

Armed with this knowledge and the skills to successfully interview victims, there has been a dramatic increase in the successful prosecution of perpetrators. Prior to 2014, only 6% of sexual assault cases referred to the Salt Lake County District Attorney's office were being filed. Chief Russo of the West Valley City Police Department, volunteered his department to be part of a 12-month study on trauma-informed response. Every officer was trained on trauma and its effects on the brain as well as how to effectively interview victims of sexual assault. As a result, of those cases investigated using these techniques, 89% were filed by the Salt Lake County DA's office. In other words, this training has dramatic effects in the investigation of these cases.

## UPC Involvement

- Director Robert Church teaches the Domestic Violence 101 course to new cadets at Peace Officer Standards Training (POST) each year. Over 180 cadets receive this training.
- UPC works with the Statewide Association of Public Attorneys and Prosecutors (SWAP) to effectively and accurately represent and advocate for the interests of public attorneys with the Utah State Legislature. UPC also works closely with the Utah County and District Attorney's Association (UCDAA), Utah Association of Counties (UAC), and the Utah Municipal Attorney's Association (UMAA) to achieve similar goals and provide assistance.
- UPC secured a \$1M grant from Utah Commission on Criminal and Juvenile Justice to purchase a state-wide case management system on behalf of state and local prosecutors. UPC entered into a contract with Journal Technologies for the purchase of eProsecutor. UPC is overseeing the development and deployment of this system.
- Director Church is a member of the Editorial Board of the Utah Journal of Criminal Law. This bi-annual scholarly publication focuses on Utah criminal law and is distributed to judges, prosecutors, and public defenders statewide.
- UPC manages the John R. Justice Federal Student Loan Repayment Program. This federal grant program provides funds to eligible prosecutors and public defenders to help repay their student loans.



# SAFEUT



## Overview

The SafeUT app is a free statewide service that provides real-time crisis intervention to youth through texting and a confidential tip program right from their smartphones. The app was created by the School Safety and Crisis Line Commission (chaired by the Utah Attorney General's Office) to focus on the safety and well-being of students.

Available on both iPhone and Android devices, SafeUT allows users to open a two-way messaging service with a CrisisLine counselor, call a CrisisLine counselor directly, or submit confidential tips to school administrators on bullying, threats, or violence. Tips can be submitted with picture and/or video. Counselors are licensed clinicians at the University Neuropsychiatric Institute (UNI).

## Suicide in Utah

Suicide is the leading cause of death for Utah teens, contributing to Utah having the fifth highest rate of suicide in the nation. Each day, an average of two Utahns commit suicide, while twelve more are treated for attempted suicide. Over 28% of Utah women and 14% of Utah men are diagnosed with depression, a rate significantly higher than national averages. Utah was in need of a way to get confidential mental health services to those in need, particularly to teens. Through years of research, work, and legislation—as well as partnerships between the AGO and UNI, the Utah Board of Education, the Utah Department of Health, and the Utah Department of Human Services—the Safe UT app was born.

## Purpose

**To provide a means for a public school student, parent, or school employee, to make anonymous reports concerning unsafe, violent, or criminal activities, or the threat of such activities.**



Utah's rate of depression is higher than the United States average with



**28%**  
of Utah women  
diagnosed

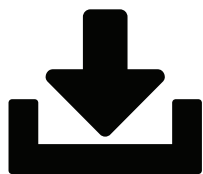


**14%**  
of Utah men  
diagnosed

## Results

Since July of 2017, the SafeUT app has been used to prevent 86 school attacks, save numerous lives, and put Utah at the forefront of the battle against mental crises, suicide, and school attacks.

Since its release, SafeUT has been downloaded over 50,000 times. Students send an average of over 460 tips to the SafeUT CrisisLine each month and have communicated with CrisisLine counselors over 27,900 times. The app has been introduced to over 76% of Utah's public schools. This process includes listing the school name within the app and training for school administration on how to handle the submitted tips. Introduction to charter and private schools is close behind and will happen soon. Currently, the University of Utah is part of a higher education SafeUT pilot program. There are plans to expand to other universities in 2018.



**Over 50,000  
downloads**



**Over 27,900  
communications**



**Over 76% of Utah's public  
schools have been trained on,  
and implemented the app.**



**Over 460 tips  
received**



**Prevented 86 school  
attacks**





# WHITE COLLAR CRIME OFFENDER REGISTRY

## Overview

Launched on February 25, 2016, the Utah Attorney General's Office White Collar Crime Offender Registry (WCCOR) is the first website nationwide that provides consumers with a central database of white-collar offenders. It allows investors to look up white-collar offenders and protect themselves from financial fraud.

The WCCOR was developed by the Attorney General's Office in cooperation with the Utah Department of Commerce, the Utah Department of Consumer Protection, the Securities and Exchanges Commission, and the Federal Bureau of Investigation.

## Importance of the Database

While the main purpose of the WCCOR is to provide a resource to investors, the database also serves the purpose of encouraging offenders to pay restitution. In Utah, over 100 people are convicted of white-collar crimes each year. Because of the volume and high dollar amounts of fraud crimes in Utah, most offenders the AGO prosecutes have defrauded their victims of over \$10 million. Investigations are complicated and can take years, translating into millions of dollars lost before criminals are brought to justice. While the AGO has expanded efforts to investigate and prosecute all fraud cases, very few victims ever receive restitution and those that do usually see only pennies on the dollar for their stolen investment. To help victims recover their money, the White Collar Crime Offender Registry incentivizes offenders to return property to victims to avoid being listed on the registry.

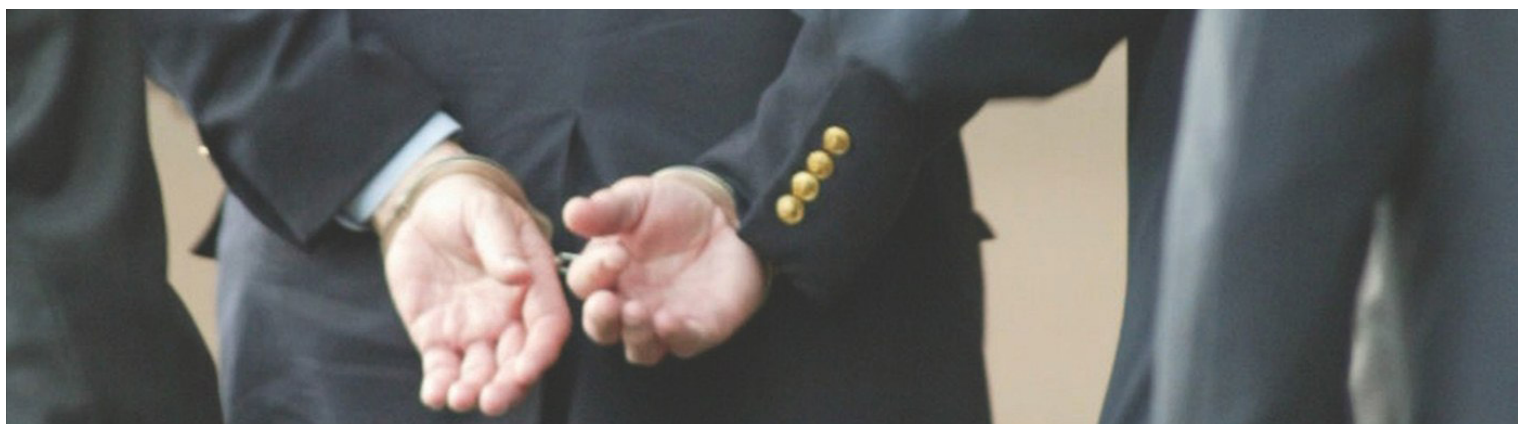
## By the Numbers, FY 2017



Most white-collar cases are in excess of **\$10 million.**



**Over 100 people** are convicted of white-collar crimes each year in Utah.

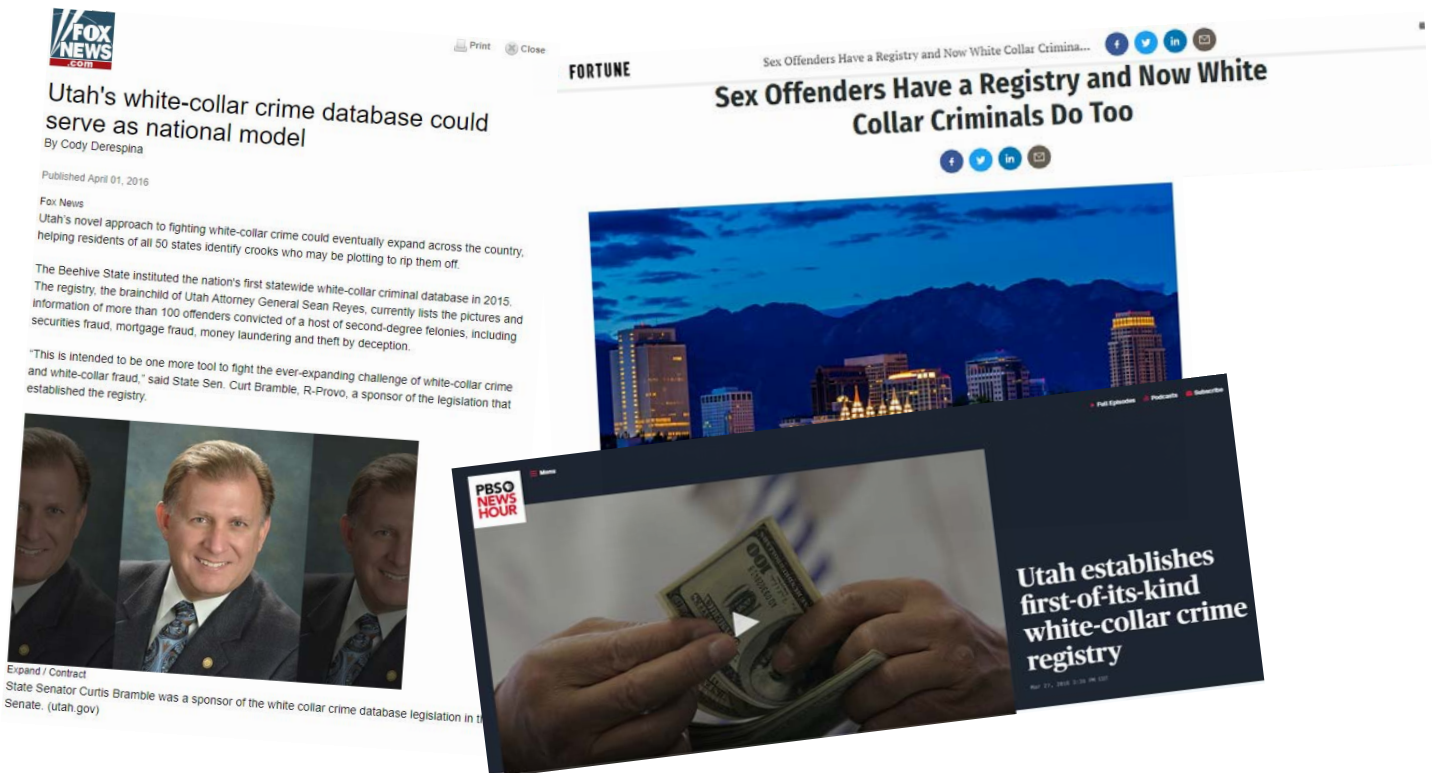


## Expanding the Reach

The WCCOR has been accessed from every state and over 90 countries over 133,000 page views. As we would expect, most page views are from Utahns, which demonstrates its growing utility to Utah citizens who want to check before they invest.

The WCCOR is fully searchable and users may either scroll through photos and names of offenders alphabetically or search by key words, including names, aliases, and schemes. To provide reasonable privacy to the offenders, the Registry does not include social media information, addresses, place of employment, or contact information.

In both 2016 and 2017, the White Collar Crime Offender Registry won the Best of State Award for best Web-based Community Resource in Utah.



## By the Numbers, FY 2017

The WCCOR has been accessed from **every state and over 90 countries.**



The WCCOR has over **133,000 page views.**







Utah Department of COMMERCE  
Utah Labor Commission  
160 East 300 South

# OPERATIONS



# PERFORMANCE AUDIT

## Overview

In 2016, the Legislative Auditor General issued "A Performance Audit of the Office of the Attorney General," which outlined key areas of organizational improvement recommended for the AGO. These included improving accountability (particularly in performance management); measuring productivity; producing an annual report; securing feedback from partner agencies; and modifying the whistleblower processes to include an opportunity for anonymous reporting of potential misconduct or ethics violations. In addition, the audit recommended that the AGO implement operational improvements in the areas of employee evaluations, electronic case management, and electronic document control. Finally, the audit recommended that the information technology team be expanded to provide enough personnel resources to address the technology demands of the AGO.

Since that time, Attorney General Reyes has authorized numerous changes in the office which are designed to address the audit recommendations. In FY 2017, the accomplishments were significant.

## Accomplishments

### Migration to Office 365

An electronic case management system was purchased and all attorneys and support staff were migrated to the Office 365 operating system needed to operate the new LegalFiles case management program. The migration to Office 365 was no easy feat and required significant cooperation from Data Transformation Services (DTS). Once the staff was migrated and trained on the new operating system and data storage was secured in the Azure Cloud, configuration and customization of LegalFiles began in earnest and all the staff were put through at least one round of training on the system, with hundreds of key staff participating in multiple trainings. While implementation has been arduous across the 18 distinct divisions of the AGO, adoption of the system has been fairly swift, and real data is already being collected. The staff will complete the beta phase of implementation by the end of FY 2018 and usage will be the operational standard beginning in FY 2019.

### New Anonymous Reporting System

After a rigorous bidding process, a contract was executed with Employment Compliance Solutions, LLC, to provide an external and independent resource to investigate potential misconduct or ethics violations that occur in the office. The system provides a 24/7/365 hotline for anonymous reporting. The system will be fully operational in FY 2018.

### Training & HR

The AGO adopted an employee performance plan tool and made it available to department heads, division directors, and supervising section leaders. In addition, mandatory training for supervisors in the areas of Leadership, Communication, and Performance Management was scheduled. Additional training in Ethics and Workplace Harassment and Abusive Conduct was mandated for all staff in the AGO. An additional Human Resource staff person was hired; however, the staff-to-resource ratio is still high, but plans remain to improve human resource programming through partnerships and new hires as funding allows.





### **IT Staff**

The information technology team (IT) has doubled since the 2016 audit, bringing the team to a total of eight highly-trained and qualified staff. The staff-to-resource ratio remains twice that of other western states, at about 65:1, but is a significant improvement over prior years. Likewise, the additional IT staff have been a great benefit to the AGO during the migration to Office 365 and LegalFiles, our new case management system. Through a period of fallout and time-consuming litigation associated with prior administrations, our IT staff have been integral to the good functioning and effectiveness of the AGO.

### **Document Management**

The AGO is taking steps to accelerate electronic document management in-house, a key initiative that is critical to law firms in the technology age when evidence and legal documents are no longer measured by the ream or the box but by the terabyte. A Legal Technology Specialist has been hired and the program is being developed. Full roll-out is anticipated toward the end of FY 2019 along with other document management controls already being implemented throughout the AGO.

### **Streamlining Organization**

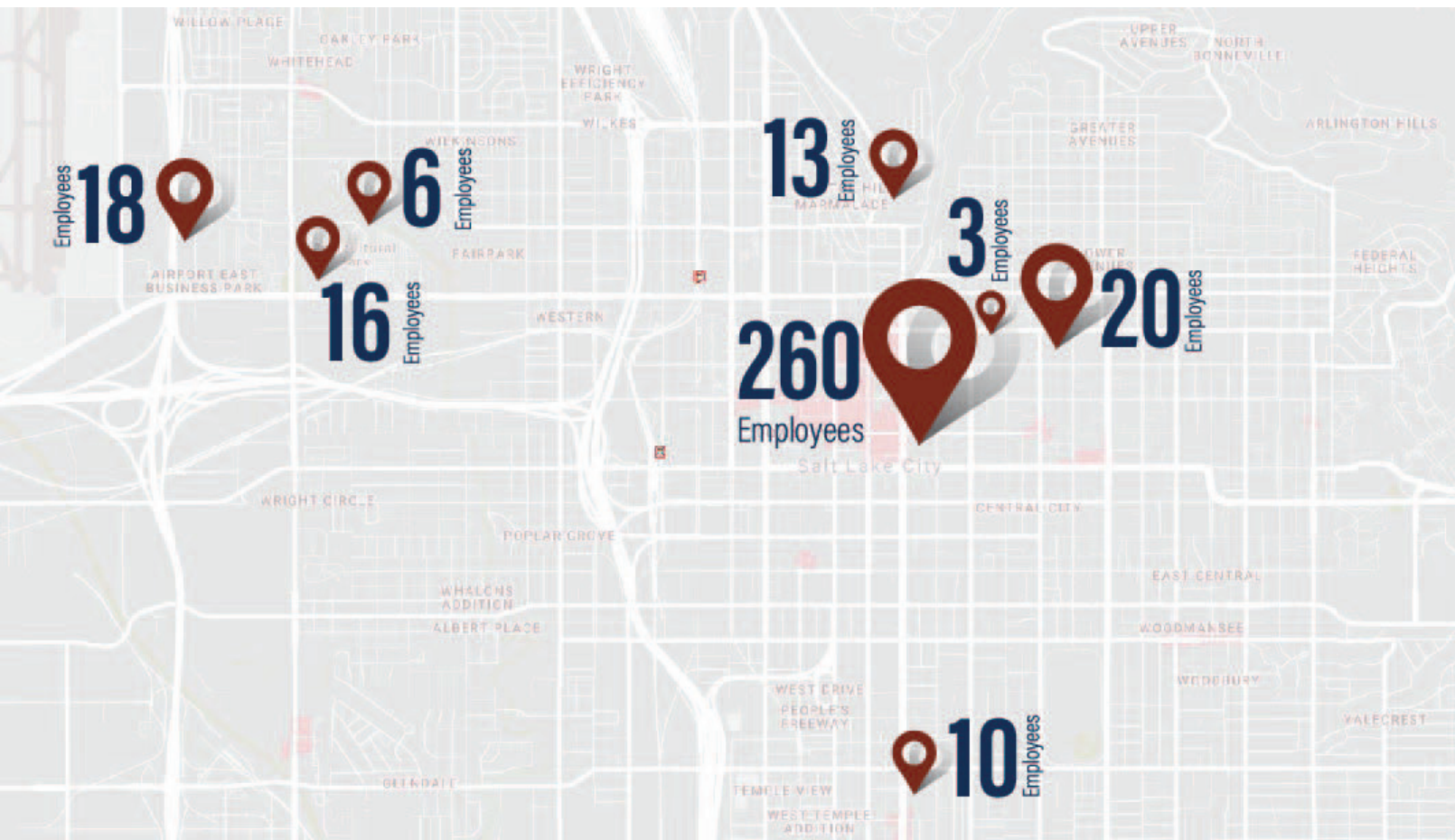
In keeping with Attorney General Reyes' vision of a unified office, the AGO has begun moving to an Enterprise Operations model, connecting the 18 separate divisions and creating a unified operations model addressing the areas of human resources, general services and purchasing, training, finance and accounting, budget development and management, and reporting. Among many initiatives in the works, the unified office will allow the development of data-driven tracking and reporting processes to assess both outputs and outcomes as measures of performance and success.





Despite generous increases in funding offered by the Legislature over the last 3 years, the AGO remains challenged by staff turnover largely as a result of pay inequities created in the industry. In the last 6 months of 2017, the AGO has seen turnover of 9% of its workforce, with approximately 85% of those leaving for higher-paying jobs. A full study of wage discrepancies in the public and private sector will be completed in the next year.

The Attorney General’s Office is also burdened by inadequate office space and is currently housed or co-located in 13 locations around the Salt Lake metro area, with more offices in Salt Lake County. A full space assessment was launched late in FY 2017 and will be completed in FY 2018.



AGO map of Salt Lake City locations and the number of employees at each building.



# APPENDIX

## ROI FY 2017

---

### State Agency Counsel

- Reviewed the commitment of state assets in excess of \$67 million for community development and affordable housing projects to be completed around the state, as well as \$4 million in claims brought before the Board of Examiners.
- Reviewed the authorization of nearly \$138 million in tax-exempt bonding for private projects.
- Monitored tax incentive agreements estimated to generate \$150 million in new state revenues, \$1.7 billion in new state wages, \$753 million in capital expenditures, and over 5,000 new jobs.
- Collected approximately \$1.3 million in Uninsured Employers Fund (UEF) recoveries from employers that failed to carry Worker's Compensation insurance or repay the UEF.
- Collected over \$210,000 in 180 administrative licensing violations fines on behalf of the DABC.
- Assisted the Office of State Debt Collection in the recovery of \$11.35 million in funds owed to the state.
- Launched a \$35 million lawsuit against a construction company that improperly used state- and federally-funded loans on an uncompleted housing project in downtown Salt Lake City.
- Successfully represented the state in an IRS audit, helping minimize fees and penalties assessed in the audit.
- Reviewed contracts to limit state liability in the purchase of approximately \$2 billion in goods and services.
- Negotiated creative and cost-effective solutions at the Utah State Hospital that brought down Outreach Program costs from \$9 million to \$750,000 annually.

### Highways & Utilities Division

- Successfully argued that compensation in an eminent domain claim was unjust, saving the state nearly \$2.2 million.
- Resolved a decades-old property acquisition case involving land near Utah Lake, saving the state \$3.7 million.

### White Collar & Commercial Enforcement

- Prosecuted two separate investment frauds that solicited well over \$2 million from investors; the plea deals negotiated included lengthy prison terms for both criminals.
- Prosecuted the state's first case involving insurance agents selling securities and investments without a license, which resulted in the agent being barred from the industry and being levied a \$250,000 fine.

### Medicaid Fraud Control Unit

- Investigated and prosecuted an employee in a county health department that resulted in \$109,000 in fraudulent medical claims being recovered and millions more in potential losses being prevented.



# APPENDIX CONT.

## ROI FY 2017 (CONT.)

---

### Investigations

- Investigated and charged an individual for making false claims on an application for SSA Disability and Supplemental Social Security benefits, resulting in identified savings of \$150,000 and a \$35,000 fine on the defendant.

### Environment & Health

- Successfully represented the Utah Department of Health in a HIPAA breach investigation that was resolved when the U.S. Health and Human Services Office closed their investigation without requiring further corrective action or assessing a monetary penalty that would have likely been in the millions of dollars.

### Natural Resources

- Addressed a number of emerging regulatory issues and assisted in the authorization of several large-scale projects to permit the drilling of two-mile-long horizontal oil and gas wells in the Uintah Basin. The development of these projects will generate hundreds of millions of dollars of private investment benefiting both the state and local communities.
- Resolved questions regarding reclamation bond adequacy for a coal mine and protected the state's existing bond in bankruptcy proceedings concerning a copper mine. These actions protected the state from significant fiscal exposure valued in the millions of dollars and allowed the subject mines to continue their operations, benefiting the communities in which they are located.

### Tax, Financial Services & Antitrust

- Represented the state in tax litigation involving millions of dollars in sales, income, and other taxes.
- Provided legal representation on a large number of key property-assessment tax matters.

### Operations

- Saved money by cutting law book orders by 60% and negotiating the Library Maintenance Agreement favorably enough to fund the new Legal Technology Specialist and launch an electronic document management enterprise program for the office. Once the in-house operation of this program is fully functional over the course of the next two years, the AGO stands to save an additional \$75,000-\$100,000 a year by eliminating contracts with outside document management firms.



