



PRESS RELEASE

Attorney General Frosh Announces Multistate Settlement with Healing Heroes Network *Organization Solicited Donations under the Premise of Helping Wounded Veterans*

BALTIMORE, MD (January 12, 2021) – Maryland Attorney General Brian E. Frosh, along with 10 other state states, today announced a settlement with Florida-based veterans’ charity Healing Heroes Network, Inc. and its former directors, Stacey Spiegel, Allan Spiegel and Neal Spiegel. Also part of the settlement is Hero Giveaways, LLC, a business formed by Stacey Spiegel and Neal Spiegel after Healing Heroes Network, Inc. became the subject of a multistate investigation into its use of deceptive charitable solicitations including misleading sweepstakes mailers and a telemarketing campaign.

The investigation revealed that Maryland donors contributed an estimated \$146,576 between 2014 and 2018 as a result of deceptive sweepstakes mailers and telephone solicitations. The organization promised to use donations to help wounded veterans of the wars in Iraq and Afghanistan receive medical treatments that the Department of Veterans Affairs did not readily provide. The charity also falsely claimed on social media in 2016 and 2017 that the charity dedicated 100% of proceeds to wounded veterans. The investigation revealed that very little of the charitable contributions received by the Healing Heroes Network, Inc. were used to further this charitable mission. Instead, donations were used to pay professional fundraisers, on-line advertising fees, the salaries of Stacey Spiegel and her son, Neal Spiegel, and to purchase t-shirts from another family member’s t-shirt business.

“The Speigels preyed upon consumers’ compassion and desire to help veterans in need,” said Attorney General Frosh. “Instead, they used the money they collected to enrich themselves. They hurt legitimate charitable organizations by siphoning off support from their good work. We remain committed to putting these types of fraudsters out of business.”

“Once again, we have ended another scheme that exploited Maryland donors’ goodwill and generosity,” said Maryland Secretary of State John C. Wobensmith. “This case reminds all of us to remain vigilant when solicited for a donation by mail or telephone. Take the time to ask questions about how your money will be used, and research a charity’s claims before donating.”

The settlement announced today requires Healing Heroes Network, Inc. and Hero Giveaways, LLC to permanently cease all charitable solicitations, and Stacey Spiegel, Allan Spiegel and Neal Spiegel have agreed to pay \$95,000. The money will go to a veterans’ charity whose

mission matches the representations made by Healing Heroes. Stacey Spiegel, Allan Spiegel and Neal Spiegel are also subject to a five-year ban from overseeing, managing, or soliciting charitable contributions for any nonprofit organization.

This action is part of Operation Donate With Honor, a nationwide consumer protection law enforcement sweep to combat veterans' fundraising fraud through education and enforcement. Operation Donate with Honor was coordinated in 2018 by the Federal Trade Commission and the National Association of State Charities Officials, to target fraudulent charities affecting veterans and groups that claimed to be using their donations to help America's former servicemen and women, but were in fact designed primarily to enrich the charities' founders and professional fundraisers.

In addition to Maryland, the settlement was joined by the states of California, Florida, Illinois, Minnesota, Missouri, New Mexico, Ohio, Oregon, the Commonwealth of Virginia, and Washington.

When donating, please consider the following tips to help ensure your money goes to the charitable purpose you intend.

- When you receive a request to donate money, ask questions.
 - Ask for the charity's name and web address.
 - Where is its physical location, phone number, and types of programs run by the charity?
 - How much of the donated money supports the programs you want to support?

If the charity is unwilling to answer your questions, that is a red flag.

- Research before you give. Search the charity's name online with the words "scam" or "complaint," and check the following resources for information about the charity:
 - Look up the charity's name on [Maryland's Charity Database](#) to ensure that they are registered and in compliance with any applicable reporting requirements.
 - Charity Watch is available at <https://www.charitywatch.org>
 - Charity Navigator is available at <https://www.charitynavigator.org>
 - BBB Wise Giving Alliance is available at <https://give.org>
- Avoid paying with cash, gift cards, or wire transfers. Payment by these methods is difficult to track and therefore, difficult to recover. Consider donating by using a credit card, which tends to be more secure and trackable.
- Be sure you know and trust the professional fundraiser who offers to send a courier to pick up a check or cash donation.
- Don't be swayed by the name of the charity alone. Often, charity names are selected to have an emotional impact on specific groups of donors. For example, many veterans' charity names often include "veterans," "heroes," "wounded," "injured," and "warriors." This doesn't always mean the charity will donate to the named groups or prioritize this group above others. Do your research.
- If you have questions about information that appears on Maryland's Charity Database or wish to report suspicious fundraising activity, you can contact the Charitable Organizations Division, Office of the Secretary of State, 16 Francis Street, Annapolis, Maryland 21401, 410-974-5534 / 800-825-4510 or submit a complaint online at <https://sos.maryland.gov/Charity/Pages/Concern.aspx/>

The Maryland Attorney General's Office publishes the Maryland Veterans Resource Guide with additional information for veterans and their families:

http://www.marylandattorneygeneral.gov/Pages/Maryland_Veterans_Resource_Guide.pdf



PRESS RELEASE

Attorney General Frosh Joins Bipartisan Coalition Fighting to Protect Nearly One Million Homeowners from Unlawful Fees *Mortgage Servicing Class Action Settlement Violates Most States' Laws and Provides Windfall for Mortgage Servicer Instead of Homeowners*

BALTIMORE, MD (January 29, 2021) – Maryland Attorney General Brian E. Frosh today joined a bipartisan coalition of 33 attorneys general in opposing a proposed class action settlement that attempts to permit a mortgage servicer to profit from illegal payment processing fees charged to homeowners making normal mortgage payments online or by phone. The coalition filed a [motion](#) opposing the proposed settlement in *Morris et al. v. PHH Mortgage Corporation, et al.*, where mortgage servicer PHH Mortgage Corporation and its predecessor corporation, Ocwen Loan Servicing, LLC (collectively PHH). The proposed settlement seeks to permit the servicer to continue to profit from illegal processing fees the company has been charging to nearly one million homeowners nationwide, including more than 20,000 homeowners residing in Maryland.

“This proposed settlement is a gift to PHH Mortgage; the mortgage company would reap rewards for its illegal activity while homeowners continue to pay the price,” said Attorney General Frosh.

For years, PHH charged nearly one million homeowners an illegal fee – ranging from \$7.50 to \$17.50 – each time a homeowner made a monthly mortgage payment online or by phone. Nowhere in these homeowners’ mortgage contracts is there authorization for such fees and PHH does not charge “processing” fees for other customers, including those who pay by check or those who set up automatic debit payments.

Under the terms of the proposed settlement, PHH would not only be permitted to continue to charge these illegal fees, but would be able to actually increase fees for the remaining life of the loan. For many homeowners, this could be another 20 to 30 years. In exchange, homeowners would only receive a one-time monetary payment. Further, the proposed settlement seeks to authorize these unlawful fees through an unwritten, mass amendment of the mortgages, which is a violation of most states’ statutes of frauds – a centuries old legal doctrine that requires contracts related to property to be in writing and signed by the parties. This unwritten, mass amendment also seeks to permit PHH to evade many states’ recording requirements for modified mortgages.

Additionally, the coalition objects to the inadequacy of the monetary relief, as the proposed settlement would only return a fraction of the fees consumer paid and is designed to ensure that a portion of the monetary relief intended for homeowners will actually end up in PHH's hands. Homeowners whose loans are still serviced by PHH will not receive any direct monetary payments for prior unlawful payments received by PHH. Instead, these homeowners will receive a credit to their account that will only be applied to the unpaid principal balance of the mortgage after any late fees are first paid. Moreover, any settlement funds not distributed to the class member homeowners will be returned to PHH, ensuring the settlement further benefits PHH and not impacted class members.

Joining Maryland in filing today's amicus request is a bipartisan coalition of attorneys general from Alaska, Arizona, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, and West Virginia.



PRESS RELEASE

Attorney General Frosh Joins Bipartisan Coalition to Continue Fight Against Robocalls

BALTIMORE, MD (February 2, 2021) – Maryland Attorney General Brian E. Frosh today joined a bipartisan coalition of 35 attorneys general fighting against robocalls by filing an [amicus brief](#) in *Lindenbaum v. Realgy*. In their brief, the states argue that the Telephone Consumer Protection Act's (TCPA) robocall ban was enforceable from 2015 to 2020.

“Consumers have had it with irritating and potentially dangerous robocalls,” said Attorney General Frosh. “Those who violated the TCPA should be held accountable, not given a pass on five years of illegal conduct.”

In 2015, the president signed into law a government debt exception to the TCPA. The exception allows for calls and texts to collect on debts owed or guaranteed to the federal government. In 2020, the U.S. Supreme Court invalidated that exception and severed it from rest of the TCPA. Later, a district court ruled in *Lindenbaum v. Realgy* that because part of the law was struck down, the TCPA is invalid and cannot be used to hold robocallers accountable for their actions between 2015 and 2020.

The brief, filed in the U.S. Court of Appeals for the Sixth Circuit, asks the court to reverse the lower court's ruling. The brief argues that the Supreme Court's 2020 decision made clear that the invalid government-debt exception did not affect the TCPA's primary robocall ban. It further argues that the district court's decision was inconsistent with basic principles on severability.

State attorneys general are at the forefront of the fight against robocalls, which are extremely frustrating and can cause real financial harm to people. In January 2020, people received more than [4.7 billion robocalls](#) nationwide.

Joining Attorney General Frosh in filing this brief are the attorneys general of Alaska, Arizona, Arkansas, California, Connecticut, Delaware, the District of Columbia, Hawaii, Indiana, Illinois, Iowa, Kansas, Maine, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, and Washington.



PRESS RELEASE

Maryland and Coalition of States Reach \$573 Million Settlement with McKinsey & Company for Unfair Opioid Marketing

BALTIMORE, MD (February 4, 2021) – Maryland Attorney General Brian E. Frosh today announced a settlement against global consulting firm McKinsey & Company. The \$573 million settlement resolves opioid-related consumer protection charges arising from McKinsey’s role in developing marketing plans for pharmaceutical companies that contributed to the nation’s opioid crisis. The settlement includes more than \$12 million to be used for abatement of the opioids epidemic in Maryland.

McKinsey charged millions of dollars for its services as a consultant for multiple opioids manufacturers accused of engaging in unfair trade practices in marketing and selling opioids. Among other unlawful actions, McKinsey counseled opioid manufacturers to target prescribers who were already prescribing notably high amounts of opioids to convince them to prescribe even more opioids in even greater strengths. It also encouraged resistance and opposition to pharmacy practices that were designed to curb excessive prescribing.

“McKinsey’s advice to Purdue acted as an accelerant to the raging fire of the opioid crisis. This settlement offers a measure of accountability for that conduct,” said Attorney General Frosh. “The money from the settlement will help Marylanders and Maryland communities struggling with the devastation and loss that opioids have wrought.”

In addition to providing needed money to abate the crisis in Maryland, the settlement bars McKinsey from advising opioids and other narcotic manufacturers in the future. The settlement also calls for McKinsey to turn over tens of thousands of internal documents related to opioids manufacturers for public disclosure online, adopt a strict document retention plan, continue its investigation into allegations that two of its partners tried to destroy documents, and implement a strict ethics code that all partners must agree to each year.

The opioid epidemic has led to extensive harm to individuals and communities in Maryland over the last 30 years. During this time, thousands of Marylanders have died from opioids overdoses – including more than 10,000 in the last five years. On an economic level, these deaths and the horrible addictions - with which thousands upon thousands of Marylanders have struggled - have created considerable costs to the State in the form of health care, child welfare, criminal justice, and many other programs needed to address the epidemic, in addition to the loss of economic opportunity and productivity. Opioid addiction, abuse, and overdose deaths have torn families apart, damaged relationships, and eroded the social fabric of communities.

In addition to Maryland, the coalition of states announcing the settlement includes Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Wisconsin, Wyoming, the District of Columbia, and the territories of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

For immediate release:
February 19, 2021

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Attorney General Frosh Calls for Cancellation of Federal Student Loan Debt

Joins Multistate Coalition in Support of Congressional Resolutions Calling for the Cancellation of up to \$50,000 of Debt Per Student Borrower

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh today joined a multistate coalition urging the adoption of U.S. House and Senate resolutions that call for the cancellation of up to \$50,000 in federal student debt owed by every federal student loan borrower nationwide.

In their [letter](#) to Congress, the attorneys general stress the immediate relief needed for borrowers struggling with unmanageable student loan debt, which has only been exacerbated by the COVID-19 pandemic and current financial crisis. The resolutions, Senate Resolution 46 and House Resolution 100, call on President Biden to exercise his authority to cancel up to \$50,000 in federal student loan debt per borrower.

“Terrible mismanagement of federal student loan programs has left student-borrowers with an enormous amount of debt, often after being persuaded to take out loans for educational programs that offered no real hope of meaningful employment,” said Attorney General Frosh.

According to the letter, the existing repayment system for federal student loans provides insufficient opportunity for struggling borrowers to manage their debts. As many as one in five federal student loan borrowers are in default. Options for student borrowers to obtain relief have also proven to be inadequate. Only 2 percent of borrowers who applied for loan discharges under the Public Service Loan Forgiveness program have been granted a discharge, and efforts by state attorneys general to obtain student loan discharges for students defrauded by for-profit schools have been stymied by the U.S. Department of Education (ED).

The letter specifically highlights misconduct by for-profit schools, and how the industry’s predatory practices have disproportionately harmed people of color. The attorneys general also

explain that cancelling federal student loan debt can substantially increase Black and Latino household wealth and help close the racial wealth gap.

The Maryland Attorney General's office has, for many years, sought protections for student-borrowers. Attorney General Frosh, as part of a multistate coalition, led a group of states in the filing of a lawsuit in 2017 defending the Gainful Employment Rule when the ED delayed and rolled back various parts of this regulation. The rule was implemented in 2014, and had prohibited institutions from participating in the federal student loan program if the institutions' educational programs consistently fail to prepare students for gainful employment. Again in 2020, Attorney General Frosh and 17 other attorneys general filed a lawsuit against ED Secretary Betsy DeVos asking the court to vacate the rule that repealed the Gainful Employment Act.

During the previous administration, the ED, on three separate occasions, delayed the implementation of the Borrower Defense Rule, which was designed to hold abusive higher education institutions accountable for cheating students and taxpayers out of billions of dollars in federal loans. When it was finally implemented in 2019, the Borrower Defense Rule was inadequate, making it more likely that Marylanders would be saddled with significant amounts of student loan debt that they could not repay. Attorney General Frosh and 22 other states filed a lawsuit in 2020 alleging the new rule harms the public interest and welfare of the residents of the State of Maryland.

Joining Attorney General Frosh in today's letter are the attorneys general of Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Massachusetts, Minnesota, Nevada, New Jersey, New Mexico, New York, Oregon, Vermont, Virginia, Washington, and Wisconsin.

www.marylandattorneygeneral.gov/press/2021/021921.pdf



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
March 4, 2021**

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Attorney General Frosh and Secretary of State Wobensmith Join 38 States, and District of Columbia to Shut Down Fraudulent Fundraising Operation

Defendants Placed More than 1.3 Million Deceptive Fundraising Calls

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh and Secretary of State John C. Wobensmith, today announced 38 states and the District of Columbia, have shut down a massive telefunding operation that bombarded 67 million consumers with 1.3 billion deceptive charitable fundraising calls. The defendants collected more than \$110 million using their deceptive solicitations. Associated Community Services (ACS) and a number of related defendants agreed to settle charges by the FTC and state agencies that they duped consumers into donating to charities that failed to provide the services they promised.

“ACS solicitors showered Marylanders with illegal robocalls. They deceived consumers and pocketed millions of dollars that Marylanders believed would go to worthy causes,” said Attorney General Frosh. “The money ACS collected deprived legitimate charities of vital support.”

“Our office is committed to ending charity schemes that target Maryland’s citizens,” said Secretary Wobensmith. “I commend the dedication and commitment of our state and federal partners for the result in this case.”

According to the complaint, the defendants knew that the organizations for which they were fundraising spent little or no money on the charitable causes they claimed to support - in some cases as little as one-tenth of one percent. The defendants kept as much as 90 cents of every dollar they solicited from donors on behalf of the charities.

The complaint alleges that the defendants made their deceptive pitches since at least 2008 on behalf of numerous organizations that claimed to support homeless veterans, victims of house fires, breast cancer patients, children with autism, and other causes that well-meaning Americans were enticed to support through the defendants’ high-pressure tactics. ACS was also the major

fundraiser for the [sham Cancer Fund charities that were shut down by the FTC and states](#) in 2015.

In many instances, the complaint alleges, ACS, and later Directele, knowingly violated the Telemarketing Sales Rule (TSR) by using soundboard technology in telemarketing calls. With that technology, an operator plays pre-recorded messages to consumers instead of speaking with them naturally. Use of such pre-recorded messages in calls to first-time donors violates the TSR. Use of the technology in calls to prior donors also violates the TSR unless call recipients are affirmatively told about their ability to opt out of all future calls and provided a mechanism to do so; the defendants did not make that disclosure. Most of Directele's soundboard calls originated from call centers in the Philippines and India.

The complaint also charges ACS with making harassing calls, noting that ACS called more than 1.3 million phone numbers more than 10 times in a single week and 7.8 million numbers more than twice in an hour. More than 500 phone numbers were called 5,000 times or more. **ACS is alleged to have placed more than 45 million calls to Maryland residents between 2016 and 2019.**

The complaint names ACS and its sister companies Central Processing Services and Community Services Appeal; their owners, Dick Cole, Bill Burland, Barbara Cole, and Amy Burland; and ACS senior managers Nikole Gilstorf, Tony Lia, John Lucidi, and Scot Stepek. In addition, the complaint names two fundraising companies allegedly operated by Gilstorf and Lia as spin-offs of ACS, Directele, and The Dale Corporation.

The ACS defendants were the subject of 20 prior law enforcement actions for their fundraising practices. The ACS defendants stopped operating in September 2019. Gilstorf purchased Directele and Dale Corp in October 2019 and, with Lia, allegedly continued the deceptive fundraising and illegal telemarketing practices. The complaint alleges the defendants violated the Maryland Solicitations Act, the FTC Act, the TSR, and numerous other state laws.

The terms of the settlements, which are now pending court approval, are as follows:

Associated Community Services

Each of these defendants will be permanently prohibited from conducting or consulting on any fundraising activities and from conducting telemarketing of any kind to sell goods or services. In addition, they will be prohibited from using any existing donor lists and from further violations of state charitable giving laws, as well as from making any misrepresentation about a product or service. The defendants will be also be subject to the following monetary judgments:

- **Associated Community Services, Inc.; Community Services, Inc.; Central Processing Services, Inc.; and Richard "Dick" Cole** are subject to a monetary judgment of \$110,063,843, which is suspended due to an inability to pay.
- **Community Services Appeal, Inc. and Barbara Cole** are subject to a monetary judgment of \$110,063,843, which is partially suspended due to an inability to pay. Barbara Cole also will be required to turn over the proceeds of the sale of a vacation home in Michigan.
- **Robert W. "Bill" Burland and Amy J. Burland** are subject to a monetary judgment of \$110,063,843, which is partially suspended due to an inability to pay. Amy Burland will be required to turn over \$450,000.

Directele and ACS Senior Managers Scot Stepek and John Lucidi

Each of these defendants will be permanently prohibited from any fundraising work or consulting on behalf of any charitable organization or any nonprofit organization that claims to work on behalf of causes similar to those outlined in the complaint. They will also be prohibited from using robocalls for any form of telemarketing, using abusive calling practices, or making any misrepresentation about a product or service. The defendants will also be required to clearly and conspicuously disclose when a donation they are requesting is not tax deductible.

In addition, the two corporate defendants - Directele Inc. and The Dale Corporation will be required to cease operations and dissolve. The defendants will also be subject to the following monetary judgments:

- **Scot Stepek** will be subject to a monetary judgment of \$110,063,843, which is partially suspended due to an inability to pay. Stepek will be required to sell a ski boat in his possession and turn over the net proceeds from the sale.
- **Directele Inc., The Dale Corporation, Nikole Gilstorf, and Antonio Lia** will be subject to a monetary judgment of \$1.6 million. Gilstorf and Lia also will be subject to a judgment of \$110,063,843. The judgments are partially suspended due to an inability to pay. Gilstorf and Lia will each be required to turn over \$10,000.
- **John Lucidi** will be subject to a judgment of \$110,063,843, which is partially suspended due to an inability to pay. He will be required to turn over \$25,000.

Other state agencies joining in the case with Maryland's Attorney General include the attorneys general of Alabama, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming; the secretaries of state of Colorado, Georgia, North Carolina, and Tennessee; and the Florida Department of Agriculture and Consumer Services and the Utah Division of Consumer Protection. The case was filed in the U.S. District Court for the Eastern District of Michigan.

The Secretary of State (SOS) registers and regulates charitable organizations and professional solicitors who operate in Maryland. Together with the Maryland Attorney General, the SOS enforces Maryland's charitable giving laws. Maryland donors may visit <http://sos.maryland.gov/Charity/Pages/Giving-Wisely.aspx> on the Secretary of State's website for tips on how to give wisely to charities. Individuals who may have been a victim of deceptive or illegal charitable solicitations, may call the Charities and Legal Services Division, Secretary of State's Office at 410-974-5521 or 1-800-825-4510.

<http://sos.maryland.gov/Charity/Pages/Report-A-Charity.aspx>

www.marylandattorneygeneral.gov/press/2021/030421.pdf



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
March 11, 2021**

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Attorney General Frosh Announces Multistate Settlement with American Medical Collection Agency over 2019 Data Breach

BALTIMORE, MD— Maryland Attorney General Brian E. Frosh today announced that Maryland, as part of a coalition of 41 attorneys general, has reached a settlement with Retrieval-Masters Creditors Bureau, d/b/a American Medical Collection Agency. The settlement resolves a multistate investigation into the 2019 data breach that exposed the personal information of over 7 million individuals, including 285,108 Maryland residents, and potentially exposed the personal information of up to 21 million individuals throughout the United States.

Retrieval-Masters Creditors Bureau is a debt collection agency. Under the name American Medical Collection Agency (AMCA), the company specialized in small balance medical debt collection primarily for laboratories and medical testing facilities. An unauthorized user gained access to AMCA's internal system from August 1, 2018, through March 30, 2019. AMCA failed to detect the intrusion, despite warnings from banks that processed its payments. The unauthorized user was able to collect a wide variety of personal information, including Social Security numbers, payment card information, and, in some instances, names of medical tests and diagnostic codes.

On June 3, 2019, AMCA provided notice to many states, and began providing notice to over 7 million affected individuals that included an offer of two years of free credit monitoring. On June 17, 2019, as a result of the costs associated with providing notification and remediating the breach, AMCA filed for bankruptcy.

“AMCA failed to protect the personal information of 7 million Americans,” said Attorney General Frosh. “The breach of highly sensitive personal information was due to AMCA’s lack of care.”

As part of the settlement, AMCA may be liable for a \$21 million total payment to the states. Because of AMCA’s financial condition, that payment is suspended unless the company violates certain terms of the settlement agreement.

Under the terms of the settlement, AMCA and its principals have agreed to implement and maintain a series of data security practices designed to strengthen its information security program and safeguard the personal information of consumers. These include:

- Creating and implementing an information security program with detailed requirements, including an incident response plan;
- Employing a duly qualified Chief Information Security Officer;
- Hiring a Third-Party Assessor to perform an information security assessment; and,
- Cooperating with the attorneys general with investigations related to the data breach and maintaining evidence.

The states' investigation was led by an Executive Committee including Maryland, Connecticut, Florida, Illinois, Indiana, Massachusetts, Michigan, New York, North Carolina, Tennessee and Texas. The settlement is joined by the attorneys general of Arizona, Arkansas, Colorado, the District of Columbia, Georgia, Hawaii, Idaho, Iowa, Kansas, Kentucky, Louisiana, Maine, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Utah, Vermont, Virginia, Washington, and West Virginia.



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
March 16, 2021

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Attorney General Frosh Charges Tax Debt Relief Company with Deceiving Consumers

*National Tax Experts, Inc. and Patrick Oakes Are Charged with Deceptive
Advertising and Failing to Provide Promised Services*

BALTIMORE, MD - Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division has [filed charges](#) against California-based National Tax Experts, Inc. and Patrick Oakes in connection with their offer and sale of tax debt relief services to Maryland consumers.

The Division alleges that National Tax Experts mailed advertisements to Maryland consumers that appeared to be from a Maryland court or another government agency. The mailings threatened imminent bank account seizures or other collection actions unless consumers immediately called a toll-free number, that connected them to National Tax Experts. Consumers who called were not, in fact, threatened with any imminent action, but instead were offered and sold National Tax Experts tax debt relief services – a service that National Tax Experts claimed would reduce their tax debts.

The Division alleges that National Tax Experts failed to provide the promised tax debt relief services for many of the Maryland consumers that hired the company. The Division further alleges that National Tax Experts also charged Maryland consumers prohibited advance fees, engaged in credit services business activities without being duly licensed by the State of Maryland, engaged in debt settlement services without being properly registered with the State of Maryland, and engaged in various other activities that constitute unfair or deceptive trade practices and are prohibited by the Maryland Consumer Protection Act.

“Companies may not create the appearance that they are a court or government agency. They may not threaten legal action if the consumer does not call,” said Attorney General Frosh. “Consumers who want help with their tax debts are entitled to know exactly what they are getting for their money. Companies may not disguise who they are or misrepresent their ability to provide services they advertise.”

A hearing on the charges has been scheduled for June 9, 2021, at the Office of Administrative Hearings in Hunt Valley, Maryland. The Division is seeking a cease and desist order enjoining the National Tax Experts from engaging in unfair or deceptive trade practices and an order requiring them to pay restitution to consumers and civil penalties and costs for the alleged violations of the Consumer Protection Act.

Consumers with complaints against National Tax Experts or Patrick Oakes may call the Consumer Protection Division at 410-576-6569 or write to the Consumer Protection Division at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
March 23, 2021**

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Attorney General Frosh Announces \$188.6 Million Multistate Settlement with Medical Device Manufacturer Boston Scientific Corporation

BALTIMORE, MD — Maryland Attorney General Brian E. Frosh today announced a multistate settlement with Boston Scientific Corporation (Boston) to resolve allegations of deceptive marketing of its surgical mesh products for women. The settlement requires Boston to pay \$188.6 million to 47 states and the District of Columbia to resolve allegations that it deceptively marketed transvaginal surgical mesh devices. Maryland's share of the settlement is \$5,620,634.

“Thousands of women suffered intractable pain, incontinence or other problems because they were unaware of the health complications of transvaginal mesh,” said Attorney General Frosh. “Boston Scientific had a duty to tell them about the significant risks and did not. As a result of this settlement, Boston Scientific is required to disclose important risk information to patients and doctors.”

Transvaginal surgical mesh is a synthetic, polypropylene fabric that is implanted in the pelvic floor through the vagina to treat stress urinary incontinence and pelvic organ prolapse. These are common conditions faced by many women due to a weakening of pelvic floor muscles caused by childbirth, age, or other factors.

The complaint alleges that Boston misrepresented the safety of these products by failing to disclose the full range of potential serious and irreversible complications caused by mesh, including chronic pain, voiding dysfunction, and new onset of incontinence. The settlement provides comprehensive injunctive relief.

Marketing Reforms:

Under the terms of the settlement, Boston's marketing materials must:

- Disclose significant complications, including the inherent risks of mesh;
- Describe complications in understandable terms to consumers, for those marketing materials intended for consumers that address complications;

- Refrain from representing that any inherent risks of mesh are risks common to any pelvic floor or other surgery not involving mesh;
- Refrain from representing that inherent mesh complications can be eliminated with surgical experience or technique alone;
- Refrain from representing that its mesh does not cause a foreign body reaction;
- Refrain from representing that its mesh remains soft, supple, or pliable after implantation;
- Refrain from representing that its mesh does not potentiate infection or does not increase the likelihood of infection; and,
- Refrain from representing that using its mesh for a repair is superior to native tissue repair unless such representations are supported by valid scientific evidence.

Training Reforms:

The settlement also requires Boston to:

- Inform healthcare providers of significant complications and inherent mesh risks when providing training regarding procedures for insertion and implantation of its mesh; and
- Maintain policies requiring that its independent contractors, agents, and employees who sell, market, or promote its mesh are adequately trained to report patient complaints and adverse events to the company.

Reforms Concerning Clinical Information and Clinical Trials:

Under the terms of the settlement, Boston is required to:

- Present clinical information regarding its mesh in a truthful, non-misleading manner and with a balanced presentation of risks in relation to benefits;
- Refrain from misrepresenting clinical studies about its mesh;
- When submitting a clinical study or clinical data regarding its mesh for publication, disclose the company's role as a sponsor and any author's potential conflict of interest;
- Include a sponsorship disclosure provision requiring consultants on surgical mesh to contractually agree to disclose in any public presentation or submission for publication any sponsorship by Boston related to the contracted-for activity; and
- Register all Boston-sponsored clinical studies regarding its mesh with ClinicalTrials.gov.

Attorney General Frosh's office helped to lead the investigation and settlement negotiation.

<https://www.marylandattorneygeneral.gov/press/2021/032321.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
May 13, 2021**

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Attorney General Frosh's Statement on Price-Gouging in Maryland

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh today issued the following statement on the issue of price gouging in Maryland:

"In the first months of the pandemic, consumers were subjected to increased costs of essential items like toilet paper, hand sanitizer, cleaning supplies, food items, just to name a few. The General Assembly acted swiftly and passed legislation providing my office temporary authority to pursue alleged instances of price gouging. Over the last year, my Consumer Protection Division received hundreds of complaints from consumers, and our office was able to use the emergency authority to get retailers that were the subject of complaints to reduce their prices.

"We have recently received dozens of complaints about increases in gasoline prices related to the cyber-attack of the Colonial Pipeline. Our authority expired at the end of April. I have supported, as a legislator and as Attorney General, efforts in previous years to enact legislation that prohibits price-gouging whenever Maryland is in a state of emergency. The world in which we live is full of unwelcome surprises - from attacks by hackers on critical infrastructure, to worldwide pandemics, to devastating weather incidents. Maryland consumers need protection from price-gouging in all these emergency situations. I will work with Senate and House leaders during the next legislative session to ensure that this type of emergency authority, already available in most other states, is established so that our office can act in a timely fashion to protect consumers from unscrupulous individuals who seek to take unfair advantage of their neighbors."

<https://www.marylandattorneygeneral.gov/press/2021/051321.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
May 25, 2021

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Attorney General Frosh Announces Charges Against the Owner of Signature Accounting and Arthur Wittenberg for Defrauding Consumers

*Charges Allege Marcia Bailey and Arthur Wittenberg Wrongfully Converted
Customers' Payments for Personal Use*

BALTIMORE, MD (May 25, 2021) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division has filed [two actions](#) against Marcia L. Bailey and Arthur Wittenberg, along with their entities Marcia Bailey Inc. trading as Signature Accounting, and the Wittenberg Family Trust, a Baltimore-based operation that offers and sells debt consolidation services to consumers in Maryland and other states. The actions filed are pending in the Circuit Court for Baltimore County, and an administrative action is scheduled to begin on August 11, 2021, in the Maryland Office of Administrative Hearings.

On May 20, 2021, Baltimore County Circuit Court Judge Sherrie Bailey issued a [Temporary Restraining Order](#) (TRO) against Bailey, Wittenberg, and their entities, barring them from offering or selling debt consolidation services from Maryland. A hearing to determine whether that order should remain in place until the administrative charges are resolved will take place May 28, 2021, at 9:00 am at the Circuit Court in Baltimore County.

Bailey, Wittenberg, and their entities are charged with collecting upfront fees from consumers as high as \$49,000 and promising to consolidate and settle their debts. According to the charges, rather than transmitting consumers' payments to creditors to pay off the consumers' debts, Bailey and Wittenberg pocket the money for their own personal use, resulting in defaulted consumer loans. Consequently, consumers face foreclosure actions, repossession of their vehicles, and plummeting credit scores. The charges allege these practices violate the Maryland Consumer Protection Act. In addition, Bailey, Wittenberg, and their entities are charged with violating the Maryland Mortgage Assistance Relief Act, the Maryland Credit Services Business Act, the Maryland Money Transmission Act, and the Maryland Debt Management Services Act, by not possessing required licenses, not using required contract forms and providing other required disclosures, and collecting illegal upfront fees.

“The allegations against these companies and their owners are serious, resulting in devastating consequences for their clients,” said Attorney General Frosh. “Operating a business without the required licenses, taking payments from consumers, failing to perform the consolidation work promised, and using clients’ fees for personal benefit are all violations of Maryland’s consumer protection laws.”

The Division is seeking, in addition to the injunction entered by the Circuit Court, restitution, costs, and penalties for alleged violations of Maryland’s Consumer Protection Act.

For more information, consumers may call the Consumer Protection hotline at 410-528-8662 or toll free at 888-743-0023.

<https://www.marylandattorneygeneral.gov/press/2021/052521.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
May 27, 2021**

Media Contacts:
press@oag.state.md.us
410-576-7009

Attorney General Frosh’s Consumer Protection Division Releases Guidance for Residential Tenants Facing Eviction

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh has released “*Residential Eviction in Maryland: Information for Tenants*,” to help individuals and families who will be facing eviction, particularly due to nonpayment of rent during the COVID pandemic.

The guidance issued by the Attorney General’s office is intended to help residential tenants understand their rights and where to look for legal help if an evictions lawsuit is filed against them.

The pandemic has temporarily changed the way courts handle “Failure to Pay Rent” evictions, although the protections currently in place to prevent certain evictions are set to expire in the near future.

“The COVID pandemic has substantially affected the ability of many Marylanders to pay rent due to job loss, diminished wages, health crises, and more,” said Attorney General Frosh. “For families facing eviction and possible homelessness, there is help available. We encourage Maryland residents struggling to pay rent to read and share this document.”

The guidance document is available here: <https://bit.ly/3foQbJU>, and can be downloaded and printed to share.

<https://www.marylandattorneygeneral.gov/press/2021/052721.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
June 17, 2021

Media Contacts:
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410-576-7009

Attorney General Frosh Announces Charges Against Two Retail Pet Stores

Charges Allege Violations of the No More Puppy-Mills Act and the Maryland Consumer Protection Act

BALTIMORE, MD— Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division has [filed charges](#) against Just Puppies of Maryland, Inc. and Just Puppies, Inc. (Just Puppies), two retail pet stores in Rockville and Towson respectively, that sell puppies to consumers in Maryland. Mitchell Thomson, the owner of both stores, was also charged. Just Puppies is charged with selling puppies to consumers in violation of the No More Puppy-Mills Act and the Consumer Protection Act.

The Puppy Mill Act prohibits the offer for sale of cats and dogs by retail pet stores. The Maryland legislature passed the Act in 2018, with an effective date of January 1, 2020, in response to reports that the then-existing regulatory scheme was not sufficient to curb sourcing of animals from “puppy mills” and prevent the mistreatment of animals.

According to [the Statement of Charges](#), in February 2020, Just Puppies shifted to an appointment-only model, but continued to sell puppies to consumers even after the No More Puppy-Mills Act’s effective date, and misled consumers about its relationship with the sources of some of the puppies it sold.

“The intent of the legislature in passing the Puppy Mill Act was clear,” said Attorney General Frosh. “Simply shifting to an appointment-only sales model does not exempt stores from this law that was designed to curb the sourcing of animals from irresponsible breeders.”

The Division alleges that Just Puppies is selling puppies in violation of the No More Puppy-Mills Act’s prohibition against retail pet stores offering dogs for sale to consumers. A violation of the Puppy Mill Act is also considered an unfair or deceptive trade practice under Maryland’s Consumer Protection Act. In addition to the alleged illegal sales, the Division has also charged the stores and their owner with misleading consumers when they represented to consumers that the stores only bought puppies from breeders they knew directly, when, in fact, the Division alleges that the stores also purchased puppies from breeders with whom they had no direct relationship.

The Division is seeking an injunction, as well as monetary relief that may include restitution, penalties, and the costs of the action for the alleged violations of Maryland's No More Puppy-Mills Act and Consumer Protection Act. A hearing has been set for September 13, 2021, at the Office of Administrative Hearings, 11101 Gilroy Rd, Hunt Valley, MD 21031.

Consumers with complaints against Just Puppies of Maryland, Inc., Just Puppies, Inc., or Mitchell Thomson may call the Consumer Protection Division at (410) 576-6569, or write to the Consumer Protection Division at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.

<https://www.marylandattorneygeneral.gov/press/2021/061721.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
July 6, 2021

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410-576-7009

Attorney General Frosh Announces Settlement with Tax Debt Relief Company

National Tax Experts, Inc. and Patrick Oakes Agree to Refund Payments, Pay Civil Penalties, and Permanent Ban on Offering Tax Debt Relief Services in Maryland

BALTIMORE, MD— Maryland Attorney General Brian E. Frosh announced today his Consumer protection Division has reached a [settlement](#) with California-based National Tax Experts, Inc. and Patrick Oakes, the company’s owner. The settlement provides restitution to Maryland consumers, imposes civil penalties, and permanently bans the company from providing tax debt relief services to Maryland consumers.

The Division alleged in its Statement of Charges that National Tax Experts sent deceptive advertisements to Marylanders that were intended to appear as if they were sent by a Maryland court and falsely warned consumers that their assets were facing imminent seizure. In fact, the mailers were from National Tax Experts and were designed to induce consumers to hire the company to help settle their outstanding tax debts. The Division further alleged that National Tax Experts did not actually settle the tax debts and that its sale of services violated the Maryland Credit Services Businesses Act, the Maryland Debt Settlement Services Act, and the Maryland Consumer Protection Act.

“Companies cannot misrepresent who they are when advertising their services, and must provide the services for which they are paid,” said Attorney General Frosh. “Consumers who were harmed by the illegal practices will be issued refunds, and this company and its owner will never again be allowed to offer tax debt relief services in Maryland.”

In the settlement, National Tax Experts and Oakes agreed to refund all payments made by approximately 135 Maryland consumers to National Tax Experts since February 2017, the date the company was purchased by Oakes. National Tax Experts may reduce the refunds it pays to consumers if it can demonstrate that it performed actual work for consumers, either by preparing and filing tax returns or settling consumers’ tax debts. The settlement also requires National Tax Experts and Oakes to pay a civil penalty of \$100,000, which could be reduced to

\$50,000. National Tax Experts and Oakes also agreed to cease offering and selling tax debt relief services to Maryland consumers.

Consumers who are eligible for refunds will be contacted by the Attorney General's Office. Consumers may contact the Attorney General's Consumer Protection Division at 410-576-6569 with questions.

In making today's announcement, Attorney General Frosh thanked Assistant Attorney General Christopher Madaio and Deputy Chief Phillip Ziperman for their work on the case.

<https://www.marylandattorneygeneral.gov/press/2021/070621.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
July 19, 2021

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410-576-7009

Attorney General Frosh Joins Objection to Opioid Manufacturer Purdue's Bankruptcy Plan

BALTIMORE, MD - Maryland Attorney General Brian E. Frosh today released the following statement after Maryland and 8 other attorneys general filed a [formal objection](#) to Purdue Pharma's proposed bankruptcy plan, which includes a lifetime legal shield for the company's owners, the Sackler family. The states argue that a bankruptcy court doesn't have the authority to prevent attorneys general from enforcing state law, including the decision to pursue the Sacklers for their illegal conduct.

"The proposed plan would allow the Sackler family and a host of their related entities and businesses to walk away from the wreckage that has been caused by Purdue's malfeasance. The Sacklers would be allowed to enjoy billions of dollars that they received from Purdue, and, unlike other debtors in bankruptcy, be shielded from liability for the staggering damage that they left in their wake. Maryland is vehemently opposed to this plan.

<https://www.marylandattorneygeneral.gov/press/2021/071921.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
July 21, 2021**

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410-576-7009

Attorney General Frosh Statement on Proposed \$26 Billion Settlement with Opioid Distributors/Manufacturer

BALTIMORE, MD - Maryland Attorney General Brian E. Frosh today announced a historic \$26 billion settlement proposal in connection with his and other states' ongoing investigations of the three largest opioids distributors in the United States - Cardinal Health, McKesson, and AmerisourceBergen - and Johnson & Johnson, an opioids manufacturer. The proposal could bring as much as \$485 million to Maryland and its local subdivisions to help address the devastating opioid epidemic. It will require significant reform of industry practices to help prevent this type of crisis from happening again.

Maryland and other states have been investigating allegations that these companies engaged in a variety of illegal promotional activities, which helped create the opioid crisis, while distributing many more drugs than warranted for legitimate medical purposes. The proposed agreement is not yet final.

“While this settlement cannot undo the harm suffered by millions of Americans who have been hurt by the opioid epidemic, it is a very important step forward,” said Attorney General Frosh. “We hope and anticipate that this proposed agreement will bring relief for many thousands of Maryland families who continue to suffer the devastating consequences of opioid addiction.”

The settlement would resolve the claims of participating states and local governments across the country. Following today's announcement, states have 30 days to sign onto the deal and local governments in the participating states will have up to 150 days to join to secure a critical mass of participating states and local governments. States and their local governments will receive maximum payments if each state and its local governments join together in support of the agreement.

Funding Overview of the Proposal:

- The three distributors collectively would pay up to \$21 billion over 18 years.
- Johnson & Johnson would pay up to \$5 billion over 9 years with up to \$3.7 billion paid during the first three years.

- The total funding distributed would be determined by the overall degree of participation by both litigating and non-litigating state and local governments.
- The substantial majority of the money is to be spent on opioid treatment and prevention.

Injunctive Relief Overview:

- The 10-year agreement would result in court orders requiring Cardinal, McKesson, and AmerisourceBergen to:
 - o Establish a centralized independent clearinghouse to provide all three distributors and state regulators with aggregated data and analytics about where drugs are going and how often, eliminating blind spots in the current systems used by distributors.
 - o Use data-driven systems to detect suspicious opioid orders from customer pharmacies.
 - o Terminate customer pharmacies' ability to receive shipments, and report those companies to state regulators, when they show certain signs of diversion.
 - o Prohibit shipping of and report suspicious opioid orders.
 - o Prohibit sales staff from influencing decisions related to identifying suspicious opioid orders.
 - o Require senior corporate officials to engage in regular oversight of anti-diversion efforts.
- The 10-year agreement would result in court orders requiring Johnson & Johnson to:
 - o Stop selling opioids.
 - o Not fund or provide grants to third parties for promoting opioids.
 - o Not lobby on activities related to opioids.
 - o Share clinical trial data under the Yale University Open Data Access Project.

Tragically, just last year, opioid overdose deaths rose to a record 93,000 across the country, a nearly 30 percent increase over the prior year. In Maryland, on average more than six residents die from opioids overdoses each day. Last year, 2,518 Marylanders died from overdoses. From 2007 to 2019, more than 17,000 Marylanders lost their lives to opioid overdoses. Many, many more have seen their lives torn apart by the disease of addiction. The damage also harms families and friends and the broader communities that suffer the consequences.

<https://www.marylandattorneygeneral.gov/press/2021/072121.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
July 27, 2021

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410-576-7009

Attorney General Frosh Prevails in Case Against AT&T and Cricket Wireless ***Companies Ordered to Refund Consumers and Pay \$3.25 Million Penalty for Selling Phones They Knew Would Stop Working***

BALTIMORE, MD— Maryland Attorney General Brian E. Frosh announced today that Cricket Wireless, LLC and AT&T, Inc. were found to have deceived consumers into buying cell phones that the companies planned to stop servicing shortly after they were sold. AT&T and Cricket’s actions violated Maryland’s Consumer Protection Act, and as a result, the companies have been ordered to pay back consumers who bought the phones and to pay a penalty of \$3,250,000.00 for their violations.

After AT&T announced its plan to merge with Cricket in 2013, Cricket failed to inform consumers that after the planned merger, the phones sold would no longer work on Cricket’s network. As the [Order](#) notes, this fact “was information that was essential for consumers to know because the phones had little or no value if they could not access Cricket’s cellular network.” In most cases, Cricket and AT&T did not provide consumers with any warning that the phones they were buying could stop working. Even when the companies finally included a warning, the tiny, fine print disclosures were unclear, inconspicuous, and not intended to actually put consumers on notice. As a result, consumers bought phones without knowing that in a matter of months the phones could become expensive paperweights, and that they would have to buy replacement phones if they wanted to continue receiving service.

As a result of their deceptive practices, AT&T and Cricket have been ordered to pay restitution for all Marylanders who purchased the affected phones, to the extent the consumers have not already received a full refund or a free replacement phone. The Order provides for a claims process to identify Marylanders for whom restitution is due. Eligible consumers will be notified when the claims process becomes available.

In addition to paying restitution, AT&T and Cricket were ordered to pay a penalty of \$3,250,000.00 for their violations of Maryland’s Consumer Protection Act and to pay the costs of the Attorney General’s investigation.

“It is particularly troubling that the deception targeted prepaid phone consumers who frequently have less money to spend on cell phone service,” said Attorney General Frosh. “All Cricket had to do was tell consumers the truth about these phones and let them make an informed decision. Affected consumers will be receiving back the money they lost.”

Going forward, the Order prohibits AT&T and Cricket from making misrepresentations about the phones they sell and from concealing important information about the phones from consumers. The companies are prohibited from selling phones when they know that a planned change to their services will reduce the functionality of the phone, unless they make clear and prominent disclosures that put consumers on notice of those proposed changes before the purchase.

<https://www.marylandattorneygeneral.gov/press/2021/072721.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
July 29, 2021**

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Attorney General Frosh Joins Amicus Brief Supporting Challenge to Trump-Era Borrower Defense Rule That Repealed Protections for Student Borrowers

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh today joined a multistate [amicus brief](#) advocating for the rights of federal student loan borrowers. The brief, which was filed in the U.S. Court of Appeals for the Second Circuit, supports the New York Legal Assistance Group’s (NYLAG) lawsuit challenging action taken by the Trump administration’s Department of Education (ED) that unlawfully repealed and replaced federal “borrower defense” regulations.

Borrower defense is the process by which students can seek relief from their federal student loans when they have been defrauded by their school. The Trump administration scrapped previous borrower defense regulations that protected students from deceitful practices with new regulations that favor predatory, for-profit schools and all but precluded students from seeking debt relief. In its lawsuit, NYLAG, a legal aid organization, argues that the Trump administration’s 2019 Borrower Defense Rule is arbitrary and capricious and must be stricken.

“The previous administration enacted regulations protecting for-profit schools that defrauded students rather than protecting student borrowers,” said Attorney General Frosh. “We support NYLAG’s lawsuit to have those unlawful regulations repealed and replaced.”

The federal Higher Education Act requires the U.S. Education Secretary to issue “borrower defense” regulations that provide a pathway for students to discharge federal student loan debt if they were victimized by a school. In 2016, the Obama administration’s Department of Education created strong protections for student-borrowers who were defrauded by predatory, for-profit colleges by establishing a fair and transparent borrower defense process for student loan debt relief. However, in 2019, ED rescinded those regulations and replaced them with new rules designed to shield predatory schools from being held accountable for their misconduct and prevent defrauded students from obtaining loan relief. In July 2020, Attorney General Frosh filed a [lawsuit](#) against the ED and then-Secretary Betsy DeVos for unlawfully repealing the 2016 regulations.

Today's brief supports NYLAG's arguments that the Trump administration's 2019 borrower defense rule is arbitrary and capricious, and therefore should be repealed. It further supports NYLAG's allegations that in rescinding and replacing the 2016 borrower defense rule, ED relied on inaccurate, unsupported, and inconsistent assumptions, among other arguments.

In filing the brief, Attorney General Frosh joins the attorneys general of California, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Maine, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, and Wisconsin.

<https://www.marylandattorneygeneral.gov/press/2021/072921.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

CONSUMER ALERT

Consumer Advisory: New Rental Assistance Resources Available for Tenants and Landlords

If you're a renter having trouble paying your rent, utilities, or other housing costs, or if you're a landlord trying to stay afloat with tenants during the pandemic, there is help available. Through the American Rescue Plan, billions of dollars in assistance – to help renters stay housed and help landlords cover missed payments and underpayments – has been made available through state, local, and tribal government agencies, including the Maryland Department of Housing and Community Development and others.

The Consumer Financial Protection Bureau (CFPB) launched a new resource to help renters and landlords navigate various financial hardships related to the pandemic. The Rental Assistance Finder can help you locate resources throughout Maryland and beyond. To access this tool, visit www.consumerfinance.gov/renthelp.

The COVID pandemic temporarily changed the way courts handle “Failure to Pay Rent” eviction cases, but the federal and state moratoriums on these specific types of evictions cases are set to expire. As of July 31, 2021, the Centers for Disease Control and Prevention’s order preventing evictions for failure to pay will no longer be in effect. Further, the Governor of Maryland’s Executive Order prohibiting evictions for nonpayment of rent due to significant loss of income will expire August 15, 2021.

If you need rental assistance, don't wait – there is help available and the CFPB's new tool will help you find it. To contact the Maryland Department of Housing and Community Development, visit <https://dhcd.maryland.gov/Pages/EvictionPrevention/default.aspx>. For more information about eviction prevention in Maryland, read our guidance here: https://www.marylandattorneygeneral.gov/CPD%20Documents/Tips-Publications/Eviction_prevention.pdf.



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
July 30, 2021**

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410-576-7009

Maryland Drivers Impacted by 2018 Uber Data Breach Eligible for Compensation

Drivers Will Be Contacted by Settlement Administrator

BALTIMORE, MD— Maryland Attorney General Brian E. Frosh today announced that Maryland drivers impacted by Uber’s 2016 data breach are eligible to receive payments as a result of a settlement reached with the Office of Attorney General and Uber. [In September 2018](#), as part of a multistate action, Attorney General Frosh settled a data breach case with Uber involving the personal information of its drivers. As part of the settlement, Uber agreed to pay \$148 million to the states, making it the largest multistate data breach settlement to date. Maryland’s share of the settlement will provide each eligible Maryland Uber driver with a \$100 payment. Eligible drivers are those whose driver’s license numbers were accessed during the 2016 breach. In Maryland, 20,719 Uber drivers are eligible to receive \$100 payments. Commencing on July 30th, the claims processor hired by the states is sending notices to the affected drivers advising them of their claim.

“Maryland law requires companies to notify affected consumers and the Office of Attorney General following a data breach,” said Attorney General Frosh. “Uber’s decision to wait a year to send notification endangered the personal information of thousands of its drivers and violated Maryland law.”

Uber learned in November 2016 that hackers had gained access to personal information about its drivers, including the driver’s license information of approximately 600,000 drivers nationwide. Uber did not report the breach until November 2017. Eligible drivers will be contacted by the claims administrator or may get more information by either calling the claims administrator at 866-253-3314 or by visiting the claims administrator’s website: www.UberDriversStateAGSettlement.com. Additional information can also be found [here](#).

Information on how to protect your identity, or what to do in the event of a data breach can be found in the Maryland Office of Attorney General’s [Identity Theft Guide](#). Consumers who believe they may be a victim of identity theft should contact the Attorney General’s Identity Theft Unit by calling (410) 576-6491 or by sending an email to idtheft@oag.state.md.us.

<https://www.marylandattorneygeneral.gov/press/2021/073021.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
August 3, 2021

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410-576-7009

Attorney General Frosh Leads Bipartisan Coalition Urging Stronger Policies for Protecting Students

To Protect Students from Unfair Practices, 25 Attorneys General Advise National Council for State Authorization Reciprocity Agreements That Critical Reforms Are Necessary

BALTIMORE, MD (August 3, 2021) - Attorney General Frosh today [led a bipartisan coalition](#) of 25 attorneys general in a letter to the National Council for State Authorization Reciprocity Agreements (NC-SARA) urging it to institute stronger consumer protection policies for the over 3 million students enrolled in distance education courses offered by its 2,276 participating institutions.

NC-SARA provides leadership over reciprocity agreements joined by 49 states, the District of Columbia, Puerto Rico, and the Virgin Islands, and it controls the minimum standards and policies to which participating institutions must adhere. The attorneys general, citing examples of misconduct by schools participating in NC-SARA, including [unscrupulous recruitment and enrollment practices](#) by a for-profit school operating in Maryland, express concerns that NC-SARA's current policies do not adequately protect students against the unique risks that arise from distance learning, including unfair and deceptive admissions and financial aid practices. The attorneys general recommend NC-SARA improve its policies to provide critical student protections, including:

1. Removing language in its Policy Manual that prohibits states from enforcing their higher education consumer protection laws and instituting meaningful consumer protection standards that participating schools must follow;
2. Improving its procedures to protect current and prospective students at institutions with issues related to consumer protection or financial stability; and
3. Reconstituting its board of directors so that at least a majority of its membership is reserved for member states and territories and additional individuals with consumer protection expertise, such as state attorneys general, are included.

“The COVID pandemic has brought about unique challenges for students, especially in the delivery of education,” said Attorney General Frosh. “As an organization that oversees national

standards in distance learning, NC-SARA has a responsibility to ensure distance-learning students are protected to the fullest extent possible from unfair and deceptive practices.”

The attorneys general are committed to working with NC-SARA and appreciate its willingness to engage in a dialogue on these important issues.

Joining Attorney General Frosh in today’s letter are the attorneys general of Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Mexico, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Tennessee, Vermont, Virginia, Washington, and Wisconsin.

<https://www.marylandattorneygeneral.gov/press/2021/080321.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
August 9, 2021

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410-576-7009

Attorney General Frosh Calls for Faster Implementation of Anti-Robocall Technology

Urges the FCC to Accelerate Deadline for Adoption of STIR/SHAKEN

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh today joined a bipartisan coalition of 51 attorneys general to urge the Federal Communications Commission (FCC) to fight back against the scourge of illegal robocalls by moving up the deadline for smaller telephone companies to implement caller ID technology.

Under the TRACED Act, which became law in 2019, phone companies are required to implement STIR/SHAKEN technology on their networks. This caller ID authentication technology helps ensure that telephone calls are originating from verified numbers, not spoofed sources. Large companies were required to implement the technology by June 2021, and smaller phone companies were given an extension until June 2023.

However, some of the same smaller phone companies that are benefitting from this extension are also responsible for originating or facilitating high volumes of illegal robocalls that spam Americans and lead to financial or personal data loss. And without the STIR/SHAKEN technology in place, these smaller companies are failing to take a necessary step to minimize the continued onslaught of illegally spoofed robocalls that harm residents.

“The technology to reduce the volume of irritating – and dangerous – robocalls is now available, and should be promptly implemented by all phone companies,” said Attorney General Frosh. “In the interest of protecting consumers, the FCC should move up the deadline to comply with the TRACED Act.”

The coalition of attorneys general are asking the FCC to require these companies to implement the STIR/SHAKEN technology as soon as possible and no later than June 30, 2022.

Attorney General Frosh is joined in submitting [today's comments](#) by the attorneys general of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, the District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina,

North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

<https://www.marylandattorneygeneral.gov/press/2021/080921.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**FOR IMMEDIATE RELEASE:
August 11, 2021**

Media Contacts:
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Circuit Court Upholds Final Order Against Cash-N-Go Company and Owner Ordered to Pay Penalty and Restitution for Making Usurious Loans

BALTIMORE, MD (August 11, 2021) - Maryland Attorney General Brian E. Frosh announced today the Circuit Court for Allegany County has affirmed his Consumer Protection Division's [Final Order](#) entered against Cash-N-Go, Inc., Brent M. Jackson, and related businesses owned and operated by Jackson under the "Cash-N-Go" name for making unlicensed and usurious consumer loans. The Final Order requires Cash-N-Go to pay over \$2.2 million in restitution to Maryland consumers and a \$1,200,750 penalty to the State of Maryland.

In a [Memorandum Opinion](#) issued by Judge Jeffrey S. Getty, the Circuit Court rejected Cash-N-Go's argument that the short-term, high-interest loans it offered consumers secured by the consumers' motor vehicles were pawn transactions. In rejecting this argument, Judge Getty observed that Cash-N-Go promoted their product as a loan, engaged in underwriting as if the product was a loan, and repossessed consumers' vehicles for nonpayment as if the product was a loan. Judge Getty confirmed the Consumer Protection Division's findings that the loans were illegal because Cash-N-Go lacked the required lender's license and because the interest rate it charged - 360% - was well above the state's maximum legal rate of interest for consumer loans.

"Cash-N-Go made predatory loans at outrageous interest rates, illegally repossessed cars, and preyed on Maryland consumers," said Attorney General Frosh. "All of these acts were in violation of Maryland law. I'm pleased that the Court has upheld the Final Order and Cash-N-Go will no longer be able to harm Maryland consumers by making usurious loans."

Although Cash-N-Go can continue to act as a check cashing business or a pawn broker, Cash-N-Go may not collect money from consumers on its title loans. The Division found that at least 1,601 Maryland consumers were victimized by Cash-N-Go's predatory lending activities. Consumers who were harmed by Cash-N-Go's lending practices may contact the Consumer Protection Division at 410-528-8662.

<https://www.marylandattorneygeneral.gov/press/2021/081121a.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
September 1, 2021

Media Contacts:
press@oag.state.md.us
410-576-7009

Attorney General Frosh Issues Statement on Confirmation of Purdue Pharma's Bankruptcy and Release of Trillions of Dollars of Claims Against the Sackler Family

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh today issued the following statement in response to the Court's confirmation of Purdue Pharma's bankruptcy plan:

"We are disappointed with today's ruling confirming the plan of reorganization for Purdue Pharma by the United States Bankruptcy Court for the Southern District of New York. This plan releases from liability members of the Sackler family and others who participated in or directed Purdue's illegal acts that contributed to the opioid crisis.

"Maryland objected to the releases, which seek to force the State to settle for an amount that is too low to account for the Sacklers' misconduct and to deter future misconduct in the pharmaceutical marketplace. The releases of the Sacklers prevent the State from pursuing its claims against them for their role in the creation of the opioid crisis. Our Consumer Protection Division filed an enforcement action in Maryland against [Purdue](#) and members of the [Sackler family](#) in 2019, but the case has been stayed by the bankruptcy court.

"We believe that the bankruptcy court lacks the authority to release the State's police power claims without the State's consent. This plan does not do enough to prevent future misconduct of the type that has led to the opioid crisis. It lets the Sacklers and other parties retain most of the fruits of their bad acts. We respectfully disagree with the bankruptcy court's conclusion that a state can be forced to grant such releases and thereby strip the public of protections that are designed to prevent wrongdoing and harm to the public health."

<https://www.marylandattorneygeneral.gov/press/2021/090121b.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

FOR IMMEDIATE RELEASE:
September 8, 2021

Media Contacts:
press@oag.state.md.us
410-576-7009

Attorney General Frosh Announces Multibillion Dollar Settlement with Opioids Distributors and Johnson & Johnson *Up to Half a Billion Dollars in Recovery Is Expected for Maryland*

BALTIMORE, MD (September 8, 2021) – Maryland Attorney General Brian E. Frosh today announced that Maryland will participate in two multistate settlements with the three largest distributors of opioid medications and Johnson & Johnson. Maryland will join 41 other states, five territories, and the District of Columbia in the settlements.

The Distributors' settlement will resolve allegations that McKesson, AmeriSourceBergen, and Cardinal Health failed for years to monitor and report suspicious orders of opioid products, which resulted in diversion of those drugs on a massive scale. The Johnson & Johnson settlement will resolve claims that the company deceptively marketed its fentanyl products to healthcare providers and patients.

McKesson, AmeriSourceBergen, and Cardinal Health could pay Maryland and its subdivisions up to \$411.17 million, while Johnson & Johnson could pay up to \$91.6 million.

“No amount of money could ever compensate for the devastation wrought by the opioid epidemic,” said Attorney General Frosh. “But these settlements will bring much needed funds to address the harms Marylanders have suffered. The funds will provide addiction treatment, prevention, and other abatement programs across the State to help Marylanders recover.”

Under the settlement agreement, the Distributors will also adopt extensive monitoring and reporting programs to address suspicious orders and diversion of opioids, and Johnson & Johnson will cease its sale of opioids. The extent to which Maryland receives its full share of the recovery will depend on the level of participation in the settlements by the State's counties and municipalities. The subdivisions have until early January 2022 to decide whether to join the settlements.

<https://www.marylandattorneygeneral.gov/press/2021/090821.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Attorney General Frosh Announces Settlement with Montgomery County Condominium Association

Brighton West Condominium II Agrees to Cease and Desist from Violations of the Maryland Condominium Act and Refund Improperly Assessed Monetary Sanctions Imposed on Unit Owners

BALTIMORE, MD (September 13, 2021) – Maryland Attorney General Brian E. Frosh’s Consumer Protection Division today announced a [settlement](#) with condominium association Brighton West Condominium II, which provides restitution to affected unit owners and an injunction that addresses the alleged violations of the Maryland Condominium Act.

The Consumer Protection Division alleged that Brighton West’s Board of Directors, under its prior president, had violated the Condominium Act, and thus the Consumer Protection Act, by:

- Failing to provide notice of and hold elections in open meetings;
- Failing to provide notice of and hold annual open meetings;
- Failing to submit an annual proposed budget and an adopted budget to unit owners as required by the Condominium Act;
- Failing to provide a copy of Brighton West’s books and records, including financial statements, when requested in writing by unit owners; and
- Assessing penalties against unit owners for alleged violations of community rules without following the procedures required by the Condominium Act. Those procedures include serving a written notice on the unit owner that describes the alleged violation, what the unit owner must do, and how long the unit owner has to end the violation, as well as providing an opportunity for a hearing.

Brighton West, which is located in Gaithersburg, has replaced the former president who presided during the period of time of these alleged violations.

“Condominium associations, including their Boards of Directors, must comply with the requirements of the Maryland Condominium Act,” said Attorney General Frosh. “Under our settlement with Brighton West, unit owners will be protected, and those who were harmed by alleged violations of the law will receive remediation.”

In the settlement, Brighton West has agreed to injunctive relief requiring that it fully comply with the Maryland Condominium Act and to pay restitution to unit owners of any monetary sanctions that were imposed without following the Condominium Act’s dispute settlement

procedures. The settlement also imposes a \$5,000 civil penalty if Brighton West violates the agreement over the next five years.

Consumers with concerns about the Brighton West Condominium Association may contact the Attorney General's Consumer Protection Division at 410-528-8662.

In making today's announcement, Attorney General Frosh thanked Assistant Attorney General Jessica B. Kaufman for her work on the case.

<https://www.marylandattorneygeneral.gov/press/2021/091321.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

**Attorney General Frosh Announces Settlement with StubHub, Inc.
*Stubhub, Inc. Agrees to Honor Its Refund Policies and Continue Paying
Refunds to Consumers Whose Events Were Cancelled as a Result of the COVID-
19 Pandemic***

BALTIMORE, MD (September 14, 2021) – Maryland Attorney General Brian E. Frosh today announced a [settlement](#) reached by his Consumer Protection Division with California-based StubHub, Inc. concerning the company’s refusal to pay refunds to consumers for concerts, sports events, and other events that were cancelled as a result of the COVID-19 pandemic. Maryland led an investigation that included nine other states and the District of Columbia in a multistate resolution with the company.

StubHub operates one of the largest ticket reselling marketplaces in the country. Under its “FanProtect Guarantee,” StubHub offered consumers full refunds of the purchase price and fees they paid for tickets if their events were cancelled. In March 2020, however, following the mass-cancellation of entertainment events, StubHub stopped honoring its refund guarantee and instead told its customers that they would receive account credits equal to 120% of their purchases to be used for future events and denied their requests for refunds.

Following the commencement of the states’ coordinated investigations, in May 2021 StubHub reversed its decision and notified its customers that if they purchased tickets prior to March 25, 2020, and their events were cancelled, they would receive full refunds of the amounts they paid for their tickets to events unless they elected to retain their account credits. This included more than 8,500 consumers residing in Maryland or purchasing tickets for an event in Maryland, who had previously purchased tickets on StubHub’s marketplace under terms that included the FanProtect Guarantee.

Today’s settlement also includes an injunction that requires StubHub to (i) honor its refund policies; (ii) not change its refund policies for purchased tickets unless the purchasing consumer consents to the change; and (iii) promptly process refund requests it receives from consumers for the events at issue going forward. The agreement also provides for a \$424,250 civil penalty, which StubHub can avoid paying provided that it pays the refunds owed to Maryland consumers and it does not violate the other terms of the agreement.

“Despite the unprecedented circumstances that led to mass cancellations of events last year, StubHub had a responsibility to abide by the terms of its own guarantee policy,” said Attorney General Frosh. “This settlement ensures that consumers will receive the refunds that they are entitled to.”

Consumers who have not been contacted by StubHub and believe they are entitled to a refund may either contact StubHub at 866-788-2482 or the Attorney General's Office at 410-528-8662.

Joining Attorney General Frosh in today's settlement were the attorneys general for Arizona, Arkansas, Colorado, the District of Columbia, Indiana, Minnesota, New Hampshire, Ohio, Virginia, and Wisconsin.

<https://www.marylandattorneygeneral.gov/press/2021/091421a.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Attorney General Frosh Appeals Bankruptcy Court Decision Releasing Members of Sackler Family in Purdue Pharma Bankruptcy

BALTIMORE, MD (September 16, 2021) - Maryland Attorney General Brian E. Frosh announced that his office has appealed a U.S. bankruptcy court's recent decision to approve a Chapter 11 reorganization plan resolving Purdue Pharma's bankruptcy by forcing the State of Maryland to release billions of dollars in legal claims against members of the Sackler family, owners of Purdue Pharma in exchange for only a fraction of their value. More than 15,000 Marylanders have died from opioids-related overdoses over the last decade, including more than 2,500 in 2020. In confirming the plan, the bankruptcy court acknowledged that it had expected a higher settlement. The objecting states believe that the settlement is insufficient to deter future wrongdoing, especially because it allows members of the Sackler family and others to retain billions more from wrongdoing that injured millions of Americans.

"We believe that members of the Sackler family are responsible for untold harm to thousands of Maryland families," said Attorney General Frosh. "They need to be held accountable for the addiction and death that they have caused in our state and around the nation. This bankruptcy plan fails to do that."

At the heart of the appeal is whether the bankruptcy court can force states to grant releases to non-debtors of the police power claims that the states exercise to protect the public from harm. In [2019](#), the Attorney General's Consumer Protection Division brought an enforcement action against Purdue and members of the Sackler family, alleging unfair and deceptive conduct in the marketing of OxyContin and other opioids over more than three decades. Later that year, as the parties were preparing for trial, Purdue filed for bankruptcy and the federal bankruptcy court ordered a halt to all lawsuits against Purdue and the Sacklers. The State of Maryland, along with the states of California, Oregon, Washington, New Hampshire, Vermont, Rhode Island, Connecticut, Delaware, and the District of Columbia did not agree to a settlement under which the Sacklers would pay only a fraction of the amount that they received from Purdue, despite causing trillions of dollars in damages and thousands upon thousands of deaths. The settlement also releases other non-debtor wrongdoers without any contribution from them.

The State's exercise of police powers is protected by the U.S. Constitution and federal law. Maryland and other objecting states contend that the bankruptcy court's confirmation order abrogates the states' ability to protect the public from future harms like the opioid crisis and allows the Sacklers to evade justice without paying sufficient compensation to the public and victims.

The appeal, filed in *In re Purdue Pharma: State of Maryland v. Purdue Pharma, et al.*, is currently expected to be heard by the United States District Court for the Southern District of New York, sitting in White Plains, New York.

<https://www.marylandattorneygeneral.gov/press/2021/091621.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Attorney General Frosh Joins Multistate Coalition in Urging Department of Education to Fix Broken Public Service Loan Forgiveness Program

***Department of Education Has Denied Nearly All PSLF/TEPSLF Applications
Submitted to Date***

BALTIMORE, MD (September 24, 2021) – Maryland Attorney General Brian E. Frosh today joined a coalition of 22 attorneys general in urging the U.S. Department of Education (ED) to take robust action to fix the broken Public Service Loan Forgiveness (PSLF) program. Since borrowers first became eligible for relief in 2017, almost all PSLF applications have been rejected, leaving millions of public servants in the lurch.

Under the promise that a portion of these loans would eventually be forgiven, teachers, nurses, public interest attorneys, social workers, first responders, servicemembers, and others incurred significant student loan debt in order to gain the skills necessary to educate, heal, and protect our communities. In today's [letter](#), the coalition applauds ED's commitment to improving implementation of the PSLF program and urges ED to act quickly to fix the failures in the program's administration.

"Teachers, nurses, first responders, and others were promised student loan forgiveness for their public service. But, mismanagement of the PSLF program resulted in a shockingly high number of rejections," said Attorney General Frosh. "The Education Department should move quickly to fix this program, so that these workers get the relief they are due."

A bipartisan Congress created the PSLF program in 2007 to encourage student loan borrowers to enter public service jobs in return for forgiving the remaining balance of their federal student loans after ten years of on-time loan payments. When the first wave of borrowers applied for loan forgiveness in 2017, ED denied applicants at the alarming rate of 99 percent. In 2018, a bipartisan Congress gave ED a second chance to deliver on PSLF's critical promise by creating the Temporary Expanded Public Service Loan Forgiveness (TEPSLF) program. Despite this emergency fix, relief continues to be out of reach for nearly all who apply. To date, ED has denied 96% of TEPSLF applications.

Drastic action by ED is required to make the promise of PSLF forgiveness a reality for the nation's dedicated public servants. State attorneys general have a unique perspective on how to improve administration of PSLF/TEPSLF resulting from their experience investigating and

holding student loan servicers accountable for violating the law, including misadministration of the PSLF/TEPSLF program. In today's comment letter, the attorneys general urge ED to:

- Provide immediate relief to borrowers who have been harmed by the misadministration of the PSLF/TEPSLF program;
- Improve servicer oversight and accountability by carefully selecting a new servicer that will be responsive to borrowers and creating new incentives and operating procedures that put borrowers first;
- Extend the pause on payments on student loans that started in response to the COVID-19 pandemic;
- Conduct broad outreach to all borrowers potentially interested in forgiveness, including those who have yet to apply and those who have already received denials; and
- Affirmatively correct errors discovered for all affected borrowers.

Attorney General Frosh is joined by the attorneys general of California, Colorado, Connecticut, Delaware, the District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, North Carolina, Oregon, Rhode Island, Vermont, Virginia, and Washington in filing the letter.

<https://www.marylandattorneygeneral.gov/press/2021/092421a.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Attorney General Frosh Announces Settlement with Just Puppies and Company's Owner

Just Puppies of Maryland, Inc., Just Puppies, Inc., and Mitchell Thomson Agree to Refund Payments for Sick Dogs, Pay Civil Penalties, and Ban on Selling Dogs in Maryland

BALTIMORE, MD (October 15, 2021) – Maryland Attorney General Brian E. Frosh announced today that his Consumer Protection Division has reached a [settlement](#) with Just Puppies of Maryland, Inc., Just Puppies, Inc., and Mitchell Thomson, the companies' owner (Just Puppies) concerning their sale of puppies to consumers that the Division alleged violated the Consumer Protection Act and the No More Puppy Mills Act. The settlement prevents Just Puppies from selling dogs in Maryland, provides restitution to Maryland consumers who purchased puppies that had a congenital disorder or hereditary condition or illness at the time of purchase, and imposes civil penalties.

The Division alleged that Just Puppies sold puppies after January 1, 2020, when the "No More Puppy Mills Act" banned these sales in Maryland. The Division also alleged that for some of Just Puppies' sales, the companies and their owner violated the Consumer Protection Act by misleading consumers about their relationship with the breeders from which they acquired their puppies. The Division also alleged that Just Puppies of Maryland, Inc. and Thomson violated the Consumer Protection Act when they continued to sell puppies even after the City of Rockville revoked the store's pet shop license.

"This settlement resolves allegations that Just Puppies and its owner violated laws intended to protect animals from irresponsible breeding and mistreatment," said Attorney General Frosh. "Consumers who were misled by Just Puppies and purchased sick dogs will get their money back or receive compensation to help pay for their pet's care."

In the settlement, Just Puppies agreed to refund payments made by Maryland consumers that purchased dogs with certain conditions since January 1, 2020, or pay for treatment of certain conditions. The settlement also requires Just Puppies to pay a civil penalty of \$500,000. If the company complies with all other terms of the settlement and pays \$100,000, the remaining penalty could be waived.

Consumers who are eligible for refunds will be contacted by the Attorney General's Office. Consumers may also contact the Attorney General's Consumer Protection Division at 410-576-6569 with questions.

<https://www.marylandattorneygeneral.gov/press/2021/101521.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Report: Health Education and Advocacy Unit Saves Nearly \$2.8 Million for Patients, Maryland Consumers
Annual Report Reveals More than Half of Carrier Denials Are Overturned or Modified When Consumers Seek HEAU Assistance

BALTIMORE, MD (November 4, 2021) – Maryland Attorney General Brian E. Frosh announced today that the Health Education and Advocacy Unit (HEAU) within the Consumer Protection Division of the Office of the Attorney General closed 1,642 cases in Fiscal Year 2021, assisting patients in saving or recovering nearly \$2.8 million, including nearly \$2.2 million in appeals and grievances cases. The information was included as a part of the comprehensive [Annual Report](#) on the Health Insurance Carrier Appeals and Grievances Process that must be submitted to the General Assembly each year.

The HEAU offers mediation services to consumers who have billing or other business-related disputes with their healthcare providers or coverage disputes with their health benefit plans. The Unit also helps consumers who have been denied enrollment in a Qualified Health Plan or denied Advanced Premium Tax Credits or Cost-Sharing Reductions by Maryland Health Connection, Maryland’s health insurance marketplace.

“When coverage for health care is denied, it can exact an enormous financial and emotional toll on Maryland consumers and in some cases, deprive patients of lifesaving treatment,” said Attorney General Frosh. “We urge consumers to contact our HEAU for assistance when coverage for their care is denied. The HEAU provides a vital service to Marylanders who otherwise may have no recourse when denied health services or coverage.”

The HEAU Annual Report reflects that denials of coverage happen routinely without challenge. In fact, consumers challenged less than 10 percent of adverse decisions in FY 2021, although many carriers increased the number of adverse decisions issued in FY 2021 over FY 2020.

In one case mediated by the HEAU, a 12-year-old child with growth hormone deficiency was denied treatment for a fourth year, after the insurer had covered the treatment for the preceding three years. Because the cost of the human growth hormone injections is prohibitively expensive, paying out-of-pocket was not an option for this family. The HEAU intervened and the insurer’s denial was overturned on appeal, saving the family over \$96,000.

In another case, a 22-year-old woman who needed specialized arthroscopic hip surgery was denied a pre-authorization for an out-of-network surgeon to perform the surgery. Her HMO denied the authorization, claiming that expertise was available in-network. The HEAU prepared an appeal challenging not only the availability of an in-network provider with the necessary surgical expertise, but also challenging the geographic proximity of in-network expertise, if any. With the HEAU's involvement, the HMO overturned its denial and covered the cost of the specialized surgery with the out-of-network provider.

The HEAU also assists consumers faced with surprise medical bills, which has been a persistent problem for consumers both in Maryland and nationally. Fortunately, the recently enacted No Surprises Act establishes new protections from surprise billing and excessive cost sharing for consumers receiving health care items and services in emergency situations and at in-network facilities. The Act's protections become effective on January 1, 2022.

In one recent example of the HEAU assisting a consumer with surprise billing, a woman was traveling overseas and suffered a severe injury while scuba diving. Only one provider within 600 miles was able to provide the specific treatment she needed to avoid permanent neurological damage. Although the consumer obtained initial approval from her insurance carrier for treatment, she received a bill for over \$12,000. With the HEAU's involvement, the carrier agreed to increase its reimbursement to the provider and the provider agreed not to balance bill the consumer, saving her over \$11,000.

Also in FY 2021, the HEAU continued to receive complaints from consumers about health care providers charging insured consumers personal protective equipment/infection control fees related to the COVID-19 public health emergency. The HEAU had conducted outreach in FY 2020 informing providers that these fees were likely prohibited, and if they were permitted, must be disclosed to patients in advance. The HEAU has recovered tens of thousands of dollars for consumers who should not have had to pay these fees.

Of the cases closed by the HEAU in FY 2021, 551 were appeals and grievances-related cases. The HEAU mediation process resulted in health plans' original denials being overturned or modified 52 percent of the time. When the original denial is not overturned or modified, the HEAU is often able to negotiate a reduction in the billed fee from the provider, and set up reasonable payment plans for consumers.

Copies of previous years' reports can be found [here](#).

Consumers seeking assistance from the Health Education and Advocacy Unit can call the Unit's Hotline at 410-528-1840 (en español: 410-230-1712) or file a complaint online at www.MarylandCares.org.

<https://www.marylandattorneygeneral.gov/press/2021/110421.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Attorney General Frosh Offers Consumers Tips for Safe Shopping and Charitable Donating This Holiday Season

BALTIMORE MD (November 24, 2021) – The unofficial holiday shopping season begins on Friday, although many retailers have been offering “Black Friday” deals for some time already. If you’re looking forward to more Black Friday, Small Business Saturday, and Cyber Monday deals, Maryland Attorney General Brian E. Frosh is offering these tips to help you avoid scams, fraudulent products, and exposure to computer or smart device malware, especially if you’re planning to shop online.

Be sure the website on which you’re entering payment information is secure. You should never send personal information or payments through a website if the address does not begin with “https”—the “s” at the end means that your confidential information is secure.

Be wary about clicking on ads found in emails, on a third-party website, or on social media. Scammers frequently lure consumers through social media or emails to fake websites, which are set up to steal personal and/or financial information, or could release malware into your computer.

Avoid paying online retailers with gift cards, wired funds, or by sending cash. If possible, use a credit card to make your online purchases. If you have a dispute with the retailer, the credit card company may help you resolve it.

Research the retailer. Check online reviews to see if the retailer has a good reputation and satisfied customers. Is there an easy way to contact customer service if you have any problems? If not, you may want to consider another retailer.

Purchase gift cards only from reputable sources. Cards sold by individuals or at auction sites often turn out to be stolen or counterfeit. Buying gift cards directly from the business is always a safe option. Pop-up ads, text messages, emails, or social media posts offering free gift cards could be scams attempting to steal your personal information, release malware, or otherwise get you to disclose your financial information.

If you’re shopping in-person this year, there are other ways to protect yourself and make smart shopping choices.

Check the retailer’s refund policy. A retailer is allowed to set its policy for returns or exchanges, as long as it posts the policy or prints it on the receipt. The refund rule says that if a store imposes limitations on refunds or returns, the merchant must disclose its policy in writing so consumers are aware of the policy before making their purchases. This rule does not apply to foods and perishable goods or merchandise that was custom-made for the buyer or custom-altered.

Buying an “experience” gift? Read any contracts carefully. If you are purchasing a service that requires a contract for a gift, find out if you are able to cancel the contract if it’s not used, and what penalties, if any, you will incur for canceling. Be aware that some contracts will automatically renew at the end of the initial period, unless you tell the company within a certain period of time that you don’t wish to renew.

Should you avoid “going out of business” sales? Not necessarily, but you may be unknowingly purchasing lower quality merchandise and it may not actually be the bargain you think it is. It pays to comparison shop in this case, because the item you’re considering may actually be available at a lower price somewhere else. And if the sales are final, which they often are during going out of business sales, you will not be able to return or exchange it.

Remember, if something you purchase doesn’t work, you can return it. Even if a store posts a “no refunds, no exchanges” policy, in Maryland your purchase is covered by an implied warranty—a guarantee that the item works when you buy it. If you purchase a defective item, contact the seller first. If they refuse to refund or replace your merchandise, contact the Consumer Protection Division.

Many consumers also make generous donations to charities during the holiday season. This is also a prime time for crooks to take advantage of that generosity. Before donating, check to see if the charity in which you are interested is registered with the [Maryland Secretary of State’s Office](#). Several websites (such as GuideStar and Charity Navigator) provide information on an organization’s financials, mission statements, and more. This may help you decide how to allocate your giving. Bogus charities frequently use names and logos that resemble well-known, legitimate organizations. These charities often surface during national emergencies, such as the current COVID-19 pandemic. Read more about charitable donations in our [“Keeping Your Eyes Open When Donating to Charities”](#) Consumer’s Edge.

For additional information about safe online shopping, read our [“Smart Shopping from Home”](#) Consumer’s Edge. The Maryland Attorney General’s Office offers free publications, including the Consumer’s Edge, to educate consumers. A full list of publications can be found at <https://www.marylandattorneygeneral.gov/Pages/CPD/Tips-Publications/edunit.aspx>. Consumers are encouraged to download, reproduce, and share these publications.

Finally, please join Attorney General Frosh and AARP-Maryland on Wednesday, December 1, 2021, at 12:00 pm for a virtual consumer forum: Spotting and Avoiding Holiday Season Scams, streaming live on Facebook and YouTube. The audience will be able to pose questions to the speakers during the second half of the forum. Links to the forum will be posted on the Attorney General’s Twitter and Facebook pages.

<https://www.marylandattorneygeneral.gov/press/2021/112421.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Consumer Protection Division's Mediation Unit Helped Recover \$2 Million for Consumers in Fiscal Year 2021

Mediators Assisted More Than 8,000 Individuals Resolve Disputes with Businesses and Service Providers

BALTIMORE, MD (December 14, 2021) – Attorney General Brian E. Frosh today announced that the Mediation Unit of the Office of the Attorney General's Consumer Protection Division assisted more than 8,000 individuals who filed complaints with the Division, and helped reclaim over \$2 million on behalf of those consumers in Fiscal Year 2021.

“Our office is here to help with complaints against businesses and provide consumers with the tools to make informed decisions and advocate for themselves in the marketplace,” said Attorney General Frosh. “The pandemic has changed the way many of us shop and contract for various services, but consumers must still be treated fairly and businesses must act lawfully. If you have a complaint and can't resolve it on your own, our Consumer Protection Division may be able to assist.”

The Mediation Unit helps Marylanders who believe they have been misled, scammed, or otherwise treated unfairly by a business or service provider. Trained volunteer advocates and professional mediators work with the parties to mediate and resolve complaints.

In addition, the Division's Identity Theft Unit can help consumers protect themselves and their families against identity theft, and it can help victims take the steps necessary to recover their financial standing. Identity theft is increasingly common, especially in the fast-paced digital world we live in, but taking preventive measures can help reduce the chances of becoming a victim.

To file a complaint against a business with the Mediation Unit, visit www.MarylandAttorneyGeneral.gov. For questions or other assistance, call the Mediation Unit hotline at 410-528-8662 or email consumer@oag.state.md.us. The Identity Theft Unit can be reached at IDTheft@oag.state.md.us or 410-576-6491. The Division's Spanish hotline is 410-230-1712.

<https://www.marylandattorneygeneral.gov/press/2021/121421.pdf>



BRIAN E. FROSH, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

Statement of Attorney General Frosh on Purdue Bankruptcy Decision

BALTIMORE, MD (December 16, 2021) - Maryland Attorney General Brian E. Frosh released the following statement following a federal judge's ruling overturning the illegal releases of the State of Maryland's opioid-related police power claims against members of the Sackler family.

"Today's ruling is a critical development that restores the State's ability to protect the safety of Marylanders by holding fully accountable those who created or contributed to the opioid crisis, particularly members of the Sackler family. Maryland will continue to vigorously pursue justice and relief from the ongoing crisis of death and addiction created by the improper marketing of opioids."

<https://www.marylandattorneygeneral.gov/press/2021/121621.pdf>