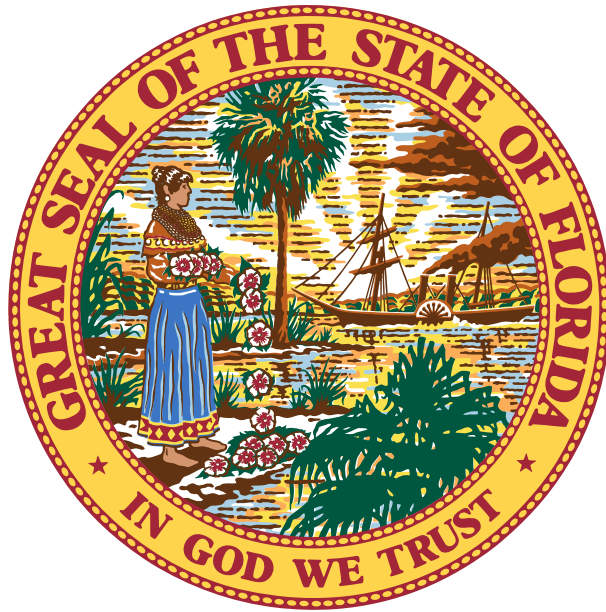


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# Year in Review



Office of Attorney General  
Charlie Crist

# Attorney General Contact Numbers

<b>TALLAHASSEE (area code 850)</b>	<b>TELEPHONE NUMBER</b>
Attorney General Main Number . . . . .	414-3300
Fraud Hotline (toll free in Florida) . . . . .	866-966-7226
Capitol Office . . . . .	245-0140
Cabinet Affairs . . . . .	245-0145
External Affairs . . . . .	245-0155
Citizen Services . . . . .	414-3990
Communications . . . . .	245-0150
General Counsel/Open Government Programs. . . . .	245-0157
Legal and Administrative Services. . . . .	414-3300
Administrative Law . . . . .	414-3300
Administrative Services . . . . .	414-3300
Antitrust . . . . .	414-3600
Capital Litigation . . . . .	414-3300
Child Support Enforcement . . . . .	414-3400
Criminal Appeals . . . . .	414-3300
Criminal Justice Programs . . . . .	414-3360
Economic Crimes. . . . .	414-3600
Eminent Domain . . . . .	414-3300
Ethics. . . . .	414-3300
General Civil Litigation Division. . . . .	414-3300
Inspector General . . . . .	414-3300
Legislative Affairs . . . . .	245-0155
Lemon Law . . . . .	414-3500
Medicaid Fraud Control Unit. . . . .	414-3600
Opinions . . . . .	245-0158
Revenue Litigation (Tax) . . . . .	414-3300
Solicitor General . . . . .	414-3300
Statewide Prosecutor . . . . .	414-3700
Victim Advocacy/Grants Management . . . . .	414-3300
Victim Compensation . . . . .	414-3300
Fort Lauderdale Office . . . . .	954/712-4600
Orlando Office . . . . .	407/999-5588
Tampa Office . . . . .	813/287-7900
West Palm Beach Office . . . . .	561/837-5000

June, 2006

To the people of Florida:

A year ago, in a reference to the previous hurricane season, I began our Annual Report by observing that "Florida experienced a year like no other in 2004." It certainly didn't take long for us to match that extraordinary mark, as the 2005 season was just as active. Our state has now endured eight named storms in just two years, a true testament to the resiliency of Florida's residents and the public agencies dedicated to helping them.

The Attorney General's Office has played a significant role in assisting Floridians through these storms. Pushed by citizen concerns over price gouging and other hurricane-related matters, our Fraud Hotline fielded more than 78,000 calls in 2005. During the past two record-setting hurricane seasons, we have initiated 81 formal investigations, filed 17 price gouging lawsuits and recovered more than \$1 million in restitution or reimbursements for Florida consumers.

When we established the Hotline in January 2003, it was impossible to know that it would prove to be an early indicator of the importance technology would play in our efforts to help the people of Florida. In 2005 we greatly expanded on our use of technology to help the public, including: establishment of a website to help consumers find the best local price on prescription medications; enhancement of another website that helps parents find the location of sexual predators or sex offenders who might threaten their children; creation of a consumer alert newsletter to inform citizens of new scams; and creation of our Child Predator CyberCrime Unit, a team of investigators and prosecutors committed to bringing to justice individuals who prey on children or pollute the internet with images of child pornography.

Working with Governor Jeb Bush and the Legislature, we implemented new safeguards for our citizens. We worked together to enact a new price gouging law requiring that all vendors who sell goods and services during a declared state of emergency must possess a valid occupational license, and we passed the Freedom to Worship Safely Act increasing penalties for violent crimes committed on the property of a religious institution when the victim is there for religious services.

We continued to make important progress in such areas as reducing Medicaid fraud, keeping criminals behind bars, protecting our seniors, stopping domestic violence, cracking down on antitrust and other economic crimes, ensuring civil rights and keeping Florida's government open to the public.

This publication documents many of the key successes of 2005, none of which would have been possible without the dedication of the 1,100 public servants who serve the people of Florida at the Attorney General's Office. Their efforts make a real and meaningful difference in the lives of Floridians, and I am proud to serve with them and highlight their accomplishments in this Year in Review 2005.

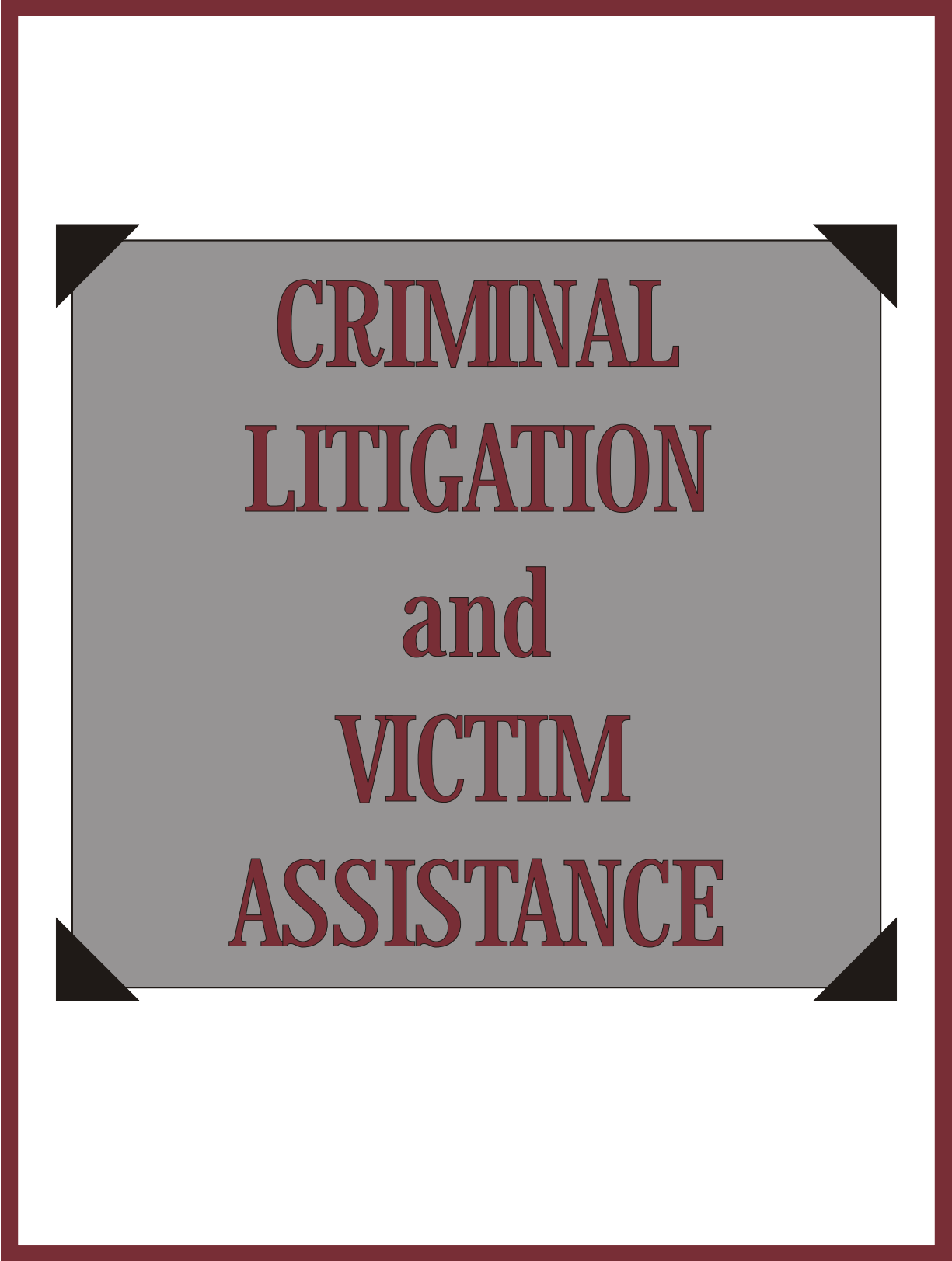
Sincerely,

A handwritten signature in black ink that reads "Charlie Crist". The signature is written in a cursive, flowing style.

Charlie Crist  
Attorney General

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**CRIMINAL  
LITIGATION  
and  
VICTIM  
ASSISTANCE**



## Criminal Appeals Division

The Attorney General is the chief legal officer for the State of Florida and represents the people of Florida when criminals appeal their convictions in state and federal courts. The most complex of these criminal appeals involves capital murder cases, in which defendants have committed first-degree murder and the death sentence is imposed. All capital murder cases are appealed to the Florida Supreme Court, and a separate statewide Capital Appeals Bureau exists to handle these special cases. On average, Florida houses more than 371 inmates on Death Row. In all other cases, the Attorney General's Office handles felony appeals, ranging from basic sentencing guidelines cases to other non-capital murder cases in the District Courts of Appeal, as well as habeas corpus litigation in federal trial and appellate courts. More than 10,000 of these appeals are litigated per year.



In 2005, a total of 237 capital criminal cases were active in the Criminal Appeals Division, along with 19,461 active non-capital cases. The Office of the Attorney General also handled a total of 131 active sexual predator commitment appeals during the same period.



## Office of Statewide Prosecution

The Office of Statewide Prosecution was created by a constitutional amendment approved by Florida voters in 1986. The Office was established to pursue organized criminal activity that takes place in more than one judicial circuit. The Statewide Prosecutor is

appointed by the Attorney General for a four-year term that coincides with that of the Attorney General. The mission of the Office of Statewide Prosecution is to investigate and prosecute multi-circuit organized crime and to assist other law enforcement officials in their efforts against these crimes – which include, among others, health care fraud, bribery, burglary, extortion, kidnaping, theft, murder, robbery, carjacking and racketeering, as well as conspiracy to commit any of these crimes. Cases handled by the Office generally fall into three categories: 1) fraud against the government; 2) large-scale consumer fraud, and 3) violent offenses. The Statewide Prosecutor and his or her assistants also serve as legal advisors to the Statewide Grand Jury.

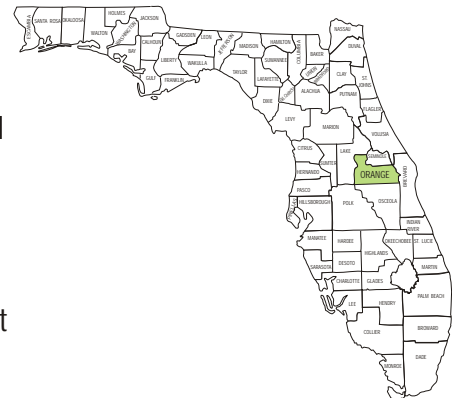
During 2005, the Office of Statewide Prosecution opened a total of 512 complex criminal investigations, including 294 filed cases, and obtained a conviction rate of 97%. Total amount of victim restitution assessed by the Office for the year was \$19,407,203. Additional fines and costs assessed amounted to \$5,878,751. Through December 2005, Statewide Prosecution had 731 active cases.

## 2005 Highlights

- In the largest known state prosecution of its kind, the Office of Statewide Prosecution led efforts to investigate charges that they operated “pill mills.” The defendants’ orders for powerful controlled substance medications without prescriptions. Investigators seized more than 650,000 pills, and the Office’s efforts also resulted in the forfeiture of more than \$2.2 million in cash and property.



- A 65-year-old Lake Worth man used identities of living and deceased patients and doctors to make over 50 fraudulent claims against a settlement fund that was established by the Attorney General’s Office to reimburse cancer patients for inflated costs of the drug Taxol. Agents also discovered that the man had filed as much as \$120,000 in false unemployment claims while committing fraud against Florida’s unemployment benefits agency, the Agency of Workforce Innovation. The Office of Statewide Prosecution successfully argued in court for full restitution for the State of Florida.
- Statewide Prosecution helped put a stop to an Orlando criminal organization distributing the drug GHB – often known as “the date rape drug” – to area nightclubs, college students and other lower-level distributors. An investigation led to the seizure of more than 110 kilograms of a chemical that was destined to be processed in labs into triple that amount of GHB, or Gamma Hydroxybutyric acid. An additional 55 kilograms (13 gallons) of processed GHB was also seized. The chemicals seized at the five GHB labs could have created 190,000 doses of GHB with a potential street dosage value of more than \$2 million. The Orlando organization had connections that reached to Fort Lauderdale, Jacksonville and Largo.
- In November 2005, an Orlando jury convicted a Georgia woman for using another person’s identity to steal more than \$2.5 million from that individual and financial institutions. The 67-year-old woman was sentenced to 30 years in prison. A joint investigation by the Office of Statewide Prosecution and the Orange County Sheriff’s Office revealed that the woman obtained a bogus driver’s license and other fraudulent documents to obtain two mortgages on the victim’s property in amounts of \$350,000 and \$2.3 million. She had large portions of the money wired to an account in the Cayman Islands that had been opened in the victim’s name, then transferred the funds to her own account and attempted to use the proceeds to buy other properties in the Gainesville area.







## Seniors vs. Crime Project

The Seniors vs. Crime Project was established in 1989 following a legislative task force report on crimes against the elderly.

Seniors vs. Crime was incorporated as a non-profit organization designed to help prevent victimization of senior citizens through



education and creatively involving seniors in their own protection. A key component of the project is the use of trained volunteers known as "Senior Sleuths," who assist law enforcement and the Attorney General by acting as extra sets of "eyes and ears" around the state. More than 2,600 Florida seniors participate in the Senior Sleuth program by reporting new scams or unethical sales tactics, participating in covert investigations of unfair or illegal business practices, or volunteering to staff special offices known as Senior Storefronts. The Storefronts serve as a kind of "one-stop shopping" facility where a senior may come in to file a complaint or receive help from a Senior Sleuth. The Storefront program has expanded significantly in recent years, growing from just 10 Storefronts at the end of 2003 to 28 at the end of 2005.

Volunteers at Storefronts logged 2,179 complaints in 2005, with workable cases totaling 1,676. A total of 592 were resolved by a recovery of money, 730 were resolved to the complainant's satisfaction, and 264 were referred for criminal investigation resulting in 83 arrests. Senior Sleuths serving at Storefronts resolved approximately 78% of all workable cases in 2005 by either obtaining a recovery or resolving the issue to the complainant's satisfaction. Storefront Sleuths recovered \$901,979 for seniors, and saved seniors an additional \$954,715 that would have been lost without Seniors vs. Crime intervention (such as a contractor returning to finish a job properly).



## Victim Services

The Division of Victim Services and Criminal Justice Programs provides financial and direct services to victims of crime, administers federal grants to fund victim services at the local level, and provides comprehensive training for law enforcement and associated professionals. Within the Division, the Bureau of Advocacy and Grants Management provides victim advocacy, notifies crime victims about appellate court actions affecting their cases, provides crisis response training and coordination and administers federal VOCA (Victims of Crime Act) assistance grants. The Bureau of Criminal Justice Programs provides statewide public education and training programs for law enforcement personnel, school resource officers, victim advocates and others, dealing with crime prevention initiatives, school-based officer programs, victim advocacy and related criminal justice areas. The Bureau also administers the Convenience Business Security Act as well as Crime Stoppers and Urban League grants, and also sponsors the annual National Conference on Preventing Crime in the Black Community. The Bureau of Victim Compensation processes various types of claims – including those for victim compensation, recovery of property loss, domestic violence relocation assistance and sexual assault forensic examinations – and determines eligibility for claims against state institutions for property loss or damages.

### 2005 Highlights

- The Bureau of Victim Compensation received 22,323 claims and paid a total of \$21,411,135 for crime victims. This includes 17,175 victim compensation claims (\$17,266,569 paid); 3,647 domestic violence relocation assistance claims (\$2,595,569 paid); 1,591 property loss claims (\$362,073 paid), and 5,148 claims for payment of the initial forensic examination for victims of sexual offenses

(\$1,186,924 paid). Combined average processing time from the initial receipt of a claim to a determination of eligibility was 19 days, and checks were mailed within an additional 13 days. The bureau also received 356 claims, and approved 271, under the State Institutions Claims program. Staff processed 21,105 incoming calls to a toll-free bilingual information and referral service, which gives crime victims access to assistance regarding victim compensation, the criminal appeals process and local victim services.

- Through the coordination of the Office's crisis response teams, immediate assistance was provided for 39 community crisis incidents using 6,438 volunteer hours during the last six months of 2005. The Attorney General's crisis response director assembled teams to assist in relief efforts associated with Hurricanes Katrina and Rita in Alabama, Mississippi and Louisiana. In addition, the director conducted 17 training programs in which 555 Florida citizens learned how to assist local emergency officials in responding to the needs of their communities.

- The Office awarded \$2.8 million to 27 Crime Stoppers organizations serving 50 Florida counties. The primary objective of the Crime Stoppers program is to provide a mechanism for the public to anonymously provide information relating to unsolved crimes. The Attorney General's Civil Rights Office and the Florida Association of Crime Stoppers jointly offered a \$25,000 reward for information leading to the arrest of those responsible for the 1951 murders of Florida civil rights pioneers Harry T. and Harriette Moore.



- Through the Victims of Crime Act (VOCA) grants program, the Office awarded 228 grants totaling \$17.9 million to victim assistance agencies throughout the state. The grants allowed services to be provided to more than 212,727 crime victims. Separately, funds were provided to the Florida Department of Health/Children's Medical Services and the University of Miami Child Protection Team to develop and coordinate streamlined services to assist child victims of sexual abuse in the Florida Keys through the use of telemedicine. This project will increase the availability of services to child victims and eliminate the need for children to travel from the Keys to Miami to receive services. The Office also partnered with the Florida Coalition

Against Domestic Violence to develop a curriculum and an “indicators of abuse” tool to assist in identifying and providing services to persons with disabilities who are also victims of domestic violence.

- The Attorney General’s Office honored law enforcement officers with several statewide awards. In 2005, the Office recognized 14 outstanding finalists for the Attorney General’s Law Enforcement Officer of the Year Award, culminating in the selection of Officer Chuck Perry of the Tallahassee Police Department for the top honor. The School Resource Officer of the Year Award was presented to the entire SRO unit of the Charlotte County Sheriff’s Office, during a recognition ceremony at the annual Florida Association of School Resource Officers conference in July. The Crime Prevention Practitioner of the Year Award was presented on behalf of the Attorney General to Officer Dottie Burkett, an Elder Services Officer with the Seminole County Sheriff’s Office, at the annual Florida Crime Prevention Association conference in October.
- The Bureau of Criminal Justice Programs conducted 75 training courses providing 1,985 hours of classroom training to 4,779 participants representing law enforcement, school resource officers, victim advocates, allied professionals and interested citizens. The Bureau awarded 508 designations as crime prevention practitioners.
- The Office co-hosted the 20th Annual National Conference on Preventing Crime in the Black Community, held in June 2005 in Tampa. Approximately 2,100 attendees were able to exchange ideas and successful strategies for dealing with crime issues associated with minority communities.
- The Convenience Business Security Act is designed to prevent violent crimes and protect employees and customers at late-night convenience businesses. The Office processed 74 convenience store violations and 217 contacts with law enforcement and convenience store officials.







## Administration and Technology

The Division of Administration and Technology provides support to all divisions of the Attorney General's Office including policy development, budgeting, finance and accounting, office leasing, records and document management, telecommunications, procurement and contracting, printing and duplication, human resources, training services and coordination, information technology and litigation support.

Cost savings, cost avoidance, enhanced productivity and efficiency strategies continued to be the hallmark for administrative activities during 2005, producing savings of almost \$500,000.

### 2005 Highlights

- The Division oversaw efforts to save taxpayer dollars through cost-reduction initiatives and efficiency enhancements. For the third straight year, the Attorney General's Office reduced travel expenditures, spending \$308,000 less than the previous year by selecting low-cost hotel rooms and airline tickets, utilizing teleconferencing in lieu of travel whenever possible, and driving to destinations rather than flying whenever possible. The Office also continued its policy of first attempting to locate good quality surplus government office furniture rather than purchasing new furniture, resulting in a savings of at least \$25,000. In addition, the Office took advantage of volume discounts in the purchase of office equipment and supplies, resulting in documented savings of \$13,300 for the purchase of copy paper, \$40,000 for cellular phones and \$2,600 for pagers. Improvements in the efficient use of existing office space and subleases in the Central Florida region produced savings of approximately \$67,426.

- Improved monitoring, analysis and staff training resulted in improvements in the timely payment of invoices. State agencies are required to pay interest on invoices that are not paid within statutorily required time frames, and the Attorney General's Office avoided most such interest payments by improving from a successful payment rate of 88 percent to a high of 98 percent by the end of 2005.



- Early in 2005, the Information Technology Web Development team completed a re-design of the Attorney General's Office website (<http://myfloridalegal.com>), enhancing the website's usefulness and making it closely integrated with other systems used by the agency. The Web

Development team also created the Florida Prescription Drug Price website (<http://MyFloridaRx.com>), a sophisticated tool that makes it easy for citizens to comparison shop for the lowest prescription drug prices in their community. Not operational until the middle of 2005, the website was visited by 137,749 internet users during the year. The Web Development team also developed a subscription-based newsletter, Consumer Alerts, to keep consumers informed of harmful scams and to deliver price gouging warnings during states of emergency, and an improved Sexual Predator Search to assist parents and other citizens in learning the locations of registered sex offenders.

- A project to save money and increase efficiency by creating electronic versions of documents reached full capacity during 2005. Correspondence from citizens and compensation information from crime victims is now scanned and routed electronically, speeding responses and payments to eligible recipients. Legal case documents are digitally numbered and managed electronically, saving considerable staff time compared to previous manual processes. The Office continues to image all incoming closed files, which previously would have been warehoused with storage fees incurred. Staff scanned 7,444,039 images in 2005, avoiding the need to store approximately 4,100 boxes of paper files. Electronic imaging took a further step forward in 2005 through the imaging of active litigation files, providing legal staff

with an enhanced capability to perform research, analysis, and advanced searches on active cases. Additionally, the agency's ability to respond to public records requests and to catalog legal documents electronically saved the department almost \$11,000 in staff time and resources.

- Following recommendations outlined in the Policy Review Practices Report and the 2005 Training Committee Report, the Attorney General's Office hired a full-time Training Director in 2005. The result was a series of action plans for the implementation of: (1) a new employee orientation program; (2) an agency-wide training survey to determine current and projected short-term training needs; and (3) a mission statement, objectives and strategic goals for a future Bureau of Training and Professional Development.
- The Attorney General's Office took numerous steps to enhance the staff productivity through more efficient technology in 2005. Refinements, upgrades and enhancements to technology equipment and software resulted in savings of \$30,662 as compared to the previous year. At the same time, the agency added features to its primary internal communication system (email), including upgrades that give more employees access to the agency's computer systems from remote non-office locations. Improvements made it possible for Information Technology staff to install upgrades and run diagnostic software without necessarily having to touch every work station, thereby saving the expense of countless hours of staff time.



## Office of Cabinet Affairs

In addition to his duties as the state's chief legal officer, the Attorney General serves as a member of the Florida Cabinet. Cabinet Affairs staff advised the Attorney General on all matters pertaining to his constitutional and statutory role as a member of the Cabinet.



These roles include his participation with the:

- State Board of Executive Clemency
- State Board of Administration
- Division of Bond Finance
- Department of Veterans' Affairs
- Department of Highway Safety and Motor Vehicles
- Department of Law Enforcement
- Department of Revenue
- Administration Commission
- Florida Land and Water Adjudicatory Commission
- Electrical Power Plant and Transmission Line Siting Board
- Board of Trustees of the Internal Improvement Fund
- Financial Services Commission

## 2005 Highlights

- On June 1, 2005, the Governor and Cabinet, sitting as the Board of Trustees of the Internal Improvement Trust Fund, settlement with Coastal Petroleum the threat to Florida's coastline. The state had dealt for several that Coastal would conduct oil and territorial waters, but the  approved a landmark Company putting to rest posed by the company. decades with the threat gas exploration in Florida's settlement extinguished all claims by Coastal Petroleum Company and Coastal Caribbean Oils & Minerals, Ltd. in exchange for a payment of \$12.5 million.

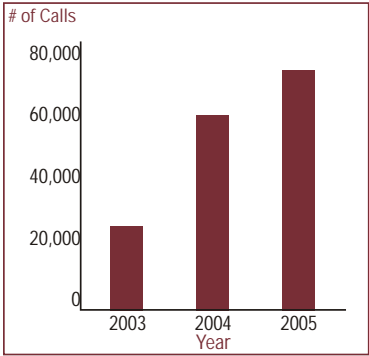
- During 2005, the Governor and Cabinet continued to enhance protection of Florida's priceless resources through land acquisition activities, approving contracts for the acquisition of approximately 123,450 acres at a cost of \$430,258,224. This included the acquisition of the Babcock Ranch property, the largest land acquisition for conservation purposes in Florida's history.
- As the State Board of Administration, the Governor and Cabinet oversaw the upgrading of the state's credit rating by all three rating agencies, a change that will save taxpayers money through a more favorable financial position. Standard & Poor's increased Florida's bond rating to AAA, FitchRatings increased to AA+ and Moody's upgraded Florida's rating for the first time in 34 years, to AA1. Factors cited by the rating agencies in support of the upgrades included the state's conservative budget and financial management, substantial reserves and strong economic trends.
- The total net asset value of funds managed by the State Board of Administration increased from \$134.2 billion to \$139.5 billion in 2005. The gain was propelled by a Florida Retirement System Pension Plan investment return of 10.18%, which added \$952 million in value to the FRS trust fund.



## Office of External Affairs

The Office of External Affairs was created in 2003, and charged with responsibility for the Communications Office, the Office of Citizen Services and the content of the Attorney General's internet website. External Affairs was created to ensure that the public, directly and through the news media, receives accurate and prompt service and information. This was an important advance in service to the public, as shown by the dramatic rise in the number of consumers reaching out to the Attorney General's Office to file complaints following the establishment of the Office of External Affairs.

## 2005 Highlights

- The Fraud Hotline completed its third year of operation in 2005. Created as a convenient tool for consumers to report possible scams or other examples of fraud, the Hotline has been a popular and useful resource for consumers. The number of calls received by Hotline personnel increased 22 percent, from 64,234 in 2004 to 78,326 in 2005. Through tips and complaints received on the Fraud Hotline, numerous investigations were opened and civil cases eventually were filed.
- 
- | Year | # of Calls |
|------|------------|
| 2003 | 25,000     |
| 2004 | 64,234     |
| 2005 | 78,326     |
- Whenever the Governor declares a state of emergency, the Attorney General's Office activates a toll-free hotline for citizens to call in reports of possible price gouging or other disaster-related problems. For the second year in a row, the price gouging hotline was extremely busy as Floridians coped with four significant hurricanes. The hotline assisted 4,107 citizens through the 2005 hurricane season, which included impacts from Hurricanes Dennis, Katrina, Rita and Wilma.
  - The Office of Citizen Services, which is responsible for the Attorney General's Office switchboard, incoming and outgoing correspondence and the Fraud Hotline, provided assistance in response to 78,326 telephone calls, 18,824 pieces of postal mail and 19,417 requests submitted via internet contact forms.
  - In July 2005, the Office of External Affairs launched a new service to deliver consumer alerts directly to those citizens who wish to receive them. The free subscription service emails Consumer Alerts directly to consumers within minutes of the time they are distributed to the news media, getting instant information to those consumers. An average of three Consumer Alerts per month were distributed to subscribers during the last five months of 2005, and by the end of the year 2,997 consumers were active subscribers to the service.

- The Communications Office worked with other state agencies to provide consumers with important information during the 2005 hurricanes. Consumer tips, locations of available resources and information for law enforcement were widely disseminated to the public, who benefitted from these cooperative efforts.



## Legal Opinions Division

Through the Opinions Division, the Attorney General, upon written request, provides written opinions to public officials on questions of law relating to the requesting officer's official duties. Attorney General's Opinions may also serve to provide written legal advice on questions of statutory interpretation and can provide guidance to public bodies as an alternative to costly litigation.

The Division is also responsible for the preparation of petitions to the Florida Supreme Court seeking advisory opinions regarding the legal sufficiency of citizens' initiatives to amend the Florida Constitution, and is available as a resource to state and local government officials for research and counsel in resolving complex legal issues. Formal opinions are published in the Annual Report of the Attorney General. Formal opinions since 1974 are available online at <http://myfloridalegal.com/opinions>.

### 2005 Highlights

- The Opinions Division prepared petitions to the Florida Supreme Court regarding seven citizen initiative petitions to amend the Florida Constitution. The initiatives dealt with sales tax exemptions, legislative and congressional redistricting, the tobacco education and prevention program, and the definition of marriage. In addition, the Attorney General's Office sent the court fiscal impact statements prepared by the Financial Impact Estimating Conference regarding the initiatives.

- As in most years, a significant number of opinions prepared by the Division in 2005 addressed issues of access to government records and meetings. The Office continues to provide assistance to state and local officials regarding the interpretation of the Government in the Sunshine and Public Records laws through the issuance of formal and informal opinions. In addition, Opinions Division staff presented several educational seminars on the requirements of these laws to various governmental officials and organizations.
- The severe 2005 hurricane season prompted a request for clarification of the applicability of military leave benefit provisions to groups of professional and para-professional medical personnel serving as members of federal disaster medical assistance teams. Separately, questions regarding the interpretation of new legislation generated requests for opinions on such topics as the scope of powers of the newly created Condominium Ombudsman and the constitutional amendment permitting slot machines at certain pari-mutuel facilities in Broward and Miami-Dade counties.
- Questions from Florida's law enforcement community led to opinions regarding the right of an officer to park a marked police vehicle in his home driveway and whether photographic evidence from unmanned cameras may be used to issue traffic citations to drivers who fail to obey red light indications on traffic signal devices.



## Office of Legislative Affairs

The Office of Legislative Affairs works with each division of the Attorney General's Office, as well as the Florida Legislature, the Governor's Office, state and local agencies and the private sector to ensure that legislation is adopted to benefit the public and aid the Attorney General in the execution of his duties as chief legal officer for the State of Florida.

## 2005 Highlights

During the 2005 legislative session, two of the Attorney General's highest priorities became law:

- In the aftermath of the four hurricanes that struck Florida in 2004, the Attorney General's Office received more than 8,000 complaints regarding price gouging throughout Florida. The state's existing price gouging laws made it illegal to rent or sell essential commodities or services for unconscionable prices, but often they were difficult to enforce because violators often went into the affected areas from other communities or from out of state and disappeared before they could be apprehended. The legislation enacted in 2005 provides that anyone who offers goods and services for sale to the public during a declared state of emergency must possess a valid occupational license. Violations became a second-degree misdemeanor punishable by up to 60 days in jail or a \$500 fine. The bill was signed into law by Governor Bush on June 22, 2005.



- Disturbed by an incident in which armed robbers burst into a church at the start of a service and threatened the parishioners while robbing them, the Attorney General proposed the Freedom to Worship Safely act. The measure increases penalties for crimes of violence committed on the property of a religious institution when the victim is on the property for religious services. The legislation was signed by the Governor on May 26, 2005.



## Office of Multi-State Litigation and Intergovernmental Affairs

The Office of Multi-State Litigation and Intergovernmental Affairs is responsible for Florida's joint enforcement and policy efforts with the attorneys general of other states, the U.S. Department of Justice and other state and federal government entities. The Office represents the Attorney General's views on complex enforcement issues and presents state and local perspectives in dealings with the federal government. Additionally, the Office of Multi-State Litigation often manages litigation matters in conjunction with the Attorney General's Economic Crimes Division, the Medicaid Fraud Control Unit and the Antitrust Division.

### 2005 Highlights

- On December 12, 2005, other states in reaching a DIRECTV, resolving and deceptive advertising television service settlement, DIRECTV



Florida was joined by 21 \$5-million settlement with allegations of misleading practices by the satellite provider. As part of the paid restitution to

consumers who were assessed unfair fees, received fewer services than they paid for or were deceived by DIRECTV's advertising and sales pitches. The company also agreed to ensure that its business practices treat consumers fairly and honestly. In particular, the settlement makes important changes in the company's marketing, billing and service practices. At the time of the settlement, some 170 Floridians had filed complaints against the company.

- As a result of a multi-state investigation, the Attorney General's Medicaid Fraud Control Unit and the U.S. Department of Justice recovered \$54.1 million on October 17, 2005, part of a nationwide Medicaid fraud settlement with a pharmaceutical

manufacturer that produces a drug used for treatment of AIDS patients. The settlement represented the largest damage award obtained by the state in the 40-year history of the Florida Medicaid program. The investigation examined allegations that Serono Laboratories provided kickbacks and other illegal inducements to pharmacies and physicians who purchased and administered the human growth factor, Serostim. The nationwide settlement totaled \$717 million.

- The Attorney General's Office led Florida's participation in a \$40-million national settlement with State Farm Mutual Insurance Company. Florida was one of the lead states in the negotiations, which aimed to compensate thousands of vehicle owners across the country. Affected motorists bought vehicles from State Farm after the company took title to the vehicles from policyholders due to damage or unrecovered theft. The titles to the affected vehicles did not properly indicate that they previously had been damaged or stolen. Eligible Florida motorists could receive refunds of up to \$20,000 under the agreement, and State Farm paid an additional \$1 million to the participating states for consumer education and other purposes.



## Open Government Programs

Florida's reputation as the "Sunshine State" is characterized by strong open government laws. The Florida Constitution and statutes establish the public's right of access to governmental proceedings and records. The Attorney General's Office provides a voluntary open government dispute mediation service intended to assist both the public and private sectors. Among the benefits of this service is the saving of tax dollars that may otherwise have been used to pay expensive legal fees and costs. The public interest is served through the preservation of the right to public access. Since the program's creation in the mid-1990s, hundreds of disputes between citizens and public agencies over access to governmental records or meetings have been settled without the need for litigation. The



Attorney General's Office provides annual statistics indicating the total number of mediated cases and cases resolved, the number of cases resolved in three weeks or less, and the total number of cases exceeding the three-week goal. Statistics for the 2005 calendar year include:

- Total number of mediation cases 124
- Total number of cases resolved 99 (80% of total)
- Total number resolved in 3 weeks or less 72 (73% of total)

The Attorney General's Office publishes several open government manuals and guides to assist both the public and governmental agencies, and also participates in numerous seminars and educational programs. Florida's strong open government laws – known as Sunshine Laws – are among the country's best, providing the public with a high degree of access. This message is conveyed through various publications and outreach efforts.



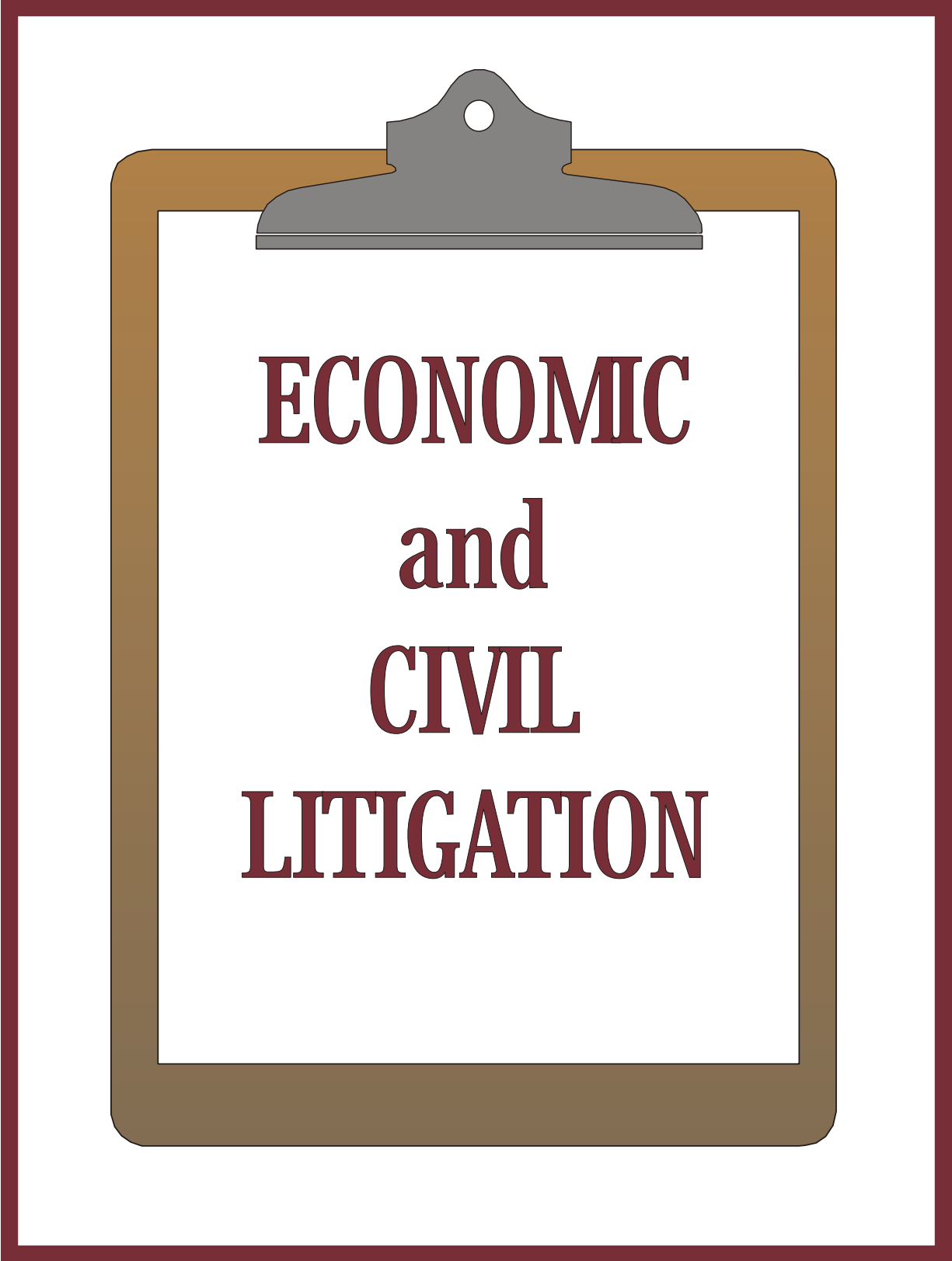
- In September 2005 at Ponte Vedra Beach, the Attorney General's Office convened Florida's first-ever Sunshine Summit, a gathering of government officials, media representatives and the general public. Participants held in-depth explorations of numerous issues related to open government and heard presentations by several of Florida's foremost authorities on open government and open records laws.
- The Government in the Sunshine Manual is published each year to serve as a guide for those seeking information about the requirements of open meetings and open records statutes. The manual is prepared by the Attorney General's Office and published by the First Amendment Foundation. The 2005 edition was the 27th volume of this annual publication.



- The Law Enforcement Public Records Guide is published annually to address the particular public records issues that law enforcement and prosecutorial agencies face on a regular basis. The 2005 edition was the 12th volume of this annual publication.
- Since 2001, the Legislature has required the Florida Commission on Ethics and the Attorney General's Office to provide training in ethics and open government laws for elected public officials and persons appointed to hold public office.

Some 115 public officials took these training courses in 2005, bringing the total to more than 800 since the program began. Online course materials covering Florida's Code of Ethics, the Sunshine Law and the Public Records Act are prepared by the Attorney General's Office and administered by the Florida State University Institute of Government.

- The Attorney General's Office makes numerous presentations on open government. Some are part of continuing legal education courses offered by the Florida Bar, while others involve briefings for newly appointed board members. Associations and government attorneys at the state and local levels also request open government presentations as part of their educational programs. Media organizations have also asked the Attorney General's Office to assist with educational programs on open government issues.



**ECONOMIC  
and  
CIVIL  
LITIGATION**



## Antitrust Division

The Antitrust Division is responsible for enforcing state and federal antitrust laws. The Division focuses on potential violations that may harm competition and adversely impact Florida's citizens, public entities or the public interest, such as bid-rigging, price-fixing and monopolization. In the past two decades, the Attorney General's Office has recovered more than \$230 million on behalf of consumers and state and local public entities.

During 2005, the Antitrust Division secured approximately \$7,047,864 in recoveries from primarily five major cases. Additionally, the Division continued to devote the majority of its resources to three areas: examining the causes of the dramatic spikes in gas prices in recent years and their impact on Florida's retail gasoline markets; investigating allegations of bid-rigging and steering of insurance contracts by some of the nation's largest insurance brokers and companies, and pursuing relief on behalf of consumers, as well as state and local public entities, for overcharges paid for prescription drugs as a result of anti-competitive conduct and patent abuse in the pharmaceutical industry.

### 2005 Highlights

- In June 2005, the Attorney General's Office released a comprehensive study of the causes behind the 2004 spike in Florida's gas prices. The report, authored by two well-known experts in the economics of the oil industry – University of Washington economist, Dr. Keith Leffler, and Mr. Peter Ashton of Innovation and Information Consultants – followed a year-long investigation into the reasons behind the price spikes. The Office issued dozens of investigative subpoenas to the major U.S. oil companies, and



investigators reviewed almost 240,000 pages of documents and nearly 60,000 computer files. The report concluded that the gasoline price increases experienced in mid-2004 were the result of a number of factors, including high crude oil prices, growing demand, and tight supply. However, the report also noted two other primary contributors: the low inventory levels maintained by the major refiners to maximize profits, and the high level of concentration within the petroleum industry in the United States. Taken together these factors caused greater volatility in gasoline pricing, with consumers ultimately paying more at the pump for gasoline. The report was shared with a number of other state attorneys general around the country and was used by the National Association of Attorneys General as an educational tool for those seeking more information about the oil industry and the increase in gasoline prices nationwide.



- In February 2005, Florida and six other states settled a price-fixing investigation of the sorbates industry. Sorbates are used, among other things, as preservatives in many food products purchased by consumers in the United States. The States of Florida and Washington led the investigation and negotiated a \$1.3 million settlement to resolve claims that sorbates manufacturers engaged in unlawful price-fixing of the preservative, which in turn may have led to higher consumer prices on food and other products that used sorbates. Florida's share of the settlement totaled more than \$462,000 in civil penalties and reimbursement for investigative fees and costs.
- After three years of litigation, in March 2005 the Division and other plaintiffs' counsel settled a federal antitrust lawsuit against Abbott Laboratories. The \$30.6 million settlement resolved allegations that consumers in Florida and 17 other states, as well as state and local public entities in Florida and Kansas, had overpaid for the drug Hytrin. The overpayments for the hypertension and enlarged prostate medication were the result of an unlawful agreement between the drug's manufacturer, Abbott Laboratories, and generic manufacturer Geneva

Pharmaceuticals to delay the generic's entry into the market. Under the settlement, Florida was to receive approximately \$1.6 million on behalf of state and local public entities and to reimburse attorneys' fees and costs.

- In July, the Division distributed more than \$3.6 million to state and local public entities for overcharges paid for the anti-anxiety drug BuSpar. The money came from the 2004 settlement of a lawsuit brought by Florida and several other states alleging that Bristol-Myers Squibb, the drug's manufacturer, had unlawfully extended its patent for the drug to delay the entry of generic competition. An additional \$2.76 million was distributed in 2004 to individual Florida consumers who made valid claims.



- Also in July, Florida distributed nearly \$600,000 to state and local public entities for overcharges paid for the anti-inflammatory drug Relafen, part of a \$9 million multistate settlement with manufacturer GlaxoSmithKline. The settlement resolved an investigation, initiated by Florida, New York, and Maryland, into claims that GlaxoSmithKline had procured an invalid patent for Relafen and used it to block other manufacturers from receiving FDA approval for their generic equivalents for the drug.
- In 2005, the Division continued its extensive review, in conjunction with the Department of Financial Services and the Office of Insurance Regulation, of allegations that Marsh & McClennan Companies and other major U.S. insurance brokers steered unsuspecting clients to particular insurance companies in return for lucrative payoffs. The practices allegedly would have forced state and local public entities, as well as businesses around the state, to pay more for commercial property and casualty insurance than they otherwise would have in a free and open market.



## Office of Civil Rights

Complaints of discriminatory behavior are investigated by the Office of Civil Rights. Among its duties, the Office works with the Florida Commission on Human Relations and other housing advocacy groups to enforce the provisions of the Florida Fair Housing Act. For nearly a decade the Office has conducted hate crime training for law enforcement officers throughout the state and prepared the state's annual Hate Crimes in Florida Report. The Office of Civil Rights has also developed hate crime training programs for presentation at the elementary, middle and high school levels. The programs are designed to teach students how to recognize hate crimes, explain the laws that protect victims of hate crimes, and demonstrate how such crimes affect their community. In addition, approximately 2,500 law enforcement officers from some 150 different agencies have been trained since 1996 in how to detect, investigate and prosecute hate crimes.

### 2005 Highlights



**Marvin Davies**

- In September 2005, the Attorney General's Office resolved the first lawsuit filed under the Marvin Davies Civil Rights Act of 2003, which broadened the Attorney General's authority to address civil rights cases. The complaint alleged that the owner of the Southern Inn Motel in Perry intentionally segregated African-American patrons to the least desirable rooms in the motel and denied or limited their access to the pool and other facilities. Under the settlement, the motel's owner agreed to pay \$40,000 to compensate the victims and was prohibited from owning or operating a motel or any other form of public lodging anywhere in the United States.

- The Office of Civil Rights continued its extensive investigation into the unsolved murders of Florida civil rights pioneer Harry T. Moore and his wife Harriette. The Moores were killed on Christmas Night 1951 when a bomb destroyed much of their home in the Brevard County community of Mims. The Attorney General's Office partnered with CrimeStoppers to offer a \$25,000 reward for any information that would lead to the successful resolution of the investigation. The final phase of the investigation began when excavation of the site of the bombing commenced in December 2005.
- The Office of Civil Rights negotiated a settlement in an unusual case in which a Hispanic couple alleged that they were the victims of a "hostile housing environment" created by the operators of the mobile home park in which they lived. The couple – one of Cuban descent, the other Puerto Rican - claimed they were harassed by a white neighbor because of their national origins, eventually leading to the neighbor attempting to run them down with his car. The couple filed a fair housing complaint alleging that the operators failed to take action to stop the harassment. Through the involvement of the Office, the case was settled with the couple receiving money and an injunction protecting them from the harassment.



- The Civil Rights unit negotiated a settlement in the case of a group of Muslim school children in Jacksonville who were removed from a county school bus by the driver, who then drove the non-Muslim students home. The middle school students were then forced to walk more than six miles to reach their homes in the October 2003 incident. The settlement included a permanent injunction, complaint monitoring and policy changes, and the company that operated the buses donated \$10,000 to Community in Schools, an after-school program serving challenged children and schools in Jacksonville.





## Economic Crimes Division

The Economic Crimes Division is charged with protecting Florida's citizens and visitors from consumer fraud and other financial exploitation. It enforces the Florida Deceptive and Unfair Trade Practices Act and the Racketeer Influenced and Corrupt Organizations (RICO) Act. The Division investigates cases both independently and in coordination with other state and federal agencies. In 2005 the Division investigated 413 cases and opened 130 new cases. More than 300 cases remain active. During the year, the Division was responsible for \$63,908,579 in recoveries through settlements and judgments, including consumer restitution of \$57,127,747.

### 2005 Highlights

- In an ongoing effort to combat price gouging, the Division handled 4,112 complaints beyond its normal caseload as a result of the four hurricanes that struck Florida in 2005. The Division filed four lawsuits alleging price gouging violations, bringing to 17 the total number of lawsuits from the record-setting 2004 and 2005 hurricane seasons. Of the 2005 lawsuits, two were against gasoline retailers, one was against a hotel and the fourth involved a private citizen selling generators. The cases remain in litigation. Over the course of the unprecedented two-year hurricane period, the Division initiated 72 formal price gouging investigations, 41 of which have been resolved. As a result of these efforts, the Division recovered \$948,393, including \$528,361 in restitution for Florida consumers.
- In December 2005, the Division successfully concluded Florida's first anti-spam case. The Division obtained a court judgment ending the illegal spam and internet operations of two Florida residents who were linked to more than 75 different websites engaged in fraudulent or illegal business activities, including pharmaceutical and cigarette sales and the illegal downloading of copyrighted movies.



- In January 2005, the Division resolved a state lawsuit against AT&T for improperly billing customers and non-customers for monthly service charges. The resolution resulted in AT&T providing prepaid calling cards to some 8,000 Florida residents fighting the war on terror as members of the U.S. military deployed in Iraq, Afghanistan and Kuwait.
- In 2005 two large hotel chains, Marriott and Starwood, agreed to cease the practice of adding mandatory charges to the bills of hotel guests. These charges, sometimes called surcharges, resort fees, or service fees, were not properly disclosed to consumers and were often disguised as taxes or other governmentally imposed fees. The Division acted after receiving numerous consumer complaints when hotels began imposing “energy surcharges” in response to the escalating cost of energy prices several years ago. An unresolved case against the Wyndham hotel chain remains in litigation.
- In 2005, the Division settled the lawsuit it filed against ASAP Meds for charging unconscionable prices in connection with the sale of flu vaccine as a result of the 2004 flu vaccine shortage. The settlement prohibits ASAP Meds from future sales of flu vaccine and provides for restitution where appropriate and the donation to the state of all unused flu vaccine.



## General Civil Litigation Division

The General Civil Litigation Division provides statewide representation on behalf of state government, its agencies, officers, employees and agents at the trial and appellate levels. The Division handles cases involving constitutional challenges to statutes, civil rights, employment discrimination, torts, contract disputes, prisoner litigation, declaratory judgments, child dependency, charitable trusts, admiralty and class action lawsuits. Clients include constitutional agencies from all three branches of state government. The

Division consists of the following bureaus: Administrative Law, Child Support Enforcement, Children's Legal Services, Corrections Litigation, Eminent Domain, Ethics, Revenue Litigation, State Programs and the General Civil Litigation bureaus in Fort Lauderdale, Tampa and West Palm Beach.

## **Administrative Law**

The Administrative Law Bureau serves as general counsel to licensing regulatory boards and other regulatory agencies; prosecutes EMTs and paramedics for disciplinary violations; represents state agencies in rule challenge proceedings and bid protest proceedings; represents the Agency for Persons with Disabilities in Medicaid waiver hearings, and offers litigation support in state and federal cases against state agencies. The Bureau also serves as general counsel to the State Retirement Commission and several appointed commissions.



During 2005, the Bureau was responsible for filing 1,027 rule notices and attended 750 scheduled public meetings of various boards, committees, commissions and councils. The Administrative Law Bureau prepared and issued Final Orders on 78 Petitions for Declaratory Statement. In addition, the Bureau drafted more than 4,500 orders for the various boards and commissions it represented. In 2005 the Bureau opened 711 new Medicaid waiver cases on behalf of the Agency for Persons with Disabilities, and 122 independent living cases on behalf of the Department of Children and Families throughout the state. The Bureau represented various boards in rule challenges and licensure issues before the Division of Administrative Hearings, and reviewed and responded to 204 letters of comment on proposed rules from the Joint Administrative Procedures Committee.

## Child Support Enforcement

The primary function of the Child Support Enforcement Bureau is to represent the Department of Revenue in proceedings relating to the establishment and enforcement of paternity and support orders. This includes the collection of child support from deadbeat parents. The Bureau also serves as appellate counsel in Florida's five district courts of appeal, before the Florida Supreme Court and in the federal appellate court system.



Support Enforcement Bureau is in proceedings relating to the paternity and support orders. support from deadbeat parents. counsel in Florida's five district

## 2005 Highlights

- In 2005, the Bureau processed the highest number of cases since its inception in 1995. Bureau staff opened 30,252 cases and attended 29,521 hearings.
- In the case of Department of Revenue o/b/o Stephens v. Boswell, attorneys with the Bureau won an important appeals court decision strongly supporting the department's position as it fights attacks on valid paternity judgments.
- The Bureau participated in a joint statewide initiative with the Department of Revenue to renew and improve child support legal services.

## Children's Legal Services

The Children's Legal Services Bureau was established by the Legislature as a pilot project in 1995. The Bureau is charged with the responsibility for litigating child abuse, abandonment and neglect cases for the Department of Children and Families (DCF) in Broward, Hillsborough and Manatee counties.



As legal counsel to DCF, the Fort Lauderdale bureau of Children's Legal Services renders legal advice on all dependency, termination of parental rights and contested adoptions to DCF in District 10 (Broward County).

Children's Legal Services also provides legal representation to the Broward County Sheriff's Office, Child Protective Investigations Unit and the community-based care private provider ChildNet. The Tampa/Bradenton bureau renders legal advice to DCF in Hillsborough and Manatee counties, including for the Manatee County Sheriff's Office and private community-based care child welfare agencies such as Hillsborough KIDS, Inc., and the YMCA. The attorneys in the Children's Legal Services Bureau are also responsible for litigating termination of parental rights petitions to establish permanency for children who have been long-time victims of abuse, abandonment or neglect.

In 2005, the Fort Lauderdale bureau handled approximately 2,216 cases, while the Tampa/Bradenton bureau handled a combined 3,652 cases.

## Corrections Litigation

The Corrections Litigation Bureau is primarily responsible for defending the Florida Department of Corrections and its employees when they are sued in their official and individual capacities by inmates incarcerated in the state prison system. Between January and December 2005, the Bureau opened 1,104 cases; as of the end of 2005, a total of 1,452 active cases remained pending.

## 2005 Highlights

- A federal court ruled that Prison Legal News, a legal publisher, was not entitled to injunctive or declaratory relief against the Department of Corrections over agency rules prohibiting prison inmates from writing articles for pay. The court said the department has legitimate interests in preventing inmates from conducting business outside the prisons.

- A Florida appeals court upheld the Department of Corrections' authority to house certain low-risk federal prisoners at state prisons, preserving an important prisoner exchange agreement through which the federal government has assumed custody of dozens of high-security, long-term state prisoners.
- A state appeals court rejected a challenge to a law allowing the Department of Corrections to charge inmates a small fee for banking services.

## **Eminent Domain**

The Eminent Domain Bureau's primary function is to handle cases and valuation trials for the Department of Transportation, provide legal advice to governmental agencies on the legal requirements for the proper exercise of their eminent domain authority, as well as legal strategies for keeping the costs of an acquisition as low as possible for the taxpayers. The Bureau currently represents university boards of trustees, the Department of Environmental Protection and other condemning authorities when they seek to acquire



land for public use only. The Bureau has represented the Governor and Cabinet, sitting as the Board of Trustees of the Internal Improvement Trust Fund, in acquiring conservation land and the South Florida Water Management District in acquiring land used for the Everglades Restoration Project. During 2005, the Bureau opened 487 cases, and 1,172 cases remained active at year's end.

## **2005 Highlight**

- During 2005, the Bureau had four trials, 223 final judgments covering land, 103 final judgments regarding fees and costs and 146 mediation/settlement conferences. These settlements saved Florida taxpayers more than \$60 million between the defendant's claim and the final settlement.

## Employment Bureau

Employment Litigation represents state agencies against employment claims and lawsuits. The unit's primary function is defense litigation in situations where a current or former state agency employee files a claim dealing with employment issues against the agency. It also serves the Attorney General's Office in an advisory capacity in the area of preventative law, ensuring that all employees are treated equally and fairly. Working with the agency's personnel unit, Employment Litigation conducted in-person training seminars for all supervisors throughout the state, covering employment laws, management philosophy and agency policies. During 2005, a total of 78 cases were opened, 133 cases were investigated, and 152 active cases remained pending.

## Ethics

The Attorney General's Office assists the Florida Commission on Ethics by providing legal personnel to serve as the Commission's prosecutor or "advocate" in ethics cases. Most state and local government employees, as well as elected and appointed officials, are subject to the Commission's jurisdiction. The types of violations investigated range from erroneous financial disclosure filings to misuse of office. During 2005, a total of 87 new ethics complaints were investigated, of which 78 were closed for lack of probable cause. Five cases proceeded to formal or informal trials, with the Bureau winning three and rulings pending in the remaining two. At the end of 2005, some 53 active cases were pending.

## Revenue Litigation

The Revenue Litigation Bureau primarily enforces and defends tax assessments issued by the state Department of Revenue. In addition, the Bureau represents the Department in

litigation involving refunds of all taxes. The Bureau's representation also includes ad valorem tax cases in conjunction with county property appraisers and tax collectors. The Bureau is also involved in representing other state agencies in litigation connected with taxes or other related matters, and advises the Attorney General on questions involving revenue matters.

In 2005, the Bureau opened 342 new cases and won 27 out of 36 cases that went to trial, a 75 percent success rate. The Bureau recovered \$21.4 million, and concluded the year with 893 active cases pending.

## State Programs



The State Programs Bureau is charged with defending a wide variety of actions in both state and federal courts, at both the trial and appellate levels. The clients of this Bureau are state departments and agencies from all three branches of government, including individual officials and employees. Cases routinely handled include suits that challenge the constitutionality of the general laws of the state; defense of judges and state attorneys in lawsuits; specialized administrative litigation before the Division of Administrative Hearings, including bid protests; and the initiation of litigation as plaintiffs on behalf of the Bureau's state clients. In addition, the Bureau represents the state in class action civil rights lawsuits that seek to change entire state policies, programs or systems, or that attempt to increase the available funding for a certain program or group of individuals on a statewide basis.

In 2005, a total of 343 new cases were opened and 694 active cases remained pending.



## 2005 Highlight

- The Bureau won dismissals or court victories against lawsuits attacking Florida's sex offender website, the state's formula for distributing education funds to local school districts, and the requirement that all Florida driver's licenses include a full-face photo of the person receiving the license.



## Child Predator CyberCrime Unit

In recent years, the Attorney General's Office came to recognize that internet crimes against children were growing exponentially across the state and nation, placing Florida's children at great risk. In response, in the fall of 2005 the Attorney General established a dedicated Child Predator CyberCrime Unit to focus on the growing problem of crimes committed via the internet, particularly against children. Under the Unit's mission statement, a team of dedicated investigators conduct covert online investigations and prosecutors bring to justice individuals who prey on children, as well as those who pollute the internet with images of child pornography. The Unit, which is supported in part by the federally funded Internet Crimes Against Children (ICAC) task force, works cooperatively on a statewide basis with law enforcement agencies and prosecutors to provide resources and expertise, while preventing the spread of these crimes through education and community awareness.



During the last three months of 2005, the Unit initiated 18 investigations, arrested two suspects, assisted several local law enforcement agencies with ICAC cases, and developed and presented CyberSafety training for 188 adults and 425 children around the state.

The Attorney General's Office also launched other initiatives to enhance child safety:

## 2005 Highlights

- The Attorney General's Office forged a partnership with NetSmartz, an interactive resource for children and parents that teaches children how to stay safer on the Internet.
- In May, the Attorney General's Office and the Florida Department of Law Enforcement, in conjunction with Pitney-Bowes, launched an enhanced state website that makes it easier for parents to keep track of sexual offenders and predators in Florida. The website allows parents to enter any address in the state – including a child's home, school or playground – and learn whether any sexual offenders or predators live within a mile of that location or even up to five miles away.
- A new publication titled "Safe Steps" was produced for the purpose of educating parents on ways to protect their young children and alert them to issues involving teenagers. The publication was produced in conjunction with the National Center for Missing and Exploited Children.
- A series of one-hour courses called "Escape School," covering child safety for both children and parents, was presented at 25 locations around the state attended by more than 4,600 Florida parents and children.



## Lemon Law

The Lemon Law Arbitration Program provides a forum, via the New Motor Vehicle Arbitration Board, to resolve disputes that arise between new vehicle consumers and motor vehicle manufacturers under Florida's "Lemon Law." The Arbitration Program monitors and enforces manufacturer and dealer compliance with the Lemon Law and educates the public and the industry regarding their rights and responsibilities under the law.

During 2005, the Program received 1,075 claims under the Lemon Law and recovered more than \$25.4 million in consumer restitution. Through the end of 2005, total recoveries had exceeded \$330 million since the program's inception in 1989.



## Medicaid Fraud Control Unit

The Florida Medicaid Fraud Control Unit (MFCU) investigates and prosecutes fraud involving physicians, pharmacists, hospitals, durable medical equipment suppliers and others suspected of intentionally defrauding the state's Medicaid program. The Florida MFCU also investigates abuse, neglect and exploitation of patients residing in long-term care facilities within Florida.



The Unit's investigations and prosecutions address a wide range of misconduct, from common schemes to defraud the Medicaid program through "phantom" billing for services that were not rendered or "upcoding" (submitting bills for costly medical services when less expensive procedures were actually performed), to very complex conspiracies to commit health care fraud such as attempts by pharmaceutical manufacturers to illegally manipulate pharmaceutical prices throughout the United States. On a more individual level, the Unit also investigates crimes of abuse, neglect and exploitation of older citizens confined to long-term care facilities. Complaints of Medicaid fraud come from a variety of sources, including Florida's Agency for Health Care Administration (the state agency responsible for administering Florida's Medicaid program), citizen complaints received through the Attorney General's Fraud Hotline, and lawsuits filed primarily by "whistle-blowers" seeking to bring actions for civil fraud on behalf of the State of Florida.

During 2005, the Medicaid Fraud Control Unit opened 727 cases, investigated 1,365 cases, and referred 43 cases for prosecution. Settlements secured by the Unit totaled \$76,430,553.

## 2005 Highlights

- Through the MFCU's work, the Attorney General's Office recovered \$54.1 million for Florida as part of a nationwide Medicaid fraud settlement – the largest damage award obtained by the state in the 40-year history of the Florida Medicaid program. The Florida MFCU played a lead role in securing the nationwide settlement with Serono Laboratories, Inc., a pharmaceutical manufacturer that produced a drug used for treatment of AIDS patients. Investigators determined that the company used misleading marketing tactics and provided kickbacks and other illegal inducements to pharmacies and physicians who purchased and administered the drug.



- The Unit participated in a federal investigation of Gambro Healthcare and its supply company, Gambro Supply Corp., for improperly billing both the federal Medicare program and the individual Medicaid programs in each state. The investigation led to a nationwide settlement that directed \$2.4 million to Florida. Gambro operated a chain of clinics that provided care for end stage kidney disease, a terminal condition that requires regular dialysis treatment. Gambro Supply was operated as a shell company, which allowed the parent company to bill Medicaid for dialysis supplies at a much higher rate than otherwise would have been allowed.
- A South Florida physician and a medical clinic owner were arrested for selling prescriptions for controlled drugs. The MFCU investigation found that patients paid a cash fee between \$150 and \$400 per visit, but instead of receiving medical treatment they instead obtained the doctor's prescriptions for controlled substances, primarily the highly addictive narcotic OxyContin. Investigators determined that the doctor wrote more than \$2.4 million in drug prescriptions that were paid by Medicaid during a single 30-month period.

- A joint investigation by the MFCU and federal officials in Florida and Georgia led to a 288-count federal indictment and the arrest of eight individuals in Miami and Savannah associated with Bio-Med Plus, a Miami-based pharmaceutical wholesaler. The company primarily bought and sold prescription drugs used to treat conditions such as AIDS and hemophilia. The defendants were accused of conspiring to defraud the Florida Medicaid Program out of millions of dollars involving these medications.
- In March 2005, the MFCU received Florida's \$3.8 million share of a \$430-million nationwide settlement with Warner-Lambert, a subsidiary of Pfizer, for the illegal off-label marketing of the epilepsy drug Neurontin. Although the federal government had approved the drug only for the treatment of epilepsy and post-herpetic neuralgia, the company was accused of illegally promoting it for such off-label uses as the treatment of psychiatric disorders, back pain and headaches. It is illegal for companies to encourage doctors to prescribe drugs for off-label purposes by misrepresenting the drugs' effectiveness for those uses. The case marked the first time the government had aggressively prosecuted a pharmaceutical company for "off-label" marketing practices.



## Solicitor General

The primary responsibility of the Office of the Solicitor General is to represent the State of Florida in significant civil litigation affecting the powers, duties and responsibilities of all branches of state government. The Solicitor General directs, coordinates and represents the State of Florida in cases of constitutional importance before the United States Supreme Court and the Florida Supreme Court, preparing amicus curiae briefs in support of State policy goals in state and federal appellate court cases and advising the Attorney General on legal and policy issues affecting the state. In 2005, the Solicitor General managed, reviewed or supervised 491 amicus, appellate, complex litigation and

constitutional challenge cases. The Office joined as amicus curiae (friend of the court) on behalf of the State of Florida in 21 cases in the U.S. Supreme Court and other federal courts, including defending the partial-birth abortion ban, defending states' rights to protect consumers and to self-governance, and protecting the Defense of Marriage Act.

The Civil Appeals Section of the Solicitor General's Office represents the State of Florida and its agencies and officers in civil cases at the appellate level in both state and federal court. Attorneys in this branch directly handle, review or manage cases encompassing a wide range of subject areas, including torts, revenue recovery, land use, employment discrimination, and other equitable damage or monetary claims, as well as cases involving significant state and federal constitutional issues. The Complex Litigation Section leads agency efforts in civil litigation involving complex issues of significant fiscal, constitutional or statutory importance to the State of Florida.

## 2005 Highlights

- The Solicitor General's Office, acting on behalf of the Attorney General, helped forge settlements with two electric utilities to spare consumers from more than \$2.5 billion in higher rates. On August 22, 2005, the Office and other consumers advocates reached a settlement with Florida Power & Light, saving customers \$430 million per year (or more than \$1.7 billion over four years). Nine days later, on August 31, the Office reached a settlement with Progress Energy Florida eliminating the possibility that customers would be forced to pay \$824 million more for electricity over the next four years. The agreements, which also involved the Office of Public Counsel, AARP, the Florida Retail Federation and the Florida Industrial Power Users Group, affected about 70 percent of Florida's electric customers.



- The Solicitor General's Office successfully defended the Florida Sexual Predators Act when the Florida Supreme Court, in a February 3, 2005 ruling, denied a



constitutional challenge raised by a convicted rapist and a convicted child molester. The statute requires sexual predators to comply with various registration and notification requirements when they are released from prison. Embracing the Solicitor General's reasoning, the justices rejected the defendants' claims that the law is unconstitutional because it fails to give judges discretion in determining whether an offender poses an actual threat to the community.

- The Solicitor General successfully argued in federal court against an injunction that would have blocked implementation of the 2005 Florida Parental Notification of Abortion Act. The case was filed by a reproductive health care facility to block a voter-approved requirement that parents or guardians be notified when a minor is to undergo a procedure to terminate her pregnancy. On July 7, 2005, The federal court denied the injunction and granted the Attorney General's motion to dismiss the claims.
- The Solicitor General's Office filed an amicus curiae brief in the U.S. Supreme Court supporting the ability of states to enact consumer protection laws applicable to businesses operated by national banks. The Florida brief was joined by 41 other state attorneys general concerned by national banks arguing that state consumer protection laws do not apply to them or their subsidiaries. The U.S. Supreme Court agreed to hear oral arguments in the case.

Office of Attorney General  
Charlie Crist

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