

**LAWRENCE G. WASDEN
ATTORNEY GENERAL
STATE OF IDAHO**



2020 ANNUAL REPORT

**CONSUMER PROTECTION, COMPETITION, CHARITIES,
TELEPHONE SOLICITATIONS, AND
TOBACCO ENFORCEMENT**



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2020
— in —
Review

Annual Highlights

Total
Complaints
Received

1,235

Top Consumer
Complaint
Category

**MOTOR
VEHICLES**



ACCOMPLISHMENTS

- * Concluded **13 enforcement actions** concerning consumer protection issues ranging from health care to security breaches
- * Joined multistate antitrust lawsuits against tech-giants **Facebook, Inc., and Google, LLC**
- * Began enforcing the **Idaho Charitable Assets Protection Act**
- * Continued consumer protection litigation against **opioid manufacturers and distributors**
- * Continued defending **Idaho's Tobacco Master Settlement Agreement (MSA)** payments

Total Complaints
Mediated

877

EMAIL INQUIRIES
RECEIVED

543

Total
Enforcement
Actions

14

TOTAL CONTACTS
13,803

Telephone Calls
Received

10,514

Civil Penalties, Fees, & Costs Recovered

\$1,126,830

**PUBLIC RECORD REQUESTS
PROCESSED**

61

**RESTITUTION RECOVERED
FOR CONSUMERS**

\$1,454,939

*\$2.62 for each taxpayer dollar the
Legislature appropriated to the
Consumer Protection Division in 2020*

Payments Made to Idaho Pursuant to the
Tobacco Master Settlement Agreement (MSA)

\$20,642,819

Idaho Laws Enforced

Consumer Protection Statutes (Idaho Code)

Idaho's unfair or deceptive acts or practices law, as well as protections and disclosures covering specific seller-purchaser transactions or consumer issues.

Idaho Consumer Protection Act	Title 48, chapter 6
Idaho Lemon Law	Title 48, chapter 9
Bad Faith Assertions of Patent Infringement	Title 48, chapter 17
Residential Solar Energy System Disclosure Act	Title 48, chapter 18
General Contractor Disclosure Law	§ 45-525
Consumer Foreclosure Protection Act	Title 45, chapter 16
Home Loan Modification Review Notice Law	§ 45-1506C
Credit Report Protection Act	Title 28, chapter 52
Loan Broker Law	Title 26, chapter 25
Security Breaches	Title 28, chapter 51
Pyramid Promotional Schemes	§ 18-3101
Service Repair Contracts & Legal Expense Plans	§§ 41-114A & 41-114B

Competition (Idaho Code)

Idaho's antitrust law.

Idaho Competition Act	Title 48, chapter 1
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Charitable Solicitations and Charitable Trust Assets (Idaho Code)

Idaho's deceptive charitable contributions law and statutes to protect charitable trust assets.

Idaho Charitable Solicitation Act	Title 48, chapter 12
Idaho Nonprofit Hospital Sale or Conversion Act	Title 48, chapter 15
Idaho Charitable Assets Protection Act	Title 48, chapter 19
Prudent Management of Institutional Funds Act	Title 33, chapter 50
Supervision of Charitable Trust Assets	§ 67-1401(5)
Modification of Charitable Trusts	Title 68, chapter 12

Telephone Solicitations (Idaho Code)

Idaho's deceptive telephone solicitation and telephone solicitor registration statute, as well as its law governing 1-900 calls.

Idaho Telephone Solicitation Act	Title 48, chapter 10
Idaho Pay-Per-Telephone Call Act	Title 48, chapter 11

Tobacco (Idaho Code)

Idaho's Master Settlement Agreement Act and laws regulating the importation, distribution, sale, and use of tobacco and tobacco-related products.

Prevention of Minors' Access to Tobacco Act	Title 39, chapter 57
Idaho Tobacco Master Settlement Agreement Act	Title 39, chapter 79
Idaho Tobacco Master Settlement Agreement Complementary Act	Title 39, chapter 84
Reduced Cigarette Ignition Propensity Act	Title 39, chapter 89

Enforcement Activities

CONSUMER PROTECTION DIVISION ACTIVITIES

Enforcement of Idaho's consumer laws protects and promotes a free and competitive marketplace and ensures a level playing field for all businesses. A marketplace unfettered by false, deceptive, and misleading practices and void of unreasonable restraints of trade yields the best allocation of Idaho's economic resources, the lowest prices, the highest quality, and the greatest innovative and material progress.

The Attorney General, acting on behalf of the state of Idaho and pursuant to his authority under the Idaho Consumer Protection Act, initiated and concluded a number of noteworthy enforcement actions in 2020. This section summarizes the office's consumer protection settlements and actions during the past year.

GENERAL CONSUMER PROTECTION MATTERS

Access Life's Adventures, LLC, and Craig and Crystal Fletcher

The Attorney General filed a consumer protection lawsuit against Access Life's Adventures, LLC, and its owners, Craig and Crystal Fletcher, in July 2019, alleging they accepted payments for Alaskan fishing and other trips that they failed to deliver. A **January 2020** settlement resolved the lawsuit and requires the Fletchers to pay 25 affected consumers over \$100,000 in restitution. The Fletchers also are prohibited for 10 years from advertising or selling vacation packages or travel or vacation-related goods or services from within Idaho or to consumers with Idaho addresses.

Car Biz Boyz, LLC, d/b/a Freedom Auto Finders and David E. Johnson

Car Biz Boyz, LLC, d/b/a Freedom Auto Finders, advertised and sold motor vehicles, primarily through consignment, between October 2009 and February 2020. David E. Johnson owned DEJ Enterprises, Inc., the sole member of Car Biz Boyz. Numerous consumers filed complaints with the Attorney General, alleging Car Biz Boyz sold consumers' vehicles and did not turn over the sales proceeds to consumers.

Following an investigation, the Attorney General entered into a settlement agreement with Car Biz Boyz and Johnson in **May 2020**. The settlement permanently prohibits Johnson from owning, managing, operating, or supervising any business in Idaho that engages in advertising, offering for sales, or selling motor vehicles. Car Biz Boyz was permanently dissolved.

Ronald Wade Jaques

In **June 2020**, the Attorney General entered into a settlement with Ronald Wade Jaques, the owner of two Idaho property management companies—Paradigm Property Solutions, LLC, and Rentmaster of Rexburg, LLC. Jaques handled the day-to-day operations of the companies before they closed and filed bankruptcy. The settlement resolved allegations that Jaques failed to turn over tenants' rental payments to property owners and failed to maintain tenants' security deposits.

Jaques is permanently prohibited from owning, managing, operating, or supervising any business in Idaho that advertises, offers for sale, or sells property management services. For purposes of the settlement "property management services" includes directly or indirectly overseeing and managing the lease of a third-party's real property, including, but not limited to, (a) marketing, leasing, showing, and maintaining a third-party's real property, (b) managing tenant needs, collecting rent, and enforcing leases, and (c) reporting and accounting for rents, deposits, fees, and other sums received from an owner or tenant.

American Honda Motor Co., Inc., and Honda of America Mfg., Inc.

An \$85 million multistate settlement with American Honda Motor Co., Inc., and Honda of America Mfg., Inc. (collectively "Honda") concluded an investigation of Honda's alleged failure to inform regulators and consumers that its vehicles' front airbags could rupture. The **August 2020** settlement required Honda to change its safety disclosures and take steps to ensure future airbag designs include "fail-safe" features to protect passengers in the event the inflator ruptures. The company also improved critical business areas such as risk management, quality control, supplier oversight, and training and certifications. Idaho received \$100,000 from the settlement.

PEAKS Trust 2009-1

The Attorney General joined a multistate settlement in **September 2020** involving PEAKS Trust 2009-1, the owner of private loans for students of ITT Technical Institute. The settlement resolved allegations that PEAKS Trust knew or should have known that many student borrowers did not understand the terms and conditions of their loans, could not afford them, or in some cases did not even know they had them.

ITT Tech arranged for the PEAKS Trust loans to be serviced and collected after ITT Tech allegedly induced students to take out the loans by a variety of suspect practices, including rushing students through financial aid appointments, using aggressive tactics, and in some cases, gaining unauthorized access to student accounts to sign students up for loans without permission.

Approximately 300 former Idaho ITT Tech students will receive \$2 million in debt relief from the settlement. PEAKS Trust also requested that consumer reporting agencies delete any derogatory credit information from students' consumer reports. ITT Tech filed bankruptcy

in 2016 amid investigations by state attorneys general and following action by the U.S. Department of Education to restrict ITT Tech's access to federal student aid.

C.R. Bard, Inc.; Becton, Dickinson and Company

The Attorney General joined a \$60 million multistate settlement with C.R. Bard, Inc. and its parent company Becton, Dickinson and Company. The **September 2020** settlement resolves allegations that C.R. Bard misrepresented or failed to adequately disclose that its surgical mesh devices carried serious and life-altering risks, including chronic pain, scarring and shrinking of bodily tissue, painful sexual relations, and infections. Idaho's portion of the settlement is \$696,480.

While C.R. Bard has stopped selling transvaginal mesh, it agreed to numerous injunctive terms if it re-enters the market. Under the terms of the settlement, C.R. Bard and Becton, Dickinson and Company must:

- Provide patients with understandable descriptions of complications in marketing materials.
- Include a list of certain complications in all marketing materials that address complications.
- Disclose complications related to the use of mesh in any training provided that includes risk information.
- Disclose sponsorship in clinical studies, clinical data, or preclinical data for publication.
- Refrain from citing to any clinical study, clinical data, or preclinical data regarding mesh, for which the company has not complied with the disclosure requirements.
- Require consultants to agree to disclose in any public presentation or submission for publication Bard's sponsorship of the contracted for activity.
- Register all Bard-sponsored clinical studies regarding mesh with ClinicalTrials.gov.
- Train independent contractors, agents, and employees who sell, market, or promote mesh, regarding their obligations to report all patient complaints and adverse events to the company.

Blue Raven Solar, LLC

The Utah-based solar energy company Blue Raven Solar, LLC, entered into a settlement with the Attorney General in **November 2020** to resolve concerns about the company's door-to-door sales practices. The Attorney General's investigation of Blue Raven Solar revealed the company's previous training materials included sales methods that had the capacity or tendency to mislead or confuse consumers acting reasonably under the circumstances.

The settlement requires Blue Raven Solar to implement a comprehensive training program for its Idaho solar sellers and prohibits the company from representing to an Idaho consumer that:

- Blue Raven Solar partners with a utility company unless Blue Raven Solar possesses written authorization from the utility company evidencing the partnership.
- Idaho is running out of energy resources, lacks renewable energy resources, or must purchase the bulk of its energy from outside Idaho, unless Blue Raven Solar possesses written substantiation to support the representation.
- upon purchasing or installing a solar energy system, an Idahoan will receive a rebate or payment from the government, a utility company, or another entity, unless Blue Raven Solar possesses written substantiation to support the representation.

The company also reimbursed the Attorney General for his fees and investigative expenses in the amount of \$7,500.

Apple, Inc.

The Attorney General announced a \$113 million settlement with Apple, Inc., in **November 2020** regarding its iPhone throttling to prevent unexpected shutdowns. Apple allegedly knew the battery in the iPhone caused the shutdowns, but concealed the problem. A 2016 software update to address the problem reduced the phones' performance.

The settlement requires Apple to provide truthful information in various formats about the iPhone's battery health, performance, and power management. Idaho will receive \$1.28 million from the settlement.

Gas Price Investigation Settlement

In **November 2020**, the Attorney General announced the resolution of his nine-month investigation into the fuel prices of three Idaho gas retailers. The investigation began in March 2020 when Idaho and the federal government issued emergency declarations due to the COVID-19 pandemic. The declarations triggered Idaho's price-gouging law, which prohibits the sale of food, water, fuel, or pharmaceuticals at exorbitant or excessive prices during a declared state of emergency.

The investigation and agreement includes Maverik, Inc., Jacksons Food Stores, Inc., and Stinker Stores, Inc. For one year beginning in January 2021, the three retailers will provide a combined \$1.5 million in consumer redress by way of sales credits. Maverik and Jacksons each agreed to provide \$600,000 in credits, and Stinker Stores agreed to provide \$300,000. Each company earns credits based on the retail and wholesale prices of its fuel compared to prices in surrounding states.

Nationstar Mortgage (“Mr. Cooper”)

In **December 2020**, the Attorney General joined 50 attorneys general and other federal and state agencies to reach an \$86.3 million settlement with Nationstar Mortgage, the country’s fourth-largest mortgage servicer. The settlement involves allegations that Nationstar Mortgage violated consumer protection laws while servicing mortgage loans between 2011 and 2017. In Idaho, the settlement affects 295 loans for a total of \$257,969.

In 2012, Nationstar began purchasing mortgage servicing portfolios from competitors and grew quickly into the nation’s largest non-bank servicer. As loan data was transferred to Nationstar, borrowers who had sought assistance with payments and loan modifications sometimes fell through the cracks, the attorneys general alleged. Borrowers in this category will receive a guaranteed minimum payment of \$840 as part of the settlement.

Other borrowers suffered damages when Nationstar failed to oversee third-party vendors hired to inspect and maintain properties owned by delinquent borrowers and improperly changed locks on their homes, the lawsuit alleged. These borrowers will receive a guaranteed minimum payment of \$250.

The settlement also requires Nationstar to follow a detailed set of rules or “servicing standards” in how it handles certain mortgage loans. These servicing standards are more comprehensive than existing law and will be in place for three years starting on Jan. 1, 2021.

SECURITY BREACHES

Anthem, Inc.

In **September 2020**, the Attorney General joined a \$39.5 million multistate settlement with health insurance provider Anthem, Inc. The 43-state settlement stems from Anthem’s 2014 data breach that exposed the personal information of 78.8 million Americans. The settlement requires Anthem to implement data security and good governance provisions that will better protect consumers’ personal information.

In February 2015, Anthem disclosed that cyber attackers had infiltrated its systems beginning in February 2014, using malware installed through a phishing email. The attackers accessed Anthem’s data warehouse and harvested consumers’ names, dates of birth, Social Security numbers, healthcare identification numbers, home addresses, email addresses, phone numbers, and employment information. In Idaho, more than 100,000 residents were affected by the breach.

Under the settlement, Anthem agreed to a series of provisions to strengthen its security practices going forward. Anthem also paid the Attorney General’s Office \$175,618 for its attorney’s fees and investigative costs.

The Home Depot

The Attorney General participated in a \$17.5 million multistate settlement with The Home Depot. The **November 2020** settlement stemmed from The Home Depot's 2014 data breach that exposed the payment card information of approximately 40 million consumers nationwide. Idaho received \$115,430 from the settlement.

The attorneys general's investigation revealed the breach occurred when hackers gained access to The Home Depot's network and deployed malware on the company's self-checkout point-of-sale system. The malware allowed the hackers to obtain the payment card information for customers who used self-checkout lanes between April and September 2014.

In addition to the payment to the states, The Home Depot has agreed to implement and maintain a series of data security practices designed to strengthen its information security program and safeguard consumers' information.

CHARITABLE ASSET ACTIVITIES

Idaho Charitable Assets Protection Act (ICAPA)

Since 1963, the Attorney General has had a duty under Idaho law to protect charitable assets. However, the law was unclear as to the Attorney General's investigative and enforcement authorities.

The Idaho Charitable Assets Protection Act (ICAPA), which became effective on July 1, 2020, is the culmination of the Attorney General's work with stakeholders over the past five years to draft a comprehensive law that better protects Idaho's charitable assets.

Specifically, ICAPA prohibits a person from knowingly using charitable assets for personal purposes or in a way that contradicts the organization's charitable purpose or the donor's intent. The law also requires charitable organizations to give written notice to the attorney general at least 30 days before the organization dissolves, converts to a noncharitable entity, or terminates and distributes its charitable assets. To enforce ICAPA, the Attorney General may initiate investigations, file lawsuits, and enter into settlement agreements.

Detailed FAQs about ICAPA are available on the Attorney General's website, as is an online form that charitable organizations may use to notify the office about the organization's plan to dissolve, convert to a noncharitable entity, or terminate and distribute its charitable assets. Questions about ICAPA may be directed to the Consumer Protection Division via telephone or email at consumer_cg@ag.idaho.gov.

GENERAL ACTIVITIES

In 2020 the Attorney General's Office reviewed a number of matters involving charitable organizations, including the required ICAPA notice from three organizations seeking to dissolve and distribute their charitable assets. Other charity-related matters the Attorney General handled in 2020 include a multistate investigation and settlement and a lawsuit involving the Lewis-Clark Valley Healthcare Foundation.

PayPal Charitable Giving Fund, Inc.

In **January 2020**, the Attorney General, together with 22 other state law enforcement partners, reached an agreement with PayPal Charitable Giving Fund (PPGF) that requires PPGF to change the disclosures for its online fundraising platform. PPGF is a 501(c)(3) nonprofit corporation and the charitable arm of PayPal, Inc.

The organization allows donors to give money online to PPGF and to select the charity to receive the donation. Without charging a fee, PPGF combines and distributes donations to donors' selected charities.

Investigators looked at whether PPGF adequately disclosed to donors that their donations through PPGF's website were made to the PPGF entity, not directly to donors' selected charities, and that PPGF didn't have a prior relationship with all the charities listed on its website. Under the agreement, PPGF must disclose to donors:

- their donations go to PPGF;
- the timeframe of when donors' chosen charities may receive funds from PPGF; and
- the difference between an "enrolled" charity on the PPGF platform and an "unenrolled" charity on the PPGF platform.

In Re Declaration of Trust Establishing the Lewis-Clark Valley Healthcare Foundation

In 2017, Ascension Health and RCCH Healthcare, the parties involved in the sale of St. Joseph Regional Medical Center, contributed \$25 million to fund a 501(c)(3) Idaho healthcare trust. Pursuant to the terms of the 2017 Declaration of Trust, the Lewis-Clark Valley Healthcare Foundation was established to promote the health, wellness, and disease prevention of persons within the Trust's service area. The Attorney General appointed the Trustee and initial members of a volunteer board of community advisors (the BCA) to recommend grant awards.

The Trustee drafted and the Attorney General approved a Restated and Amended Declaration of Trust ("Restated Declaration") in August 2020. The Restated Declaration clarifies the responsibilities of the Trustee and the BCA, as well as the grant-making process.

The BCA challenged the validity of the Restated Declaration through a court-filed petition against the Trustee and the Attorney General. The BCA's September 2020 petition asked the court to void the Restated Declaration because the BCA did not receive notice before it became effective. The Attorney General and the Trustee filed motions to dismiss the BCA's petition, which the court granted on **December 22, 2020**.

TELEPHONE SOLICITATION ACTIVITIES

Recognizing the potential for abuse that is inherent in telephone sales, the Legislature enacted the Idaho Telephone Solicitation Act (ITSA), title 48, chapter 10, Idaho Code, in 1992. The ITSA safeguards the public against deceit and financial hardship, encourages competition and fair dealings among the telemarketing industry, and prohibits telemarketers from using representations that have the tendency or capacity to mislead purchasers.

Idaho's Do Not Call law, which established the state's "no telephone solicitation contact list," predates the National Do Not Call Registry and subjects violators to civil penalties of up to \$5,000 per violation. When the National Do Not Call Registry was created in 2004, all Idaho numbers registered on the Idaho-only list were transferred to the National Registry. The Federal Trade Commission last reported the National Do Not Call Registry contained 1,247,854 active Idaho telephone numbers.

The Consumer Protection Division received 136 emails from consumers who reported receiving unwanted telephone calls. Almost all of the reported calls came from persons who are not "telephone solicitors" under the ITSA's definition. Such individuals include appointment setters, debt collectors, survey companies, charities, and persons engaged in criminal conduct (e.g., government imposter scams, illegal lotteries/sweepstakes, grandparent scams).

Because it manages the Do Not Call Registry, the Federal Trade Commission receives the bulk of consumers' telephone call complaints. In its most recent Do Not Call report, the Commission reported it had received 21,976 complaints from Idahoans regarding unwanted calls.¹ It is significant to note that over 4,000 of these complaints concerned imposter scams, not deceptive telephone solicitations or Do No Call Registry violations. Of the "call types" reported, 16,192 were robocalls, and 4,808 were live callers.

In addition to prohibiting telephone solicitors from calling numbers on the National Do Not Call Registry, the Idaho Telephone Solicitation Act requires telephone solicitors to register with the Attorney General's Consumer Protection Division before they begin soliciting in Idaho. In 2020, the Consumer Protection Division processed 24 telephone solicitor registrations. Sixteen telephone solicitors presently are registered to telephone solicit in Idaho.

¹ Federal Trade Commission, National Do Not Call Registry Data Book FY 2020 (Oct. 2020).

TOBACCO ENFORCEMENT

The Attorney General enforces Idaho's Tobacco Master Settlement Agreement, Tobacco Master Settlement Agreement Complementary, Prevention of Minors' Access to Tobacco, and Reduced Cigarette Ignition Propensity Acts. Enforcement of these laws includes prosecuting violators and defending the laws against constitutional challenges in state and federal court actions.

Each year the tobacco industry makes a payment to the state to help it cover costs related to treating tobacco-related illnesses. In 2020 the tobacco industry paid \$20,642,819 to Idaho, which was deposited into the Millennium Fund. Since the MSA was entered into in 1998, Idaho has received payments totaling \$520,124,012.

Under Idaho's tobacco sales laws, the Attorney General maintains and administers a directory of tobacco manufacturers and brands (Idaho Directory) that are in compliance with Idaho law. At present, the Attorney General has certified 25 tobacco manufacturers and 123 tobacco brands. The Idaho Directory is available on the tobacco webpage of the Attorney General's website. In the past year, the Office of the Attorney General has received and reviewed 27 certifications from tobacco product manufacturers seeking to add or remove brand families to the Idaho Directory. In addition, in the past year the Attorney General has received and reviewed over 613 monthly and quarterly reports from Idaho permitted cigarette wholesalers and tobacco distributors detailing shipments and sales of cigarettes and roll-your-own tobacco in Idaho. Finally, five notices were disseminated regarding changes and updates to the Idaho Directory.

The Attorney General continues to litigate with the tobacco industry over the state's enforcement of certain Idaho tobacco laws. Tobacco companies who are parties to the state's Master Settlement Agreement have disputed Idaho's diligence in the enforcement of its Master Settlement Agreement Act (MSA Act) for certain specific years and as a result, are seeking to eliminate potentially tens of millions of dollars of Idaho's tobacco MSA payments used to fund Idaho public health endeavors.

The present disputes are now being litigated in two different arbitrations before three-judge arbitration panels. The disputes have required the Office of the Attorney General to commit significant resources to defend Idaho's payments. In one of the disputes, covering the sales year 2004, discovery and pre-trial motion practice commenced in 2016. An initial two-week multistate hearing was held in Chicago in 2017. Idaho's state-specific evidentiary hearing was held the first week of February 2018 in Washington D.C. A decision is expected soon. The second dispute, covering the sales years 2005 to 2007, recently began.

The resolution of these two arbitrations will not end the tobacco companies' efforts to reduce or eliminate future Idaho MSA payments. Rather, the tobacco companies continue to advance new challenges to Idaho's receipt of its MSA payments, making further litigation with the tobacco companies inevitable.

UPDATES AND PENDING MATTERS

State of Idaho v. Purdue Pharma L.P., et al., and State of Idaho v. Mallinckrodt PLC, et al.

In the summer of 2019, the Attorney General filed two consumer protection lawsuits against the nation's largest opioid drug distributors and manufacturers, including Purdue Pharma, Johnson & Johnson, Janssen Pharmaceuticals, Inc., and Teva Pharmaceuticals USA Inc. The Attorney General's lawsuit against Purdue Pharma, filed in state court, also includes board members Richard and Teresa Sackler, as well as other members of the Sackler family, who oversaw, participated in, and profited from Purdue Pharma's alleged unlawful actions.

The complaints allege the pharmaceutical companies, beginning in the 1990s, engaged in sophisticated marketing campaigns to deceive doctors and the public about the safety and efficacy of opioids. The Attorney General contends the companies' deceptive conduct constitutes multiple violations of the Idaho Consumer Protection Act, as well as negligence and a public nuisance under Idaho law.

Purdue Pharma filed Chapter 11 bankruptcy in September 2019, and Mallinckrodt PLC filed Chapter 11 bankruptcy in October 2020. The Attorney General has appeared in these bankruptcies to protect Idaho's interests. Although the bankruptcy court stayed the Attorney General's lawsuit against Purdue Pharma and the Sacklers, his action against other opioid manufacturers, except Mallinckrodt, and distributors remains pending in federal court.

Generic Drugs Multistate Investigation and Litigation

Idaho is part of two ongoing multistate antitrust lawsuits against numerous manufacturers of generic pharmaceuticals. The states' three filed complaints involve over 30 generic drug manufacturers, over 20 current and former employees from several generic drug companies, and over 200 generic drugs. The lawsuits are part of a multidistrict litigation in the U.S. District Court for the Eastern District of Pennsylvania.

The states allege a number of specific illegal agreements among the defendants to fix prices and allocate customers for several generic drugs. The states further allege that these conspiracies were part of a much broader, overarching industry code of conduct that enabled the defendant manufacturers to divvy up the market for specific generic drugs in accordance with an established, agreed-upon understanding for assigning each competitor their share of the market.

Defendants allegedly coordinated their schemes through direct interaction with their competitors at industry trade shows, customer conferences, and other events, as well as through direct email, phone, and text message communications. The alleged anticompetitive conduct—including efforts to fix and maintain prices, allocate customers, and otherwise thwart competition—has resulted in artificially increased prices for generic drugs reimbursed by federal and state healthcare programs, such as Medicaid, and raised the

coverage costs for employer-sponsored health plans and the out-of-pocket costs for consumers. The states allege that the conduct caused significant, harmful, and continuing effects in the country's healthcare system.

Facebook, Inc., Multistate Litigation

In December 2020, the Attorney General joined a coalition of 48 attorneys general in a lawsuit against Facebook, Inc., for alleged anticompetitive conduct. Filed in the U.S. District Court for the District of Columbia, the lawsuit alleges Facebook, for over 10 years, has unlawfully acquired competitors and unlawfully exercised market power to crush competition and monopolize other lines of commerce.

Throughout the investigation leading up to the lawsuit, the states worked closely with the Federal Trade Commission (FTC). The FTC filed its complaint, which alleges largely the same anticompetitive conduct as alleged by the states, contemporaneously with the states.

Through this lawsuit, the Attorney General, along with other state attorneys general, seeks to stop Facebook from making additional acquisitions valued at or in excess of \$10 million without first informing the attorneys general. Divestiture or restructuring of unlawfully acquired companies, assets, or business lines also is possible.

Google, LLC, Multistate Litigation

The Attorney General joined two multistate antitrust lawsuits filed in December 2020 against Google, LLC. Each lawsuit involves unique allegations of anticompetitive conduct that constitute multiple violations of Section 2 of the Sherman Act, 15 U.S.C. § 2, and sections of the Idaho Competition Act.

- ***Search Engine Lawsuit***

The first lawsuit against Google was filed by 38 attorneys general in the U.S. District Court for the District of Columbia. This action alleges the design of Google's search engine robs consumers of valuable information and obstructs businesses from connecting with potential customers. By bringing the lawsuit, the attorneys general seek to end Google's unlawful monopoly of internet search services, including search advertising and search text advertising.

- ***Ad Tech Lawsuit***

Ten attorneys general filed a lawsuit in the U.S. District Court for the Eastern District of Texas concerning Google's ad tech practices. The Texas-led action alleges that Google monopolized or attempted to monopolize products and services used by advertisers and publishers in online-display advertising. These anticompetitive and deceptive practices diminished publishers' ability to monetize content, increased advertisers' costs to advertise, and directly harmed consumers.

Consumer Education and Outreach

Public awareness and education remain the best defenses against consumer fraud. Providing Idaho's consumers with timely, accurate information about their rights under Idaho's consumer laws and warning consumers about pervasive scams encourage Idahoans to maintain their personal and financial vigilance. Educated consumers are better equipped to monitor and judge a business's practices, thereby promoting a more compliant and competitive marketplace.

The Attorney General provides consumer information through his website, social media, public service announcements, pamphlets and consumer tip sheets, consumer alerts, and public speaking engagements. Information and guidelines are available to companies operating in Idaho, and the Attorney General strives to continue his cooperative working relationship with Idaho's business community.

The Attorney General's educational and outreach efforts do not use tax dollars. Civil penalty payments and reimbursements for the Attorney General's fees and investigative costs are deposited into the consumer protection account. Funds from this account, pursuant to legislative appropriation, pay for the Attorney General's educational activities.

COMMUNITY EDUCATION AND OUTREACH

Each year the Attorney General and the Consumer Protection Division's attorneys and consumer specialists give educational presentations to Idaho's consumers, businesses, organizations, and agencies. This year, the Consumer Protection Division's outreach efforts impacted communities throughout Idaho, reaching more than 1,744 individuals.

In 2020, COVID-19 dramatically impacted the Consumer Protection Division's ability to visit Idaho's communities in person. Prior to the statewide shutdown, the Consumer Protection Division hosted a booth at the Smart Women Smart Money Conference in Boise. More than 1,500 women from 48 Idaho cities attended the event. The Division also participated in the Idaho Financial Literacy Coalition's Information Day at the Statehouse.

While the Consumer Protection Division held fewer in-person presentations in 2020, it continued to educate Idahoans about current scams. The Attorney General issued consumer alerts related to the pandemic, including price gouging and fraudulent COVID-19 health claims. The Attorney General also warned the public about rental housing, tech support scams, professional licensing, and robocall scams.

July was Military Consumer Month and the Attorney General provided information about consumer protection issues specific to members of Idaho's military, as well as our veterans. In October, the Consumer Protection Division provided online presentations at the first virtual Idaho Scam Jam.

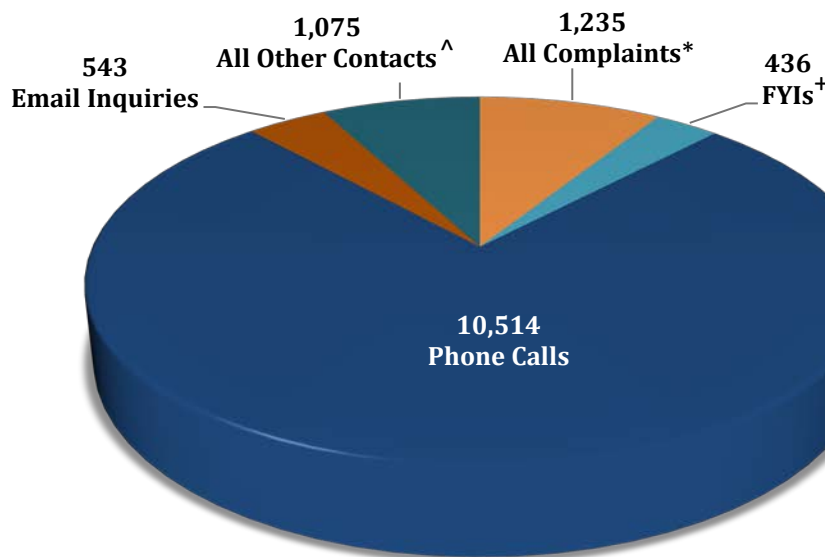
Public Contacts

Each year, the Consumer Protection Division has thousands of contacts with the public, the media, other government agencies, and law enforcement. The Division logs each of these contacts so it can:

- identify patterns of law violations,
- evaluate areas where additional resources are required,
- account for the Division’s annual budgetary expenditures, and
- report the data to the public.

In 2020 the Consumer Protection Division processed **13,803 contacts**, including telephone calls, email inquiries, consumer complaints and FYIs, public record requests, class action settlement notices, private foundation filings, and other contact types.

2020 Consumer Contacts



* Includes mediated and unmediated consumer complaints filed with the Consumer Protection Division.

+“FYIs” are informational reports regarding consumer and other issues provided to the Consumer Protection Division.

^Includes bankruptcy notices (82), charitable trust accountings (41), class action settlement notices (425), do-not-call emails & complaints (136), IRS 990-PF filings (100), miscellaneous correspondence (197), public record requests (61), telephone solicitor registration applications (24), and unsolicited fax complaints (6).

CONSUMER COMPLAINT DATA

The Attorney General's Consumer Protection Division accepts written complaints from consumers who wish to report an alleged violation of a law the Attorney General enforces. In, 2020 the Division received 1,235 consumer complaints.

Complaint Review Procedure

The Division's consumer specialists process and review all incoming complaints. If a complaint is appropriate for the Division's informal dispute resolution program, the complaint is sent to the identified business with a request for a written response. The assigned consumer specialist reviews the business's response and determines what further action, if any, is appropriate. Most businesses understand the benefits of addressing their customers' concerns and voluntarily respond to complaints.

Not every complaint is appropriate for the Division's mediation process. Such complaints include those involving businesses licensed by government agencies or boards (e.g., the Idaho Department of Finance or Idaho State Bar) or complaints involving issues beyond the Division's scope of authority (e.g., criminal matters). When appropriate, the Division refers complaints to other agencies or organizations that may be able to assist the consumer.

The Division reviews every complaint it receives and categorizes each complaint into one of over 100 categories that best reflects the subject of the allegations. In some instances, a complaint is subcategorized into an even more specific topic, such as a type of good or service (e.g., household appliances or consignment services). By categorizing incoming complaints and analyzing trends, the Division can better determine where to focus its limited enforcement resources.

Of the 1,235 complaints the Consumer Protection Division received in 2020, 877 of the complaints were forwarded to businesses or individuals as part of the Division's dispute resolution process. The remaining 358 complaints were filed as "complaints," but were not appropriate for the Division's mediation process.

It is important to note that the Consumer Protection Division also receives "FYIs" from consumers. "FYIs" are similar to consumer complaints, but are not forwarded to businesses or individuals at the consumer's request. In 2020, the Consumer Protection Division received 436 FYIs.

Top 10 Complaint Categories

For comparison purposes each year, the Consumer Protection Division publishes the top 10 categories in which it classified a majority of the year's complaints. The following table summarizes our 2020 complaint data compared to that of 2019. The category numbers include both mediated and unmediated complaints.

TOP 10 COMPLAINT CATEGORIES			
RANK	COMPLAINT CATEGORY	2020 TOTAL	2019 TOTAL
1	MOTOR VEHICLES	140	147
2	CONSTRUCTION & CONTRACTORS	100	86
3	LANDLORD & TENANT ISSUES	96	67
4	HOUSEHOLD APPLIANCES & FIXTURES	48	38
5	BANKING SERVICES	40	<i>NOT RANKED</i>
6	INTERNET SERVICE PROVIDERS	36	29
7	LOANS & MORTGAGE LENDERS	35	32
8	NON-CONSUMER MATTERS	34	<i>NOT RANKED</i>
9	SECURITY SYSTEM SALES & SERVICES	32	29
10	SPORTING & FITNESS EQUIPMENT	30	<i>NOT RANKED</i>
	ALL OTHER COMPLAINT CATEGORIES	644	569
	TOTAL COMPLAINTS RECEIVED	1,235	1,179

Comments about the Categories

Motor Vehicles

The number one complaint category—motor vehicles—has not changed since 2013. Complaints consistently involve consumers’ purchases of new and used cars, repair issues, extended service contracts, and manufacturer defects. Idaho’s motor vehicle dealers diligently respond to consumer complaints received from the Attorney General’s Office.

Construction & Contractors

The number of construction and contractor complaints filed this year increased and included primarily complaints about contractors accepting large upfront payments for work that is never or only partially performed. The Consumer Protection Division attempts to mediate consumer-contractor disputes and refers complaints to the Idaho Contractors Board, which has primary regulatory authority over contracting activities in Idaho.

Landlord & Tenant Issues

The 43% increase in landlord-tenant complaints in 2020 reflects a strained Idaho housing market that likely will continue into 2021. Complaints, predominantly filed by tenants, allege difficulties obtaining property repairs, unexpected increases in property rents, evictions, and changes to lease agreements.

The Attorney General does not enforce Idaho's landlord-tenant laws, but does mediate a tenant complaint if it alleges a deceptive business practice under the Idaho Consumer Protection Act. For the most part, however, such disputes are contractual as opposed to deceptive. To help tenants and landlords better understand their rights and obligations, the Attorney General publishes a landlord-tenant manual that the public may read or download on his website.

New Entries to the Top 10

Banking Services

Banking services include complaints about checking, savings, and other financial accounts, including credit cards and online payment systems like PayPal and Venmo. Common complaints involved problems with account fees and recovering money for disputed transactions.

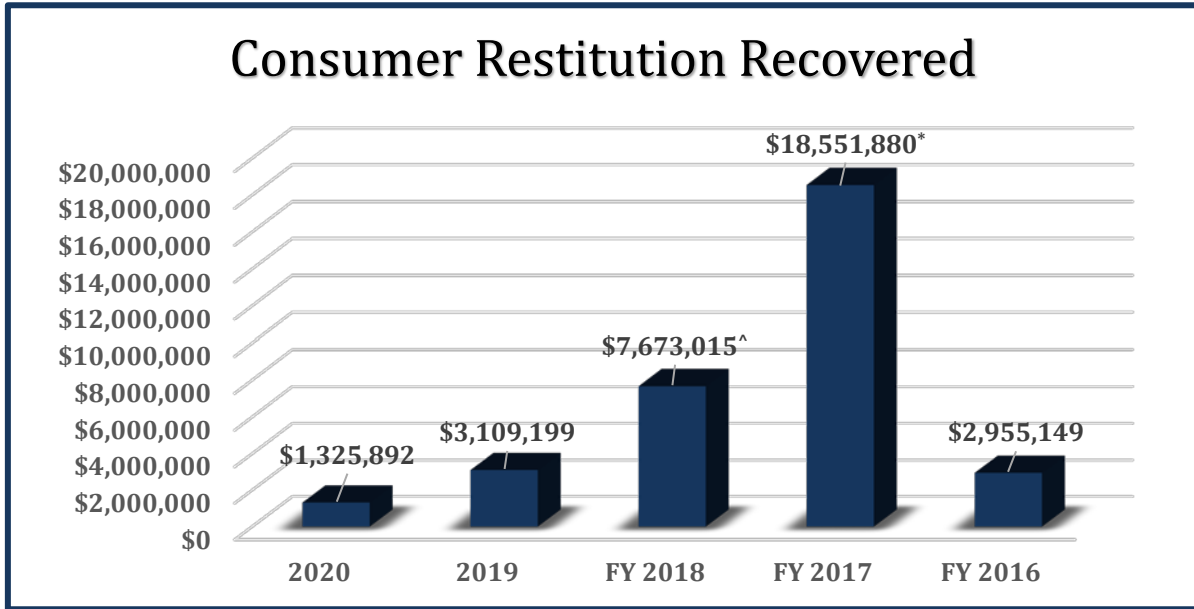
Non-Consumer Matters

Every year the Consumer Protection Division receives complaints about social, political, or personal issues that do not concern trade and commerce and fall outside the purview of the Idaho Consumer Protection Act. Such complaints generally are categorized as "non-consumer matters" and are not mediated. In 2020, a number of consumers filed complaints asking the Consumer Protection Division to contact Idaho businesses about their mask-wearing or social distancing policies. These complaints were categorized as "non-consumer" and were not mediated.

Sporting & Fitness Equipment

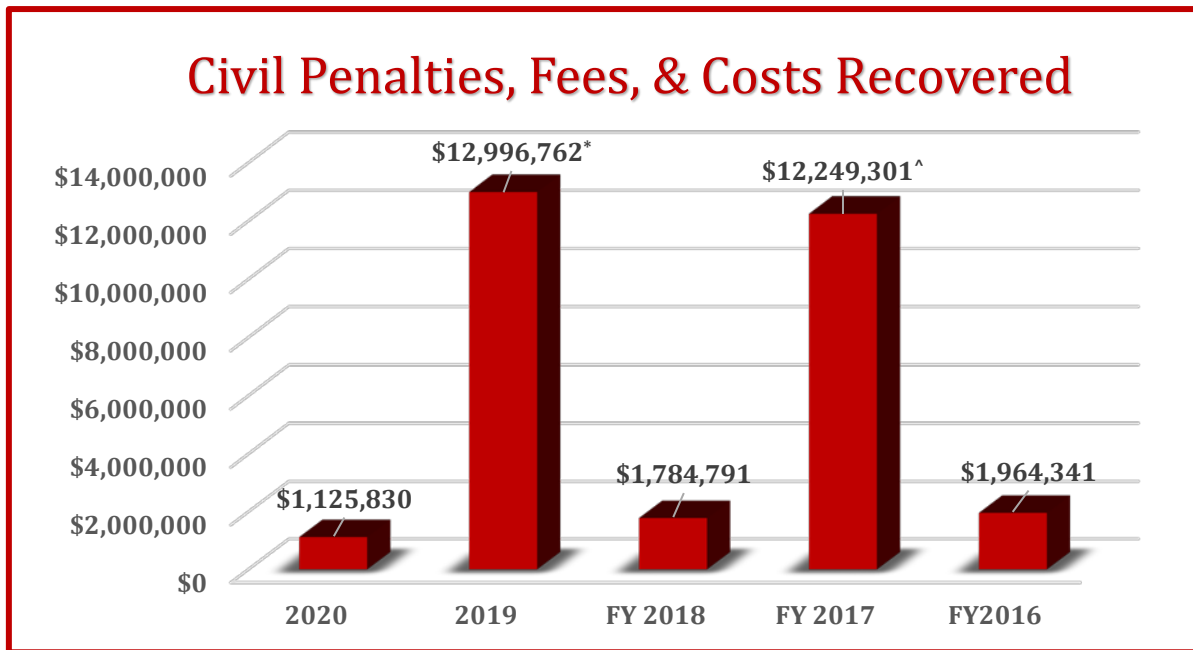
This category includes a variety of products that consumers use for exercising and participating in sports activities, which consumers purchase online or at a sporting goods store. In 2020, the Consumer Protection Division received seven complaints against one out-of-business gun seller and several other complaints alleging issues with online and retail gun sellers. Consumers also reported disputes involving typical sporting goods like golf balls, bikes, scooters, and a pitching machine.

FIVE-YEAR COMPARISON CHARTS:



* In FY 2017, Idaho consumers received \$15,537,982 in restitution through the Attorney General's settlement with Volkswagen.

[^] In FY 2018, Idaho consumers received an additional \$5,904,408 in restitution through the Attorney General's settlement with Volkswagen.



*In FY 2017, the Attorney General's Office, in addition to recovering its fees and costs from various 2017 settlements, received cost-share reimbursements from multistate settlements filed in 2016.

[^]In 2019, the Attorney General's Office received several large multimillion dollar payments through various settlement actions.

CONSUMER PROTECTION NUMBERS: FIVE YEARS AT A GLANCE

ACTIVITY	2020	2019	FY 2018	FY 2017	FY 2016
Complaints Received	1,235	1,179	1,223	792	791
Other Consumer Contacts	12,105	13,847	13,036	13,650	12,861
Consumer Dollars Lost	\$606,974	\$900,753	\$2,860,225	\$1,909,914	\$2,106,951
Consumer Dollars Recovered	\$1,454,939	\$3,109,199	\$7,673,015	\$18,551,880	\$2,955,149
Penalties & Costs Recovered	\$1,126,830	\$12,996,762	\$1,784,791	\$12,249,301	\$1,964,341
Enforcement Actions	14	18	12	13	22
Registered Telemarketers	16	15	15	14	16
Numbers on DNC Registry	1,247,854	1,234,970	1,171,358	1,146,623	1,129,590

For more information about this report, to file a consumer complaint, or to request a consumer education presentation, please:

VISIT:	Consumer Protection Division 954 W. Jefferson St., 2 nd Floor Boise, ID 83702
WRITE:	Consumer Protection Division P.O. Box 83720 Boise, ID 83720-0010
CALL:	(208) 334-2424 (or) (800) 432-3545 (toll free in Idaho)
EMAIL:	consumer_protection@ag.idaho.gov www.ag.idaho.gov

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ATTORNEY GENERAL

STATE OF IDAHO

