



Kamala D. Harris
Attorney General

California Department of Justice
Biennial Report
Major Activities, 2011-2012

EXECUTIVE SUMMARY

HIGHLIGHTS OF 2011 and 2012

During the first two years of Attorney General Kamala D. Harris' administration, the State of California struggled with a severe budget shortfall. The state's troubled economy had a devastating impact on government programs and the lives of many Californians. At one point during the biennial period, seven of the nation's ten cities hardest hit by foreclosures were located in California.



To address the needs of struggling homeowners, Attorney General Harris secured \$18 billion for California through a historic multi-state settlement with the nation's five largest banks.

Despite a \$71 million reduction to the Division of Law Enforcement budget, Attorney General Harris focused on combating one of the state's most significant public safety threats: transnational gangs responsible for smuggling guns, drugs and human beings into California.

Attorney General Harris also took innovative steps to protect the privacy and online safety of Californians, and to defend California's environment, civil rights, and consumers. The office brought a number of consumer lawsuits targeting everything from deceptive marketing practices to illegal overcharges billed to the state's Medi-Cal program. Attorney General Harris fought for the right of same-sex couples to marry in California and defended the legality of federal health care reform.

This report describes some of the major accomplishments during the biennial period.

Combatted Mortgage Fraud

Secured \$18 Billion for California Homeowners

The Attorney General secured \$18 billion in relief for California homeowners as part of a historic settlement with 49 states and five mortgage industry leaders. As part of the National Mortgage Settlement, the Attorney General also obtained enforceable guarantees to hold the banks accountable to California homeowners, including \$12 billion in principal reductions.

Secured Permanent Reform to Mortgage Processing

Effective January 1, 2013, the California Homeowner Bill of Rights provides protections for borrowers and struggling homeowners, including a restriction on dual-track foreclosures and designation of a single point-of-contact with the lender who has knowledge of their loan and direct access to decision makers.

Created Mortgage Fraud Strike Force

The Attorney General created a strike force of attorneys and investigators to protect California homeowners and prosecute those who defraud them. The Mortgage Fraud Strike Force's civil and criminal enforcement teams monitor and prosecute violations at every step of the mortgage process.

Sued Law Firms that Made False Promises of Mortgage Relief

The Attorney General filed a lawsuit against more than a dozen law firms and lawyers that engaged in deceptive "mass joinder" lawsuits and falsely promised to assist thousands of distressed homeowners who were charged retainer fees up to \$10,000. The case is pending.



Targeted Mortgage Fraud Scams

The Attorney General sued dozens of companies and individuals that ran fraudulent loan modification scams targeting homeowners who were impacted by the housing crisis.

A number of companies were shut down and forced to pay penalties and restitution.

Disrupted Transnational Gang Crime

Dismantled Central Valley Transnational Gang Operation

At the conclusion of an 18-month investigation, more than 100 gang leaders and members with ties to Mexican cartels were arrested for crimes that included the sale of drugs, firearms, and stolen property.

Prevented Murder-for-Hire Ordered by Mexican Cartel

As a result of a DOJ investigation, three defendants commissioned by a Tijuana drug cartel were arrested for attempting a murder-for-hire plot against five members of a family in California. All three defendants were ultimately convicted.

Busted Pharmaceutical Drug Smuggling Ring

Law enforcement arrested 15 individuals who acquired wholesale quantities of controlled pharmaceutical drugs in the U.S., smuggled the drugs into Mexico and sold them, and then smuggled the cash back into the U.S. to finance criminal operations.

Convened Statewide Partners in the Fight Against Human Trafficking

The Attorney General convened a human trafficking work group comprised of law enforcement, victim service providers, non-profit organizations, technology companies, and others to partner in the fight against human trafficking and update the 2007 *Human Trafficking in California* report.

Protected Public Safety

Cleared the DNA Case Backlog

The Bureau of Forensic Services cleared a backlog of DNA crime scene evidence through improved processes that resulted in DOJ labs turning around DNA analysis within a shortened timeframe of 30 to 90 days.

Confiscated Thousands of Guns from Prohibited Owners

The Bureau of Firearms conducted 2,710 investigations of individuals on the Armed and Prohibited Persons list, including convicted felons, mentally unstable individuals and those with domestic violence restraining orders. In total, 2,960 firearms were seized from individuals prohibited by statute from possessing them.

Debuted Familial DNA as a Cutting Edge Crime Fighting Tool

The Bureau of Forensic Services (BFS) began using Familial DNA to identify suspects in violent crimes where all other leads have been exhausted. In the first high-profile case, BFS identified a suspect in a sexual assault case through a familial DNA search. The suspect was taken into custody after DOJ forensic scientists

found a close familial match between DNA evidence from the crime scene and the DNA of a convicted offender.

Busted Gun Trafficking Ring

DOJ special agents investigated an individual engaged in illegal trafficking of firearms from Arizona into California – and seized 48 firearms, including ten assault weapons, a machine gun and more than 18,000 rounds of ammunition.

Dismantled Motorcycle Gang Operation

An 18-month multi-agency investigation of the Vagos Outlaw Motorcycle Gang led to the arrest of 39 individuals in seven counties. DOJ special agents also seized cocaine, methamphetamine and more than 300 firearms.

Safeguarded Privacy and Took On 21st Century Crime

Created the California Department of Justice eCrime Unit

The Attorney General created the eCrime Unit to prosecute identity theft, data intrusions, and crimes involving the use of technology. The unit also develops and provides training for law enforcement, prosecutors, the judiciary and the public on cyber safety and the importance of information-security practices.

Secured Privacy Agreement with Mobile Apps Developers

The leading operators of mobile application platforms signed agreements to improve privacy protections for millions of consumers around the globe who access the Internet through applications on their smartphones, tablets and other mobile devices.

Filed First Action under California's Online Privacy Law

The Attorney General sued Delta Airlines for failing to comply with the state's Online Privacy Protection Act. The airline, along with other companies, was given 30 days to conspicuously post a privacy policy within their mobile app to inform users of personally identifiable information being collected and how it may be used. (*People v. Delta Air Lines, Inc.*)

Created Privacy Enforcement and Protection Unit

The Attorney General created the Privacy Enforcement and Protection Unit to protect consumer and individual privacy through civil prosecution of those who violate state and federal privacy laws.



Fought for a Clean Environment for All

Fought to Protect Community from Diesel Emissions

The Attorney General joined a lawsuit challenging Riverside County's approval of an industrial project that would add as many as 1,500 additional diesel truck trips a day alongside Mira Loma

Village, a low-income community already disproportionately affected by diesel exhaust and noise pollution. (*Center for Community Action and Environmental Justice v. County of Riverside.*)

Filed First "Greenwashing" Lawsuit

The Attorney General filed a first-of-its-kind lawsuit against three companies that made false and misleading claims by marketing plastic water bottles as 100 percent biodegradable and recyclable. (*People v. Enso Plastics.*)

Sued Major Retail Chain for Hazardous Waste Disposal Violations

The Attorney General, joined by district attorneys from across California, filed suit against Target Corporation for unlawful disposal of hazardous waste resulting in a \$22.5 million settlement and a permanent injunction. (*People v. Target.*)

Reached Settlement with Ports to Reduce Emissions

A settlement was reached with cargo terminals at the Ports of Long Beach and Los Angeles requiring the terminals to reduce diesel emissions from trucks, tractors and trains that operate at the ports and improve notification to the public of potential harmful emissions. (*People v. ATM Terminal Pacific.*)

Fought for the Rights of Every Californian

Secured Unpaid Wages for Workers

The Attorney General obtained a judgment against a defunct car wash operator and its successor for \$120,000 in unpaid wages for workers who were denied minimum wage and overtime pay. (*People v. NDR, Inc.*)

Defended the Affordable Care Act

The Attorney General defended the constitutionality of federal health care reform and, joined by other attorneys general, filed legal pleadings in five federal courts urging the courts to uphold the law.

Supported the Rights of Same-Sex Couples

The Attorney General filed a statement in the U.S. Court of Appeals for the Ninth Circuit to dismiss its order prohibiting same-sex marriages in California pending the outcome of the appeal of Proposition 8, a statewide ballot proposition to amend the California Constitution to limit marriage as between a man and a woman.

Fought for Consumers and Taxpayers

Reached Settlement over Deceptive Marketing

The Attorney General helped to secure a multi-state \$68.5 million settlement with AstraZeneca Pharmaceuticals for unfair and deceptive practices in its marketing of the antipsychotic drug Seroquel. (*People v. AstraZeneca.*)

Recovered Millions for Medi-Cal Program

The Attorney General reached a \$49.5 million settlement with Laboratory Corporation of America, resolving a lawsuit alleging illegal overcharges billed to the state's Medi-Cal program for the poor. The settlement brought the total recovery from various lab test pricing cases filed by the Attorney General to \$298 million.



Sued to Stop Misuse of Donations for Veterans

The Attorney General filed a civil lawsuit seeking the removal of officers and directors of a charity that engaged in self-dealing, were paid excessive executive compensation and engaged in fraudulent fundraising and other unlawful activities. The lawsuit also seeks to recover more than \$4.3 million in improperly diverted funds that were intended to benefit veterans. (*People v. Help Hospitalized Veterans.*)

Department Overview

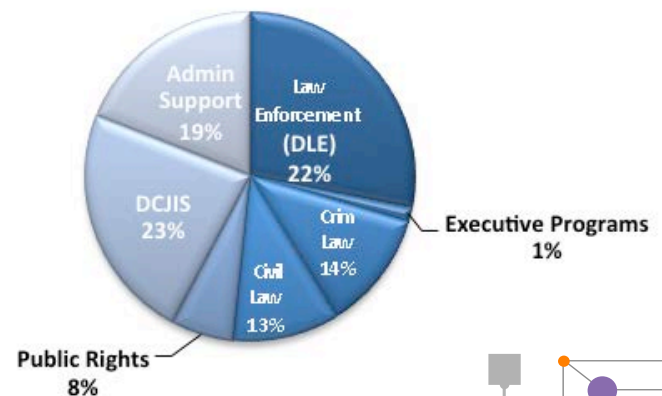
The Attorney General’s responsibilities are fulfilled through the diverse programs of the Department of Justice, which has over 4,500 employees, six divisions, and an annual operating budget of over \$700 million.

Authorized Division	Positions	Budget
Division of Law Enforcement (DLE)	1,007	\$189,882,000
Public Rights Division	343	\$109,507,000
Civil Law Division	592	\$158,096,000
Criminal Law Division	618	\$126,459,000
Div. of Calif. Justice Information Services (CJIS)	1,064	\$158,029,000
Division of Administrative Support	864	(\$81,711,000)
Executive Programs	69	(\$9,618,000)
Total	4,557 positions	\$741,973,000

Through its dedicated employees, the Department represents the People in matters before the appellate and supreme courts of California and the United States, serves as legal counsel to state agencies, coordinates efforts to fight crime, provides identification and information services to criminal justice agencies, and pursues projects designed to protect the People of California from fraudulent, unfair and illegal activities.

Major issues, significant cases, and improvements in the Department’s operations are highlighted on the following pages.

Division Breakdown



Division of Law Enforcement

As a result of significant cuts made by Governor Brown to the California state budget, the Division of Law Enforcement suffered a \$71 million loss in 2011. This cut had far-reaching effects on the department's capacity and capabilities.

The Division of Law Enforcement, through its 1,007 employees, provides exemplary and comprehensive law enforcement, forensic services, investigations, intelligence and training. The division ensures that the state's firearm laws are fairly administered and vigorously enforced, and regulates legal gambling activities to ensure they are conducted honestly and free from criminal and corruptive elements. The division provides a wide range of support services to law enforcement agencies and manages several of its own crime suppression programs through the Bureau of Forensic Services and the Bureau of Investigation.

The Division of Law Enforcement consists of the following bureaus:

- Bureau of Forensic Services
- Bureau of Investigation (*Bureau of Narcotic Enforcement and Bureau of Investigation and Intelligence were consolidated in 2012*)
- Bureau of Firearms
- Bureau of Gambling Control
- Western States Information Network

Bureau of Forensic Services

The bureau provides services to state and local law enforcement, district attorneys and the courts. Laboratory staff conduct forensic examinations across a broad range of physical evidence and maintain several specialized programs, including forensic toxicology, latent prints and

questioned documents. The bureau also provides forensic service training for DOJ scientists and local government crime laboratory staff through the California Criminalistics Institute.

CAL-DNA Data Bank Program

California's convicted offender DNA database has grown tenfold over the last decade from 185,653 records in 2002 to over 1.9 million records in 2012. Eighty percent of the submissions to the data bank are arrestee records. DOJ has the fourth largest DNA offender database in the world; the CAL-DNA Data Bank processes 20,000 offender/arrestee samples each month.

Rapid DNA Service

DOJ expanded its groundbreaking Rapid DNA Service program (RADS) to Sonoma, Solano, Napa and Marin counties. Under RADS, forensic hospital personnel collect body swabs from the assailant, and send standard rape kits to the DOJ DNA Laboratory in Richmond for processing

and DNA typing. Within 15 working days, the evidence is imported into the CAL-DNA Data Bank and compared to over 1.9 million offenders in California and 9.5 million offenders nationwide.

Mitochondrial DNA

The DOJ implemented mitochondrial DNA (mt-DNA) testing to help identify individuals through hair found at crime scenes, ranging from hair found on duct tape in a suspect's possession to a hair found on a homicide victim's body. It is also used to establish kinship in complicated familial search cases.

Familial Search Hit

Familial searching is used to compare crime scene DNA types against convicted offender types in the state database. A familial search is conducted only in unsolved violent crimes where there is a serious risk to public safety and all other investigative leads have been exhausted. In 2011, the second-ever familial search hit led to the arrest of a suspect in a violent crime in which a woman was attacked and sexually assaulted then barricaded in a walk-in refrigerator in a Santa Cruz coffee shop in 2008.

Shermantine Dig

In February 2012, DOJ criminalists assisted local law enforcement agencies from Calaveras and San Joaquin counties in the recovery of human skeletal remains of the victims of serial killers Wesley Shermantine and Loren Herzog. The duo was dubbed the "Speed Freak Killers" by the media, and was believed to have committed several murders between 1984 and 1998. The remains of Cyndi Vanderheiden (missing since 1998), Chevelle Wheeler (missing

since 1985), Kimberly Billy (missing since 1984), and Joann Hobson (missing since 1985) were recovered. The remains of an additional female and fetus have yet to be identified. The investigation is ongoing.

Digital Evidence

In 2012, the BFS Sacramento Laboratory achieved digital forensics accreditation through the American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB). The laboratory currently focuses on analyzing the data collected from cell phones. Kiosks are also available on-site as a tool for law enforcement agencies to analyze cell phone data in their investigations.

DNA Kinship Class

The BFS California Criminalistics Institute (CCI) provided two rigorous five-day classes on kinship analysis, i.e., establishing familial associations through the comparison of individual's DNA profiles. The classes relate to analysis conducted on crimes pertaining to: familial searching, rapes leading to criminal paternities, missing and unidentified persons, or mass disasters ranging from plane crashes to tsunamis. Two world-renowned experts in DNA kinship analysis (and DOJ employees at the Jan Bashinski DNA Laboratory in Richmond) taught the population biology and statistical complexities of kinship testing, which attracted students from California, Minnesota, Massachusetts, Guatemala and Australia.

Bureau of Investigation

In July 2012, the Division of Law Enforcement's budget was reduced by \$59 million. As a result, several programs in the Bureau of Narcotic Enforcement and Bureau of Investigation and Intelligence were moved, dissolved or absorbed by the newly formed Bureau of Investigation.

Significant activities include the following:

Special Operations Unit

The unit provides statewide enforcement to combat intrastate drug trafficking and violent career criminals and gangs, and develops sources of information to identify criminal syndicates. The unit also uses sophisticated investigative techniques to identify methods of operation, as well as supply and distribution networks. The unit works to eliminate the organization, rather than arrest easily replaced members. The unit also supports the task forces and local agencies when major drug cases, inter-jurisdictional traffickers, violent career criminals and gangs exceed the capabilities of local agencies.

Murder-for-Hire Investigation

As a result of a DOJ investigation, three defendants commissioned by a Tijuana drug cartel were arrested for attempting a murder-for-hire plot against five members of a family in California. All three defendants were ultimately convicted.

Major Central Valley Gang Investigation

An 18-month operation resulted in 103 arrests, including gang members with prior felony convictions. Crimes included

the sale of drugs, firearms, and stolen property and vehicles. Charges included auto theft, possession of stolen property, gun charges, burglary, sales of narcotics (heroin, cocaine, marijuana, ecstasy), and gang enhancements.

Special Investigations Teams

The teams provide investigative support to attorneys in the legal divisions. Major investigations included:

ATM Identity Theft Investigation

The team investigated an ATM identity theft scam, also known as a "skimmer operation," that spanned seven counties. Card readers were replaced at Chase Bank ATM vestibules to retrieve card information and micro cameras captured card holder PIN numbers. With card and PIN information, fictitious ATM cards were created and used to withdraw over \$320,000. Two individuals were arrested and charged with 28 counts of fraud.

Mortgage Fraud Investigation

Desperate homeowners facing foreclosure were led to believe that "mass joinder" lawsuits would stop pending foreclosures, reduce their loan balances or interest rates, or enable them to receive title to their homes free and clear of their existing mortgage. Homeowners paid retainer fees up to \$10,000 to join the "mass joinder" lawsuit against their lender or loan servicer. As part of the team's investigation and enforcement efforts, various law firms were placed into receivership and their assets seized.

Law Enforcement Zone Meetings

The Attorney General reinstated zone meetings to convene state and local law enforcement leaders throughout California. During the biennial period, eleven zone meetings were held to address public safety issues facing California. Topics of discussion included mortgage fraud and the housing crisis, public safety realignment, the Armed and Prohibited Program, transnational gangs, human trafficking, and DNA advance-ments. The Attorney General also recognized law enforcement individuals for their superior performance in the line of duty.

Human Trafficking Initiative

The Attorney General convened an anti-trafficking work group made up of more than 100 representatives from law enforcement, victim service providers, non-governmental organizations, technology companies, and academic institutions. The work group held three meetings to assess challenges and opportunities to fight this crime. A report on the current state of human trafficking in California was issued at a symposium in 2012 attended by hundreds of anti-human trafficking partners from across the state.

Los Angeles Regional Criminal Information Clearinghouse

LA CLEAR is an information management system that supports local, state, and federal law enforcement agencies in California and Nevada. LA CLEAR represents a unified effort to support narcotic law enforcement operations in the Los Angeles High Intensity Drug Trafficking Areas (HIDTA) region, and uses advanced technology and skilled professionals to

maximize the ability of counter-drug law enforcement to manage and share critical information. LA CLEAR's accomplishments for the Los Angeles and Nevada HIDTA regions included:

- Conducted 304,357 target inquiries.
- Provided support to 132 wiretap investigations.
- Supported 909 investigations.
- Processed 9,027 California-related case support products.

California Witness Relocation and Assistance Program

The program handled 379 cases in 2011 and relocated 1,044 witnesses and their family members. In December 2011, the program was moved under the Division of Law Enforcement, Office of the Director.

Task Force Program

This program consists of 27 DOJ task forces that partner with local jurisdictions to coordinate and concentrate efforts against drug trafficking and major crimes.

Mountain and Valley Marijuana Investigation Team

Agents received a tip that drugs were being shipped from a private shipping company in West Sacramento to Chicago. Agents recovered 80 pounds of high-grade marijuana from a shipping crate, then sent the empty crate to Chicago. Law enforcement officials arrested two individuals who picked up the crate and seized 120 pounds of marijuana and \$300,000 in cash. This investigation

spanned three states and resulted in the arrest of 14 individuals, the seizure of 1,300 pounds of processed marijuana, and confiscation of firearms, cash, gold bars, silver coins and generators.

South Bay Metropolitan Task Force

Agents purchased more than three pounds of heroin in order to target a large-scale heroin and methamphetamine distributor who operated in San Jose, Palo Alto and Redwood City areas. Members of the drug trafficking organization included Norteño gang members with connections to Mexico who imported narcotics through international and national sources and redistributed the drugs in California and throughout the United States. The heroin was imported from Mexico, while the crystal methamphetamine was manufactured in the Central Valley of California. The arrest of 12 individuals in the Bay Area led to the apprehension of the distributor, who is the suspected head of the transnational drug trafficking organization.

Merced County Investigation

Intelligence information and a simple “buy/walk” of one pound of methamphetamine by the Merced Multi-Agency Narcotic Task Force led to the identification of a transnational drug cartel from Michoacán, Mexico. The task force obtained assistance from the Fresno Special Operations Unit to intercept calls from Mexico. The investigation led to the seizure of two methamphetamine conversion labs in Victorville and Rialto, a hideout for the drug trafficking organization in Huntington Park, and money stashed in Paramount. Sixteen individuals were arrested, and 350 pounds of methamphetamine seized.

Recycle Fraud Program

The Recycle Fraud Program detects and stops fraud by organized criminal groups against the California Redemption Value fund and deters future fraud through the prosecution of criminal activity.

- Based on an anonymous tip forwarded by CalRecycle, DOJ agents investigated a network of individuals and processing and recycling entities in the Bay Area that were suspected of recycling fraud against the California Redemption Value (CRV) fund. Illegal activities included the re-redemption of ineligible used beverage containers. Two entities settled for over \$1.1 million. Three suspects are fugitives who are believed to have fled to China; bail has been set at \$1 million each.

Foreign Prosecutions and Law Enforcement Unit

The unit assists state and local law enforcement agencies with locating and prosecuting Mexican national suspects who are accused of committing violent crimes in California.

Law Enforcement Intelligence Unit

The unit provides leadership and promotes professionalism in the criminal intelligence community in order to protect public safety and constitutional rights.

Anti-Terrorism Program

The program works with local, state and federal law enforcement agencies to detect, investigate, prosecute, dismantle, prevent and respond to domestic and international terrorist activities.

Southwest Border Anti-Money Laundering Alliance

The program enhances and coordinates investigations and prosecutions of money laundering in the Southwest Border Area, including 200 miles of the United States/Mexico border. The Alliance is composed of the Attorney General's Offices of the States of Arizona, California, New Mexico, and Texas.

California Border Alliance Group / San Diego Law Enforcement Coordination Center

The law enforcement center is the border alliance's intelligence center that provides the following services: responsive event deconfliction, case/subject deconfliction via pointer index, case support, intelligence fusion, and predictive analyses.

Clandestine Laboratory Coordination Program

The program is a national strategy, intelligence sharing and training initiative that addresses methamphetamine and pharmaceutical drug crimes in the United States. The program reduces the availability of methamphetamine and its precursor chemicals throughout the United States, and also reduces pharmaceutical drug crimes by utilizing best practices for investigations and intelligence collection and analysis.

Controlled Chemical Substance Program

The program monitors the use of methamphetamine-making products, such as reagents, solvents, laboratory glass flasks and precursor chemicals that are needed for clandestine lab operations.

The program tracks chemicals shipped into California that are likely bought by illegal drug makers and holds businesses accountable for diversions of precursor chemicals to illegal labs.

Campaign Against Marijuana Planting

The DOJ established CAMP in 1983 to help counties stop illegal marijuana cultivation and trafficking. In 2011, CAMP assisted 41 counties with marijuana eradication efforts, resulting in 497 raids, 46 arrests and the seizure of firearms. Over 2.2 million plants were destroyed or removed with an estimated street value in excess of \$5.5 billion. In February 2012, the DOJ ended its participation in the CAMP program. Local, state, and federal partner agencies continue to eradicate large-scale illegal marijuana cultivations from public and private lands that cause deforestation, damage to wildlife habitats, pose danger to citizens, and cause hazardous-chemical pollutions.

Diversion Program

The diversion program, which was eliminated in February 2012, sought to end the illegal market of prescription drugs. Special agents investigated and assisted in prosecuting licensed medical professionals who illicitly prescribed or dispensed prescription drugs and individuals who forged prescriptions.

U.S.-Mexico Investigation

Special agents investigated a large-scale U.S.-Mexico prescription drug trafficking organization that funded criminal activity in the United States. The traffickers acquired wholesale quantities of controlled

pharmaceutical drugs, such as oxycodone and hydrocodone, in San Diego, Riverside and Los Angeles counties. The traffickers utilized a large network of individuals who obtained prescriptions in return for money, smuggled drugs into Mexico where they were later sold to illicit pharmacies, and in a six-month period allegedly smuggled \$400,000 back into the U.S. to finance criminal operations. The investigation resulted in 15 arrests, including the organization's leader, who faces state and federal charges.

Bureau of Firearms

The Bureau of Firearms ensures that the state's firearms laws are administered and enforced fairly and uniformly.

Firearms Prohibition System Redesign

In February 2012, the Mental Health Firearms Prohibition System was upgraded to a new Oracle system that is shared by most DOJ law enforcement databases. The redesign also allowed for enhancements to support AB 302 (Stats. 2010, ch. 344), which required mental health facilities to electronically report patient records to DOJ. The system contains over 22,000 prohibited person records.

Dealer's Record of Sales

The bureau ensures that purchasers have no prohibitions from owning/possessing firearms. The bureau conducted 601,254 firearm purchase background checks in 2011 and projects 739,529 background checks for calendar year 2012. The bureau

prevented over 9,000 felons, dangerous mental patients, and violent domestic abusers from purchasing firearms. This is the fourth consecutive year that firearms sales have increased.

Armed and Prohibited Persons

The APPS program allows the Attorney General to continue efforts to disarm convicted felons, the mentally unstable, individuals with domestic violence restraining orders, and others prohibited by statute from possessing firearms. The bureau conducted 2,710 investigations and seized 2,960 firearms during the biennial period.

Gun Show Program

The bureau conducts background checks and administers licensing requirements on all gun show promoters who operate in California. The bureau also monitors and investigates the gun shows to ensure compliance with California law. The bureau attended 140 gun shows, confiscating 151 illegal firearms and 86,100 rounds of ammunition, of which 1,000 rounds were armor-piercing.

Bureau of Gambling Control

The Bureau of Gambling Control is responsible for the following:

- Investigates license applicant backgrounds.
- Monitors regulatory compliance.
- Investigates suspected gaming-related criminal activity.

- Coordinates the statewide exchange of criminal intelligence data among gambling establishments and law enforcement agencies.
- Registers and regulates fundraisers using “controlled games.”
- Administers the Statewide Exclusion Program.

Card Room and Tribal Licensing Investigations

The bureau completed 2,740 background investigations on applicants who sought new or renewed licenses or permits for California card rooms. The bureau also conducted suitability investigations on 14 businesses and their 114 principals that supply gaming products and services to the tribal casinos, and on 1,378 key licensed tribal casino employees.

Compliance and Enforcement

The bureau conducted 196 criminal investigations associated with licensed card rooms and tribal casinos, and also conducted 192 regulatory compliance inspections of the licensed card rooms and tribal casinos. As a result of the bureau’s criminal investigations, 144 individuals were arrested and illegal gaming devices and other contraband were seized.

Charitable Gambling Registration Program

The program approved 2,677 qualified nonprofit organizations and 678 gaming equipment/service suppliers that conducted controlled games at registered fundraisers.

Statewide Exclusion Program

The program approved 740 self-exclusion forms for people who are gambling addicts and voluntarily exclude themselves from card rooms and casinos. A web-based database contains the exclusion list, and is available to all licensed card rooms in California.

Gambling Related Elder Abuse Investigation

The bureau investigated a suspected elder abuse case in which \$60,000 was allegedly stolen from an 85-year old retiree who was lured by an individual to two Los Angeles County card rooms and a pawn shop. The Los Angeles County District Attorney’s Office charged the defendant with elder abuse and conspiracy.

Tribal Casino Armed Take-over Robbery

In November 2011, four masked gunmen armed with handguns and an AR-15 type assault rifle robbed a San Diego County tribal casino. The gunmen attempted to break a glass display case that contained a duffel bag which was advertised to contain a \$250,000 cash giveaway promotion. The gunmen wrapped a chain around the display case and attempted to pull it out of the building by using a sport utility vehicle. The gunmen fled the casino in the vehicle with \$8,000 in cash. The bureau was instrumental in identifying the subjects and connecting them to similar jewelry store robberies throughout California; all four gunmen were arrested.

Western States Information Network

The Western States Information Network® (WSIN) was established by Congress as one of six Regional Information Sharing Systems® (RISS) centers in the United States. WSIN responds to the intelligence needs of more than 1,400 participating law enforcement agencies in Alaska, California, Hawaii, Oregon and Washington. Over 32,000 officers continue to use WSIN's services.

Deconfliction of Law Enforcement Operation

WSIN's 24-hour Watch Center electronically monitors law enforcement activities to detect dangerous conflicts in operations. Multiple agencies that are engaged in surveillance, service of search warrants, undercover activities, arrests and probation/parole searches within close proximity to each other are identified and monitored. There

were 158,884 law enforcement operations posted and monitored in 2011.

WSIN Criminal Intelligence Database

The criminal intelligence database contains records on suspected criminal activity, including narcotics, gangs, terrorism, and crimes. The database has a seamless search capacity with 32 other states and regional intelligence databases. In 2011, participating agencies made 264,724 database inquiries.

Pseudoephedrine Violator Tracking System

To assist law enforcement in identifying possible manufacturers of methamphetamine, WSIN developed a database to track illegal purchases of pseudoephedrine. Federal law limits purchases to nine grams within a 30-day period. Retailers securely upload electronic pseudoephedrine logs to the system and identify purchases that are outside the legal limits. There are more than 3.7 million records in the system.

Public Rights Division

The Public Rights Division, through its 343 employees, serves Californians by safeguarding the state's environment and natural resources, protecting state lands, maintaining competitive markets, preventing fraudulent business practices, protecting consumers against misleading advertising claims, preserving charitable assets and protecting civil rights. The division is currently handling over 3,100 legal cases.

The Public Rights Division consists of the following sections:

- Consumer Law
- Corporate Fraud
- Environment Law
- Natural Resources Law
- Antitrust Law
- Civil Rights Enforcement
- Indian and Gaming Law
- Land Law
- Tobacco Litigation and Enforcement
- Charitable Trusts

Consumer Law Section

The Consumer Law Section enforces the laws against false advertising, deceptive marketing and unfair competition through civil prosecutions brought on behalf of the People. In these cases, the Attorney General seeks restitution for consumers, and civil penalties and injunctive relief to

halt the illegal activities. The section also maintains the registries of travel sellers and foreclosure consultants.

Significant cases and activities include the following:

National Mortgage Settlement

The Attorney General secured \$18 billion in relief for California homeowners as part of a historic \$25 billion settlement with 49 states and five mortgage industry leaders: JP Morgan Chase, Bank of America, Wells Fargo, CitiBank, and GMAC/Ally. The banks failed to verify the accuracy of the foreclosure process by robo-signing documents and other bank servicing and foreclosure misconduct. The Attorney General also obtained enforceable guarantees to hold the banks accountable to California homeowners, including \$12 billion in principal reductions.

California's separate guarantee also creates important incentives to ensure that banks will reduce the principal mortgage balance of underwater homeowners in California's hardest-hit counties and that the principal reductions in these communities will occur within the first year of the settlement.

California Homeowner Bill of Rights

This package of legislative bills restricts dual-track foreclosures in which a lender forecloses on a home when the borrower is in discussions with the bank for a loan modification. It also guarantees borrowers a single point-of-contact with their lender who has knowledge of the loan and direct access to decision makers. In addition, the Homeowner Bill of Rights imposes civil penalties on fraudulently signed mortgage documents and provides borrowers with the ability to sue to protect their rights.

People v. Abbott Labs

Abbott Laboratories marketed the drug Depakote for off-label uses not approved by the U.S. Food and Drug Administration. The Attorney General, 44 states, and the District of Columbia reached a \$100 million settlement with Abbott Labs, which included \$6.7 million for California.

People v. Arbitron

The Attorney General, with the City Attorneys of Los Angeles and San Francisco, brought suit against the nation's dominant provider of radio audience ratings, alleging that the method it used to collect ratings information discriminated against radio stations with predominantly African-American and Latino audiences. The settlement mandated that Arbitron ensure that its audience sampling methods are fair and representative of California's diverse media markets.

People v. Wal-Mart

Wal-Mart violated the terms of a 2008 judgment by failing to resolve errors in pricing at checkout stands. Consumers who

were overcharged should have received \$3 off the lowest advertised price of the item or received the item for free if it was priced below \$3. The Attorney General, along with the City Attorney and District Attorney of San Diego, reached a \$2.1 million settlement with Wal-Mart. Wal-Mart agreed to extend the refund program for another year, post large bilingual signs near its registers, and designate an employee at each store to monitor compliance.

People v. GlaxoSmithKline

The Attorney General and 37 states reached a \$40 million settlement with GlaxoSmithKline and SB Pharmco Puerto Rico for unfair and deceptive practices in the manufacturing and distribution of certain lots of drugs that were adulterated because the manufacturing processes was substandard. California received more than \$3.3 million.

People v. AstraZeneca

AstraZeneca Pharmaceuticals promoted its antipsychotic drug Seroquel for unapproved uses, failed to adequately disclose potential side effects to health care providers, and withheld scientific studies that called into question the drug's safety and efficacy. The Attorney General and 37 states reached a \$68.5 million settlement with AstraZeneca. California received more than \$5.2 million from the settlement.

People v. Mozilo and Sambol

The Attorney General reached a \$6.5 million settlement with two former officers of Countrywide Financial Corporation for their personal liability in Countrywide's misconduct. The Foreclosure Crisis Recovery Fund was established to combat

the effects of California's high foreclosure and mortgage delinquency rates. In 2012, over \$2 million in grants were awarded to state and local law enforcement agencies.

Corporate Fraud Section

The Corporate Fraud Section investigates and prosecutes cases concerning:

- Securities and commodities fraud.
- Violations of state labor laws, such as underground economy schemes.
- Market manipulation arising out of California's energy crisis.
- Financial wrongdoing perpetrated against the state under California's False Claims Act.

Recent significant cases and activities include the following:

People v. TB Concrete

The owners of a concrete business were convicted of payroll tax evasion and workers compensation insurance fraud. As part of a plea agreement, defendants were ordered to pay restitution of \$480,000 to the Employment Development Department and the State Compensation Insurance Fund.

People v. NDR, Inc.

A stipulated judgment was reached against an operator of car washes in Southern California for over \$1 million in unpaid wages for workers who had been denied minimum wage and overtime pay.

Washington v. Education Management

The Attorney General joined other states and the federal government in a lawsuit against a for-profit educational organization with art schools across the country. The company violated federal and state False Claims Act by collecting billions in federal and student financial aid by falsely certifying compliance with a federal ban on compensating recruiters based solely on enrollment.

Rossow v. Avaya, Inc. and CIT Group, Inc.

The Attorney General, along with other states, the District of Columbia and the federal government, sued two telecommunication industry giants for billing government customers for obsolete or non-existent telephone equipment, in violation of federal and state False Claims Acts. California recovered \$2.85 million from the settlement.

Environment Law Section

The Environment Law Section enforces state and federal environmental laws that affect California's natural resources and public health. The attorneys investigate and litigate matters concerning:

Environmental Protection and Public Health

The section brings actions to enforce laws to protect consumers from toxic chemicals, reduce emissions of greenhouse gases that contribute to global warming, and prohibit air and water pollution. The laws include the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65), which prohibits

contaminated or illegal discharges into sources of drinking water and undisclosed exposures to toxins and carcinogens.

Environmental Justice

The section seeks to ensure that environmental laws are enforced fairly, so that all Californians enjoy the benefits of a healthy environment.

The section also seeks to further environmental justice by requiring full consideration of the potential for cumulative impacts and impacts to sensitive communities under the California Environmental Quality Act (CEQA).

Hazardous Waste

The section represents the Department of Toxic Substances Control in its enforcement of federal and state hazardous waste control laws. The section is also responsible for enforcement of the Superfund Law, which was created to protect people and communities from heavily contaminated toxic waste sites.

Natural Resources Conservation

The section exercises the Attorney General's broad independent authority under the California Constitution, statutory code, and case law to protect California's natural resources from pollution, impairment, and destruction in order to provide enjoyment to current citizens and future generations.

Significant cases and activities include the following:

Center for Community Action and Environmental Justice v. County of Riverside

This lawsuit challenges Riverside County's approval of an industrial project under the California Environmental Quality Act. The proposed project would add 1,500 additional diesel truck trips a day alongside Mira Loma Village, a low-income community already overburdened by harmful diesel exhaust and noise pollution.

Cleveland National Forest Association v. San Diego Association of Governments (SANDAG)

The Attorney General intervened in this lawsuit challenging the legal adequacy of the environmental documents to support the first-in-the-state Sustainable Communities Strategy. Under the law, regional transportation planning agencies are required to reduce transportation-related greenhouse gas emissions (SB 375). The Environmental Impact Report for the SANDAG plan failed to address harmful particulate pollution, the effects on communities already overburdened with air pollution, or the increased greenhouse gas emissions over the long term.

People v. Target

Target Corporation unlawfully disposed of hazardous waste throughout California. The Attorney General led a team of 21 district attorney's offices and two city attorney's offices in civil prosecution that resulted in a permanent injunction against unauthorized

waste disposal, ongoing compliance audits, and \$22.5 million in penalties, costs, and funding to train environmental inspectors and prosecutors.

Montrose Chemical Factory Superfund Site

The Attorney General, representing the Department of Toxic Substances Control, is working with the U.S. EPA to clean up a former DDT factory located in an unincorporated area of Los Angeles County. In the first phase of this case, federal and state natural resource trustees recovered nearly \$170 million in damages and costs to clean-up DDT and PCBs deposited on the offshore Palos Verdes Shelf site. In another phase, the Attorney General and the U.S. EPA reached partial consent decrees on clean-up requirements for the factory site and surrounding neighborhoods. Finally, a proposed consent decree would require Montrose and other responsible parties to clean up a large groundwater plume emanating from the site that has merged with another groundwater plume from the Del Amo Superfund Site.

People v. Enso Plastics

The Attorney General enforced California's landmark environmental marketing law to restrict the use of the term "biodegradable" on disposable plastic water bottles. Three companies were sued for greenwashing (falsely labeling their products as biodegradable and recyclable), misleading consumers and unfairly gaining competitive advantage.

People v. GIB

The manufacturer of Brazilian Blowout, a salon-based hair straightening treatment, was sued for dangerously high levels of cancer-causing formaldehyde in its product. The treatment was falsely labeled as formaldehyde free, causing potential illness to salon workers and customers exposed to the fumes. The company agreed to pay penalties and costs, change its labels, provide warnings, and disclose its ingredients.

People v. ATM Terminals Pacific

A settlement agreement was reached with nine cargo terminals at the Ports of Long Beach and Los Angeles that emitted significant carcinogenic diesel engine exhaust into the surrounding neighborhoods. Along with civil penalties, the terminals will provide warnings as required by Proposition 65, and carry out programs to reduce diesel emissions at a cost of \$1 million per terminal.

Natural Resources Law Section

The Natural Resources Law Section represents the majority of state agencies responsible for natural resources management or pollution control. The section handles complex environmental litigation both in defense of client actions and enforcement of pollution laws and regulations. Much of the section's litigation work involves the Air Resources Board, the State Water Resources Control Board, the Regional Water Quality Control Boards,

the Department of Fish and Game, the Department of Conservation and the Department of Forestry and Fire Prevention. The section also represents the Department of Food and Agriculture and the 55 District Agricultural Associations.

Significant cases and activities include the following:

Climate Change Litigation and Advice

The Attorney General represented California's interests in several climate change lawsuits and provided advice on related matters, such as the development of a cap-and-trade program. The section successfully defended the California Air Resources Board's AB 32 Scoping Plan and is currently defending its low carbon fuel standard in court. The section was also involved in federal litigation in support of the U.S. EPA's regulations of greenhouse gases.

Environmental Crimes Unit

The unit prosecutes criminal actions to protect the state's environmental funds from fraud. The unit also criminally prosecutes people who illegally file claims for the redemption value on ineligible bottle and can containers, and entities and individuals who illegally bill the state's Underground Storage Tank Fund for work not performed.

Cosco Busan Oil Spill

The Attorney General represented the Department of Fish and Game and the Regional Water Quality Control Board to recover damages caused by the Cosco Busan oil spill into the San Francisco Bay. The oil

spill affected over 100 miles of California coastline and harmed the state's wildlife and natural resources. The settlement required the defendants to pay \$44.5 million to resolve all of the plaintiffs' civil claims.

Fire Suppression Cost Recovery Actions

The Attorney General represents the Department of Forestry and Fire Prevention to recoup the cost of fire suppression for wildland fires that occur in California each year. From January 2011 to July 2012, the Attorney General litigated cases that resulted in over \$52 million in recoveries.

Pacific Lumber Company v. California

Pacific Lumber Company and Scotia Pacific Company alleged that California and various water boards enacted legislation and enforced regulations that prevented plaintiffs from obtaining timber harvest levels guaranteed under the Headwaters Forest Agreement. The superior court ruled in the state's favor and plaintiffs filed an appeal, which is pending.

Outfitter Properties v. Wildlife Conservation Board

The Attorney General, representing the Wildlife Conservation Board, obtained a favorable appellate ruling upholding the Board's grant of \$9.98 million to the U.S. Bureau of Reclamation for a restoration project of Battle Creek in Northern California. The project will restore 48 miles of habitat for threatened and endangered Chinook salmon and steelhead trout, including the removal of hydroelectric dams from the creek.

People v. Maikhio

The Attorney General, representing the Department of Fish and Game, successfully defended a game warden's right to stop a vehicle to inspect its fishing catch and seize illegally caught lobster. The California Supreme Court held that the vehicle stop and search was reasonable under the Fourth Amendment of the California Constitution because the warden had probable cause and the purpose of the stop was to ensure compliance with regulations to protect wildlife.



Antitrust Law Section

The Antitrust Law Section is responsible for civil and criminal enforcement of California's antitrust laws and has authority to file civil actions under federal antitrust law. The section works closely with other states and federal antitrust enforcement agencies to ensure that anti-competitive and unfair business practices, such as price-fixing, are prevented and stopped. The section also investigates potential antitrust violations, analyzes mergers and acquisitions, litigates cases in state and federal courts and prosecutes criminal cases.

Significant cases and activities include the following:

People v. AU Optronics Corp

The Ninth Circuit held that cases brought on behalf of consumers under state antitrust and unfair competition laws cannot be removed to federal court. Subsequently, the Attorney General and other enforcers

negotiated settlements in this case that involved price-fixing by manufacturers of flat screen panels. The settlements will return at least \$50 million to state agencies.

California v. Safeway

This federal lawsuit challenged a profit-sharing agreement among major supermarket chains in connection with a 2003-2004 strike and lockout of union employees. The case addressed the extent to which collective bargaining can shield anti-competitive agreements among employers. The Attorney General secured a Ninth Circuit *en banc* ruling that such agreements subject to antitrust laws.

Municipal Bonds Derivatives Cases

The Attorney General, with state and federal enforcement agencies, secured settlements with major financial institutions for rigging bids on municipal bond derivatives investments by the state and local government entities. The settlements will return at least \$30 million in restitution and penalties to state agencies.

In re Cipro, Cases I and II

This appeal of a class-action case concerned how state antitrust law is applied to pharmaceutical "reverse-payment" agreements in which a patent-holding company pays to prevent development of a generic drug. The case argued that the agreements eliminate competition among drug companies and keep relatively inexpensive generic drugs off the market. The Attorney General urged, and the Supreme Court agreed, to review the case. A ruling is expected in 2013.

Civil Rights Enforcement Section

The Civil Rights Enforcement Section enforces civil rights laws on behalf of state agencies and the Attorney General in her independent capacity. The section acts when there are civil rights law violations or where an important or unsettled issue of law is presented. The section conducts investigations and files civil actions in state and federal courts.

Significant cases and activities include the following:

People v. Television Broadcasting Online

In this unfair competition action, 31 African American churches were misled into entering into onerous leases for informational kiosks that did not function as represented. The vendors falsely promised the churches that the kiosks would be free, advertisers would pay the lease payments, and the churches would be under no financial obligation.

Movsesian v. Versicherung

California Civil Code section 354.4 extends the statute of limitations period for victims of the Armenian Genocide to file actions against insurance companies. The Attorney General urged the Ninth Circuit sitting en banc to set aside the decision issued by a three-judge panel that held the law to be unconstitutional because it is preempted by the federal government's foreign affairs power. Following an adverse decision from the Ninth Circuit, the Attorney General filed an amicus brief urging the U.S. Supreme

Court to hear the case and uphold the constitutionality of the law.

Shelby County, Alabama v. Holder

The Attorney General joined other states in an amicus brief urging the U.S. Court of Appeals for the District of Columbia to uphold the constitutionality of Section 5 of the federal Voting Rights Act. The State of Alabama contended that 2006 reauthorization by Congress of this historic law is unconstitutional because the extraordinary discrimination that led to its enactment in 1965 had been reduced. The Court of Appeals held Congress' reauthorization as constitutional.

United States v. Arizona

The Attorney General filed an amicus brief with the New York Attorney General in the U.S. Supreme Court. The federal case challenged the constitutionality of several provisions of Arizona's immigration enforcement law. The amicus brief supported that provisions of the state law are preempted by the federal government's authority to regulate immigration. The Court agreed and struck down all but one of the law's provisions at-issue in this case.

Native American Heritage Commission v. Padre Dam Municipal Water District

The Attorney General, on behalf of the Native American Heritage Commission, sought to prevent a water district from constructing a pump station, a 2.5-million-gallon reservoir, and flow control facility on a Native American sanctified cemetery and ceremonial site in San Diego County. A settlement was reached in which the

defendant agreed not to build the project, and transferred the land to a Native American tribal entity.

Indian and Gaming Law Section

The Indian and Gaming Law Section provides legal representation and advice regarding Indian law and gambling to the following entities:

- Governor's Office
- DOJ's Bureau of Gambling Control
- California Gambling Control Commission
- California Horse Racing Board
- State Lottery Commission
- Other officers and state agencies

Significant cases and activities include the following:

Gaming Compacts

The Attorney General assisted the Governor in negotiating new compacts and compact amendments with a number of federally recognized Indian tribes in California. The compacts enhance environmental, consumer and employee safeguards in the expansion of the Indian gaming industry in California, and ensure that the state receives a fair share of revenues from tribal gaming.

Artichoke Joe's Casino; The Oaks Card Club

The Attorney General shut down two Bay Area card rooms because of drug dealing, illegal loan-sharking by employees and

members of criminal organizations, and failure to report large and/or suspicious cash transactions. The Attorney General obtained a settlement to recover over \$1 million in fines and costs, with another \$1 million payable if the card rooms fail to comply with strict conditions imposed for their reopening.

El Dorado Enterprises dba Hustler Casino

The Hustler Casino offered a version of blackjack for play in violation of state and local gambling laws. The Attorney General obtained a settlement for \$155,000 in fines and costs with the casino.

People v. Lucky Bobs Internet Café; People v. Stockton Déjà Vu Boutique

The Attorney General brought unfair competition actions against Internet café operators and a software company that used sophisticated sweepstakes software to run illegal gambling under the guise of a legitimate café. The Attorney General is working with federal and state law enforcement agencies and prosecutors to stem the tide of this new form of illegal gambling.

Land Law Section

The Land Law Section represents and advises the state in land use litigation and in cases that involve lands that the state owns and administers for resource conservation or development. The section's attorneys are authorities on laws pertaining to land use and resource regulation, environmental review, real property, the public trust doctrine, oil and gas development,

administrative procedure, and on the law applicable to constitutional takings.

The Land Law Section represents many agencies, including the following:

- State Lands Commission
- California Coastal Commission
- San Francisco Bay Conservation and Development Commission
- Resources Agency; Department of Parks and Recreation
- Department of Conservation
- Ten state conservancies
- Agencies that address the water supply and ecology of the San Francisco Bay Delta
- Central Valley Flood Protection Board
- California High-Speed Rail Authority (environmental compliance matters)

Significant cases and activities include the following:

California High-Speed Rail Authority

Since January 2011, the Attorney General has advised the California High-Speed Rail Authority on the environmental review process for construction of the high-speed rail system and supervised the release of an environmental impact report addressing the system's route from the Bay Area to the Central Valley and two reports that address Central Valley segments of the system. Litigants are challenging these reports in court; the Attorney General is defending the Authority.

Lake Tahoe

Since 1971, California Attorneys General have enforced the laws designed to protect Lake Tahoe from threats to its water clarity and other natural resources, including a 1987 settlement with the Tahoe Regional Planning Agency that required the adoption of specific regional plan provisions. As key elements of the regional plan have expired, the Attorney General has worked with the Planning Agency and other stakeholders to develop a plan to prohibit unwise development at Lake Tahoe while facilitating environmentally beneficial redevelopment projects.

Wetlands Defense Fund v. California Coastal Commission and Department of Parks and Recreation

The Attorney General represented the Coastal Commission and the Department of Parks and Recreation by successfully defending a project to restore the degraded Malibu Lagoon to a functioning coastal wetland. The Wetlands Defense Fund appealed the trial court's decision, which is pending.

Elk Hills Naval Petroleum Reserve

For years, California had claims to two one-square-mile "school land" sections in the federally owned Elk Hills Naval Petroleum Reserve. Through litigation, legislative advocacy and negotiations, the Attorney General, representing the California State Lands Commission, resolved those claims through a series of settlement agreements. As part of the settlement, the federal government paid California \$300 million over ten years ending in 2009. In 2011, the Attorney General settled the remaining

issues in an agreement in which the federal government will pay over \$15 million to California. The agreement is contingent on congressional appropriation.

Access to Navigable Waters

The California Constitution and state law mandate public access to navigable waters, such as the ocean, rivers and lakes. The Attorney General represents the Coastal Commission in protecting access to beaches and the ocean, as in *Ackerberg v. California Coastal Commission*, which seeks to open an accessway to the ocean in Malibu. The Attorney General is also working with the State Lands Commission to protect public access to beaches at Lake Tahoe.

Tobacco Litigation and Enforcement Section

The Tobacco Litigation and Enforcement Section protects and enforces California's rights under the nationwide tobacco master settlement agreement, which limits the marketing of tobacco products. Over the past 14 years, more than \$10.8 billion in settlement payments have been made to California, its counties and four largest cities. The section also enforces state laws that control the marketing and sale of tobacco products.

Significant activity includes the following:

People v. Blackhawk Tobacco Co.

In this action, the Attorney General won a preliminary injunction against a retailer located on an Indian reservation

in California for selling contraband tax-evaded cigarettes to the public. After the preliminary injunction was affirmed on appeal, the Attorney General secured a permanent injunction against further illegal sales and \$3.5 million in civil penalties.

Charitable Trusts Section

The Charitable Trusts Section has authority over charitable trustees and fundraising professionals incorporated, or operating in California. The section is responsible for:

- Identifying, registering, collecting and maintaining public records for California charities and their fundraisers.
- Prosecuting charity fiscal abuse, including fraud, diversion and mismanagement of funds.
- Reviewing transactions that have a significant impact on the charity and its assets, including mergers, sale of assets, conversion to another corporate status and disposition of assets when a charity is dissolved.
- Reviewing transactions involving the sale of nonprofit health facilities or the transfer of their assets, which requires the Attorney General's written consent.

Millions of dollars have been recovered for charities through negotiated settlements and civil judgments. Over 220 investigations and cases are currently pending, involving excess compensation or illegal loans to directors, losses or threats to charitable assets, and fundraising abuses. During the biennial

period, the section conducted a financial review of 324 transactions involving the sale of a charity's assets and mergers of charities with both nonprofit and for-profit entities, reviewed 4,442 requests for dissolution waivers and 777 complaints, and responded to 56,062 requests for information.

The Attorney General's Charitable Trusts website allows both registrants and members of the public to search for information on the 101,401 charities and 718 fundraising professionals contained in its registry database.

Significant cases include the following:

People v. Monterey County AIDS Project

The foundation improperly diverted funds intended to provide housing for persons with HIV/AIDS. The Attorney General obtained a settlement that recovered \$1 million and prohibited the defendants from serving in a fiduciary capacity or as an officer or director of any California charity or trust.

People v. Help Hospitalized Veterans

The Attorney General filed a civil lawsuit seeking the removal of officers and directors of a charity that engaged in self-dealing, paid excessive executive compensation and engaged in fraudulent fundraising and other unlawful activities. The lawsuit seeks to recover more than \$4.3 million in improperly diverted funds.

Operation False Charity

Eight enforcement actions were filed against 55 individuals, 17 telemarketers and 12 charities for falsely claiming that money raised would benefit police, firefighters and veterans' organizations. All eight actions were resolved by settlement agreement or judgment with terms that included involuntary dissolution of some of the charities, monetary reimbursement, civil penalties and permanent injunctions prohibiting the defendants from engaging in deceptive solicitation practices.

Division of Civil Law

The Division of Civil Law is comprised of eight sections and 592 employees. Most of the work of the division is non-discretionary, client-directed, and defense-oriented. In addition to client work, the division represents the Attorney General and the state in civil matters, including elections, initiatives, and referenda. The division is presently handling 21,000 cases.

The Division of Civil Law consists of the following sections:

- Business and Tax
- Correctional Law
- Employment and Administrative Mandate
- Government Law
- Health, Education and Welfare
- Health Quality Enforcement
- Licensing
- Tort and Condemnation
- Franchise Tax Board (personal and corporate taxes)
- Employment Development Department (employment taxes)
- Board of Equalization (sales and use taxes, and utility and property taxes)
- Insurance Commissioner
- Department of Insurance
- Department of Financial Institutions
- Department of Real Estate and its Commissioner
- Industrial Welfare Commission
- High-Speed Rail Authority

Business and Tax Section

The primary mission of the Business and Tax Section is to protect the state's treasury by defending California's tax structure.

The section helps to protect the insurance, real estate, and financial interests of Californians, as well as the interests of members of the labor and business communities. The section represents three major state taxing agencies and various business and regulatory agencies and their officials, including:

Significant cases and activities include the following:

Dicon Fiberoptics v. Franchise Tax Board

Employers who operate in depressed areas and hire disadvantaged workers are entitled to a tax credit under Revenue and Taxation Code section 23622.7. To receive the tax credit, an employer must obtain a voucher certifying that a worker meets the statutory

eligibility requirements. The California Supreme Court ruled that an employer-taxpayer has the burden of proving that a worker who received a voucher is qualified under the tax credit statute. The ruling in this case prevented the loss of more than \$150 million in state tax revenue.

Franchise Tax Board v. Superior Court

The Attorney General successfully persuaded the state Supreme Court that the California Constitution does not require a jury trial in a state court statutory action for a tax refund.

River Garden Retirement Home v. Franchise Tax Board

The Attorney General successfully defended the constitutionality of California's 2005 tax amnesty program in the Court of Appeal. The program afforded taxpayers a two-month window to apply for amnesty and to pay outstanding tax liabilities. Taxpayers who did not apply for amnesty were assessed additional, substantial penalties and interest on their outstanding tax liabilities.

Verizon California, Inc. v. State Board of Equalization

Verizon alleged that the Board of Equalization improperly overvalued its landline telecommunications properties located in several counties. Verizon seeks a nearly \$41 million partial property tax refund. The case is pending.

Correctional Law Section

The Correctional Law Section serves as litigation counsel for the following entities:

- Governor's Office (prison and parole litigation)
- Department of Corrections and Rehabilitation (CDCR), Division of Juvenile Justice, and Board of Parole Hearings
- Department of Mental Health (custodial issues)

The section defends civil suits brought by state prisoners regarding prison conditions and aspects of parole proceedings. Over 135,000 prisoners, 70,000 parolees, and 1,000 juvenile offenders are under the jurisdiction of the section's client agencies.

The section also defends state officials in thousands of lawsuits brought by prisoners. Successful defense of these cases saves millions of taxpayer dollars in potential liability.

The Attorney General is currently defending 15 class-action lawsuits, including:

Coleman v. Brown

This case challenges inmate mental-health care. Since 1995, a court-appointed special master has monitored and reported on CDCR's compliance with a remedial plan. CDCR's current challenge is to provide sufficient mental health beds for the population and care for inmates who require the most intensive care. The court recently commended the state for improving prison inmates' access to mental health care.



Plata v. Brown

This case challenges inmate medical care. In 2006, a federal receiver was appointed to manage inmate medical care after finding that California was unable to make needed changes. The receiver has spent billions of dollars and hired hundreds of healthcare professionals to improve inmate medical care. The Office of Inspector General has conducted inspections and confirmed the improvements, and the parties are proposing to end the receivership.

Perez v. Brown

This case challenged inmate dental care. Court appointed experts inspected every CDCR institution and determined that the state is providing adequate dental care. The court recently dismissed the lawsuit.

Lethal-Injection Cases

These cases involve various challenges to CDCR's three-drug lethal-injection regulations, including a lawsuit filed by condemned inmates under the Administrative Procedure Act; criminal cases in which district attorneys seek one-drug executions; an Eighth Amendment lawsuit filed by condemned inmates; and a First Amendment lawsuit filed by press organizations. The section is defending the state and the Governor in these matters.

Three-Judge Court Litigation

In 2011, the U.S. Supreme Court affirmed a three-judge panel's finding that prison overcrowding was the primary cause of alleged unconstitutional medical and mental health care (*Plata and Coleman* cases). CDCR was ordered to reduce the prison population by 40,000 inmates before

July 2013. Under the 2011 Public Safety Realignment, the state has reduced its prison population by 24,000 inmates.

Employment and Administrative Mandate Section

The Employment and Administrative Mandate Section represents state agencies and state officials in court and administrative proceedings that involve personnel matters and claims of employment discrimination, harassment, retaliation, and violations of other terms of employment. The section also provides advice and training on a variety of employment issues so that its client agencies can better detect, remedy, and prevent problems in the workplace. Additionally, the section represents specific law enforcement and regulatory state agencies in matters affecting public safety, such as vehicle licensing, liquor licensing, and attempts by criminal defendants to obtain information from the personnel files of peace officers.

Significant cases and activities include the following:

Garbacz v. Schwarzenegger

Seven employees from four state departments attempted to bring a class-action lawsuit alleging that they are deaf and hard of hearing and not properly accommodated by their employers. After multiple attacks on the pleadings arguing the unique nature of the accommodation

process and its unsuitability for class action, the plaintiffs agreed to dismiss the entire case with prejudice for a waiver of costs.

Berndt v. Department of Corrections

Ten current and former correctional officers who worked at various CDCR facilities sought to bring a class-action lawsuit for all similarly situated employees subjected to observing male inmate exhibitionist behavior. The court denied the motion finding that the commonality element had not been satisfied and the class definition was untailed and undefined.

Allende v. California Highway Patrol

This class action involved nearly 100,000 DUI arrestees challenging fees that the California Highway Patrol (CHP) charged for emergency response to people found guilty of driving under the influence. The appellate court ruled that the CHP's policy for recovering emergency response costs was consistent with the language and purpose of its enabling legislation.

Government Law Section

The Government Law Section advises the state's constitutional officers, including the Governor and the Attorney General, and also represents them in civil litigation. The section:

- Defends state statutes against constitutional challenges.
- Carries out the Attorney General's role in preserving the integrity of the electoral process by preparing titles and summaries for proposed initiatives.

- Serves as bond counsel to the State Treasurer and various state agencies.
- Assists state agencies in handling contract and procurement disputes.
- Advises clients on issues relating to public records, open meeting laws, and conflicts of interest.

Significant cases and activities include the following:

All of Us or None v. Bowen

The Court of Appeal denied a writ petition seeking to establish a loophole in the state's felon disenfranchisement law. In 2011, public safety realignment led to some felons serving time in county jails rather than state prisons, and other felons being placed on "post release community supervision" instead of parole. The California Constitution prohibits felons from voting while imprisoned or on parole.

California Redevelopment Association v. Matosantos

The California Supreme Court upheld the Legislature's elimination of redevelopment agencies and struck down a companion measure that would have authorized optional continuation of redevelopment agencies under new rules. Thus, redevelopment agencies have effectively ended in California.

Fair Political Practices Commission v. Americans for Responsible Leadership

The Attorney General fought alongside the Fair Political Practices Commission to compel an audit to determine whether

campaign reporting laws had been violated by an anonymous, \$11 million contribution. Americans for Responsible Leadership, an Arizona nonprofit corporation, made the contribution to a California Political Action Committee supporting “No on 30/Yes on 32” propositions just before the November 6, 2012 election. After emergency briefing over a weekend, the California Supreme Court ordered immediate compliance and donor names were immediately disclosed.

Field v. Bowen; Chamness v. Bowen

In these two cases, the Attorney General fought to preserve the voters’ decision to move to an open primary system permitting the top two vote-getters to run in the general election, regardless of party affiliation. The office prevailed in the Court of Appeal in *Field*. The office also prevailed in the federal district court in *Chamness*, which is on appeal and pending in the Ninth Circuit.

Haskell v. Brown

The Attorney General successfully defended Proposition 69, which authorized the collection of DNA from adult felony arrestees, against a Fourth Amendment challenge. The Ninth Circuit, in a decision now under en banc review, concluded that the government’s interests in identifying arrestees, solving past crimes, preventing future crimes, and exonerating the innocent outweigh the privacy interest of arrestees.

State Building and Construction Trades Council v. City of Vista

The California Supreme Court rejected the claim that charter cities are required to comply with the state’s prevailing wage laws in the construction of government facilities.

The Attorney General filed an amicus brief in support of the Trades Council.

National Meat Association v. Harris

The U.S. Supreme Court held that a California statute requiring slaughterhouses to euthanize non-ambulatory animals was preempted by the Federal Meat Inspection Act.

Vandermost v. Bowen

The California Supreme Court ruled that the new state Senate district map certified by the Citizens Redistricting Commission must be used for the June 2012 Primary Election and the November 2012 General Election, regardless of whether the proposed referendum against the map garnered enough signatures to qualify for the ballot.

Health, Education and Welfare Section

The Health, Education and Welfare Section represents more than 30 state agencies that administer a multitude of health, education, and welfare programs, and handles litigation pertaining to:

- Medi-Cal Program
- CalWorks
- In-home supportive services
- California community colleges
- Large-scale public school testing
- Claims concerning state funding for public schools
- Special education

- Charter schools
- English language learners
- State mental hospitals
- State developmental centers
- Challenges to adoptions
- Foster care programs
- Child support enforcement
- Enacted state propositions that pertain to client agency programs

Significant cases and activities include the following:

Vergara v. State of California

A group of students sued the Governor, State of California, Superintendent of Public Instruction, State Board of Education, Department of Education, and two school districts challenging the constitutionality of five Education Code laws. One statute grants permanent employee status to tenured teachers, three statutes govern discipline and dismissal of teachers, and the last statute establishes a seniority-based lay-off system. Plaintiffs claim that the five statutes are facially unconstitutional and have a disparate impact on schools with a high percentage of minority and/or low-income students. The case is pending.

Katie A. v. Bonta (Department of Health Care Services)

This class action against the Department of Health Care Services and Department of Social Services seeks to expand Medicaid-covered services under the Early

and Periodic Diagnosis, Screening and Treatment Program for children who have a mental illness condition and are in foster care or who are at imminent risk of foster care placement. The potential fiscal liability to the state ranges from several hundred million dollars to over \$1 billion. The parties achieved a court-approved settlement and are working with a special master to implement the settlement terms.

Martinez v. U.C. Regents

The California Supreme Court unanimously ruled that federal immigration laws do not preempt California law that permits undocumented immigrants who have attended high school in California to pay in-state college tuition rates.

Medi-Cal Rate Reimbursement Cases

Approximately 30 lawsuits are currently pending against the State of California seeking to increase the payments to providers for Medi-Cal services. The cases challenge various budget reductions intended to reform and reduce Medi-Cal program expenditures and involve motions for preliminary injunction. In February 2012, the U.S. Supreme Court issued a decision to vacate nine separate Court of Appeals decisions to stop various budget reductions, and sent the cases back for further proceedings. Cases are pending before state and federal trial and appellate courts. Collectively, the reimbursements amount to over \$1 billion.

Health Quality Enforcement Section

The Health Quality Enforcement Section directs investigations and prosecutes disciplinary actions against licensees of the Medical Board of California. The section also prosecutes disciplinary cases for other health care boards within the Department of Consumer Affairs, involving:

- Podiatric Medicine
- Physician Assistants
- Pathology and Audiology and Hearing Aid Dispensers
- Physical Therapy
- Psychology
- Respiratory Care
- Acupuncture
- Osteopathic Medical

As part of its prosecutorial function, the section seeks interim suspension orders and temporary restraining orders to prevent imminent harm to public health, safety, and welfare. The section also defends lawsuits filed against client agencies relating to their implementation of licensing and enforcement programs.

Significant cases and activities include the following:

People v. Murray, M.D.

In January 2011, Dr. Conrad Murray stood trial for the involuntary manslaughter of his former patient, singer Michael Jackson.

On behalf of the Medical Board, our office obtained an order prohibiting Dr. Murray from practicing medicine during the duration of the criminal proceedings based on the imminent danger that he posed to the public's health, safety and welfare. Following Dr. Murray's conviction for involuntary manslaughter, he was incarcerated and the Medical Board suspended his medical license.

In the Matter of the Accusation Against Kamrava, M.D.

Following an administrative hearing, the Medical Board revoked the medical license of Dr. Michael Kamrava, a Beverly Hills fertility doctor who implanted 12 embryos into a patient in July 2008, which resulted in an octuplet delivery. The Board found that Dr. Kamrava was grossly negligent, incompetent, and committed repeated negligent acts in his care and treatment of the patient and two other patients. A superior court judge upheld the Board's revocation.

Interim Suspension Order Against Mohamed, M.D.

An interim suspension order was obtained against Dr. Ehab Mohamed based on his treatment of three patients. He performed liposuction surgery on the patients in an office that was unequipped to handle emergent circumstances as required by law. One of the patients died after a 12-hour liposuction procedure. Dr. Mohamed was arrested for unrelated criminal conduct. He is incarcerated and under the custody of the Immigration and Custom Enforcement Agency.

Licensing Section

The Licensing Section provides legal services to regulatory agencies created to protect consumers from harm from over one million licensed businesses and professionals who operate in California. The clients of the Licensing Section are responsible for the regulation of:

- Accountants
- Appraisers
- Architects
- Automotive Mechanics
- Barbers and Cosmetologists
- Behavioral Therapists
- Boxers
- Cemetery and Funeral Businesses
- Chiropractors
- Contractors
- Dental Hygienists
- Dentists
- Electronic and Appliance Repair persons
- Geologists
- Landscape Architects
- Optometrists
- Martial Arts Fighters and Promoters
- Pest Exterminators
- Pharmacists and Pharmacies
- Private Investigators

- Psychiatric Technicians
- Real Estate Businesses and Real Estate Appraisers
- Registered and Vocational Nurses
- Shorthand Reporters
- Smog Check Technicians
- Suppliers of Home Furnishings
- Yacht and Ship Brokers
- Trainers of Service Dogs

Significant cases and activities include the following:

California Master Trust

The California Master Trust is an entity that holds funds paid for pre-need funeral services. The section is working with the Board of Funeral Directors and Embalmers and the Cemetery Bureau to investigate whether 27,000 consumers who invested \$65 million with the California Master Trust were defrauded. The case is ongoing.

National Association of Optometrists and Opticians, LensCrafters v. Brown and Stiger

LensCrafters challenged laws and regulations that restrict financial arrangements between optometrists and opticians as unconstitutional under the federal commerce clause. In June 2012, the Ninth Circuit held that the laws do not infringe on the commerce clause. Plaintiffs have filed a petition for writ of certiorari to the U.S. Supreme Court. There have now been six amicus curiae briefs filed on behalf of petitioners in the U.S. Supreme Court. The amici are: 1) a collection of

constitutional law professors; 2) National Retail Federation; 3) Christine Varney and Timothy Muris (former Chairmen of the FTC); 4) Walgreen Co.; 5) Opticians Association of America; and 6) Specialty Wine Retailers Association. The Court ordered our office file a response to the petition for writ of certiorari in 2013.

Sulla v. Board of Registered Nursing, Department of Consumer Affairs

The Court of Appeal held that the Board of Registered Nursing has the authority to impose professional discipline against a registered nurse based upon one alcohol-related conviction or upon the single use of alcohol in a dangerous way, absent a separate determination of a nexus between that conviction/conduct and the licensee's professional fitness.

Tort and Condemnation Section

The Tort and Condemnation Section defends the state, its agencies, departments, and employees in civil actions for personal injury, wrongful death, property damage, and civil rights claims brought in state and federal courts. The section handles litigation pertaining to:

- Civil-rights claims brought under 42 U.S.C. section 1983.
- Public entity and public employee liability under the Government Claims Act for dangerous condition of public property, breach of statutory duty, and negligence.
- Public contract disputes.

- Defense of law enforcement officers and agencies.
- Automobile, boat, and aircraft accidents.

The section also prosecutes matters relating to the acquisition of real property for public purposes (eminent domain) and defends against claims that a public project resulted in the taking or damaging of private property (inverse condemnation). The section also handles complex construction arbitration and litigation cases that frequently involve multi-million dollar claims.

Significant cases and activities include the following:

Adams v. State of California

The Department of Fish and Game chemically treated Lake Davis in order to eradicate the northern pike fish and save indigenous species. In this class action, 200 plaintiffs and the City of Portola sought \$50 million in damages and attorney fees to recover for loss of property value, business income, and tax revenue caused by the treatment and temporary closure of the lake. In 2011, the Third Appellate District held the trial court improperly certified this matter as a class action, and remanded the matter to the trial court for further proceedings.

Catsouras v. State of California

This lawsuit involves the release of gruesome photos on the Internet of an accident scene with a decapitated drunk driver. Plaintiffs (family members) sued the California Highway Patrol (CHP) and two dispatchers for negligence, intentional infliction of emotional distress, and invasion of privacy. The Court of Appeal held

that the family members had a sufficient privacy interest in the photographs, based on the public disclosure of private facts and the allegation that the images were disseminated out of sheer morbidity, rather than to serve a law enforcement purpose or the public interest. In January 2012, the CHP settled the case.

Delta Alternative Conveyance Project

The section represents the Department of Water Resources in eminent domain actions in a project designed to develop a canal or tunnel to move water from the Sacramento – San Joaquin Delta to Central and Southern California. Many property owners have refused the Department of Water Resource’s request to enter their property to conduct its studies. The Attorney General filed 275 petitions for court-ordered temporary entry permits. The petitions were consolidated and assigned to the San Joaquin County Superior Court. If the project is approved, it could result in eminent domain proceedings involving hundreds of parcels.

San Diego Border Wall Litigation

Federal eminent domain actions have arisen from the border fence project initiated by U.S. Department of Homeland Security along the U.S. – Mexico border. In these cases, the United States condemned land owned by the State and County of San Diego in the Tijuana River Valley area. In *USA v. 127.6 Acres*, defendants are seeking \$22.5 million in just compensation. In *USA v. 53.14 Acres*, defendant California State Parks is seeking \$15 million in just compensation.

Coito v. Superior Court

In a unanimous decision, the California Supreme Court held California’s work-product statute applies to recorded witness statements, and may also apply to responses to Judicial Council form interrogatories. First, the Court held recorded witness statements are entitled to qualified work product protection and are protected if it reveals attorney thought process, legal research or theories, and there is a foundational showing to support that contention. Second, the Court held the identity of witnesses interviewed is not entitled to absolute or qualified work information unless it reveals counsel’s thought process or results in taking undue advantage of counsel’s industry or efforts. The Court remanded the case to the Fifth Appellate District for further proceedings.

Development Specialty Projects, Inc. v. Department of Alcohol and Drug Programs

Plaintiff brought suit, claiming that the Department of Alcohol and Drug Programs owed reimbursement for drug Medi-Cal services. In Fiscal Years 2006-2007 and 2007-2008, the department mistakenly reimbursed plaintiff for services provided to a specific classification of beneficiaries, and later sought reimbursement of \$2.8 million for improperly paid claims. The trial court ruled in the department’s favor, finding that the parties’ contracts limited coverage for services, that the department was not obligated to pay the disputed claims, and none of the disputed claims established full Medi-Cal eligibility.

Division of Criminal Law

The Criminal Law Division, through its 618 employees, represents the People of the State of California in criminal cases, as mandated by both the Constitution and by statute. The majority of the division's work involves criminal appeals. The division also investigates and prosecutes sophisticated white-collar crimes (including investment fraud, securities violations, and business crimes), and technology crimes, Medi-Cal fraud and elder abuse. It presently handles more than 18,000 legal cases. In addition, the division serves as a liaison to Native American tribes residing in California and has a unit dedicated to serving the victims of crime.

The Criminal Law Division consists of the following sections:

- Appeals, Writs and Trials Section
- Correctional Writs and Appeals Section
- eCrime Unit
- Privacy Enforcement & Protection Unit
- Special Crimes Unit (*now the Financial Fraud and Special Prosecutions Section, effective 2014*)
- Bureau of Medi-Cal Fraud and Elder Abuse
- Office of Native American Affairs
- Victims Services Unit

Appeals, Writs and Trials Section

The Appeals, Writs and Trials Section carries out the following functions:

- Represents the People in all appeals of criminal cases.

- Handles criminal trials and investigations where local prosecutors cannot proceed because of conflicts or recusal.
- Advises the Governor on extradition and clemency matters.
- Provides advice to local, state and federal law enforcement and prosecutorial agencies, and to state legislators regarding the state's criminal laws.
- Enforces the criminal provisions of the Political Reform Act of 1974.
- Conducts special prosecutions involving money laundering, asset forfeiture, wiretap cases and organized crime.

Significant cases include the following:

Johnson v. Williams

The U.S. Supreme Court granted review to address the Ninth Circuit's conclusion that a state court's rejection of an appellate claim does encompass the federal nature of a claim, unless it expressly acknowledges the federal claim. The case was argued in Fall 2012; a decision is pending.

International Child Abductions

Since 2010, the Attorney General, with the U.S. Department of State and the Mexican Foreign Ministry, increased the return of California children abducted by their parents to Mexico by 15 percent. California is responsible for about 23 percent of abduction cases from the United States to Mexico, and about 66 percent of cases from Mexico to the U.S. In 2011, California was the only state invited by the U.S. Department of State to serve on the United States' delegation to the Sixth Meeting of the Special Commission to review the operation of the Hague Child Abduction Convention.

Martel v. Clair

In 1994, federal habeas proceedings began to review the death sentence that Clair received for the 1984 murder of Linda Rodgers. The district court automatically appointed counsel. In 2005, just as the district court was about to issue its decision, Clair moved for new counsel. The U.S. Supreme Court held that the district court's denial of Clair's last minute motion was in the "interest of justice."

Walker v. Martin

The U.S. Supreme Court held that California's state habeas timeliness rule was adequate to bar federal review of claims that were defaulted in state court. This landmark ruling will significantly reduce the number of claims litigated in federal court by state prison inmates.

Cullen v. Pinholster

In 1982, Pinholster stabbed and killed Thomas Johnson and Robert Beckett during a home burglary. The jury found him

guilty of two counts of first degree murder and sentenced him to death. Pinholster petitioned for relief, alleging that his lawyer should have hired a different psychiatrist to testify that he was a bipolar psychotic and in a partial epileptic seizure when he killed his victims. After years of proceedings, the U.S. Supreme Court adopted the Attorney General's argument that federal courts may not set aside state-court convictions based upon facts never presented to the state court. As a result, the circumstances under which federal evidentiary hearings are appropriate have been sharply limited.

Cavazos v. Smith

At the Attorney General's request, the U.S. Supreme Court reversed the decision to release a woman convicted of shaking her seven-week-old grandson to death. The Supreme Court agreed with the Attorney General that the Ninth Circuit had improperly "substituted its judgment for that of a California jury" regarding whether the prosecution's or the defense's expert witnesses better explained the cause of death.

People v. Mehserle

Mehserle, a BART police officer, fatally shot Oscar Grant on a crowded platform early on New Year's Day, 2009. Mehserle, who was in the act of arresting Grant for a disturbance on the train, claimed that he intended to disable Grant with his taser, but mistook his gun for the taser in the stress of the circumstances. Mehserle was convicted of involuntary manslaughter. The Court of Appeal affirmed the conviction, concluding that Mehserle acted with gross negligence.

Correctional Writs and Appeals Section

The Correctional Writs and Appeals Section is responsible for the following:

- Defending the policies and actions of prison officials.
- Ensuring that convicted felons properly serve their sentences under the conditions prescribed by law.
- Defending against legal challenges brought by inmates, juvenile offenders, and parolees about conditions of confinement in prisons and state juvenile facilities, parole suitability, and conditions of parole.
- Defending quasi-class action lawsuits by groups of inmates seeking to invalidate a prison regulation or effect change in the parole system.

Significant cases include the following:

In re Shaputis (Shaputis II)

Shaputis was convicted of second-degree murder for killing his wife. The Board of Parole Hearings denied him early release to parole in 2009, and Shaputis successfully challenged the decision in the Court of Appeal. The California Supreme Court twice granted review to determine if the Court of Appeal properly applied the “some evidence” standard to the decision to deny Shaputis parole. In its 2011 opinion, the Court reaffirmed the deferential character of a court’s review of an executive parole decision. Shaputis remains in prison.

Swarthout v. Cooke

Following unsuccessful state court petitions seeking early release to parole, life inmate Cooke challenged his parole denial in federal court. The U.S. Supreme Court held that the responsibility for assuring that the procedures governing California’s parole system are properly applied “rests with the California courts, and is no part of the Ninth Circuit’s business.” As a result, all indeterminate life sentences are protected from a duplicative and costly review in federal habeas corpus, preventing the potential release of a large number of life prisoners.

eCrime Unit

The eCrime Unit is responsible for the following:

- Investigates and prosecutes multi-jurisdictional criminal organizations, networks, and groups that perpetrate identity theft crimes, use an electronic device or network to facilitate a crime, or commit a crime targeting an electronic device, network or intellectual property.
- Provides investigative and prosecutorial support to five California regional high-tech task forces funded through the High Technology Theft Apprehension and Prosecution Trust Fund (HTTAP) Program.
- Provides investigative, legal, and prosecutorial support for technology crime investigations to those rural counties that are not represented by an HTTAP-funded task force.

- Coordinates out-of-state technology-crime investigation requests.
- Supports technology-crime investigations that are initiated by other California state agencies.
- Provides legal support for state-operated digital forensic laboratories.
- Develops and provides training for judges, prosecutors, law enforcement officers, and the public on the importance of strong information-security practices and evolving technology-related crime issues.

The eCrime Unit was created in August 2011 and assumed 24 criminal cases that were in varying stages of prosecution. The unit filed an additional 18 criminal complaints, convicted 32 defendants, and sentenced 25 defendants. The unit also provided training programs on technology crime issues that were attended by over 1,300 participants.

Significant cases include the following:

People v. Hicks

Hicks was involved in 55 theft incidents, including residential and auto burglaries and using a victim's personal identifying information to make ATM withdrawals. Hicks pled guilty and was sentenced to 22 years in state prison.

People v. Seoreto

Defendants raided the corporate headquarters of Unigen Corporation, gagged and bound five employees, and stole computer chips worth \$26 million. The case is ongoing.

People v. Karapetyan

Defendants attached a skimmer to the inside of gasoline pumps to capture ATM debit card and PIN information, and create duplicate cards to withdraw money. The defendants were arrested while retrieving a skimmer from a gas pump.

People v. Zhang

Zhang sold counterfeit jewelry and handbags on eBay. Law enforcement officers seized an estimated \$1.5 million of counterfeit goods from her residence. Criminal charges were filed, however, Zhang fled to China.

People v. Gromley

Gromley booked hotel rooms on Priceline for himself and his friends using stolen credit application forms. Gromley pled guilty and was sentenced to four years in prison.

People v. Koski

Koski replaced the bar codes on copper wire at home improvement stores with bar codes that scanned at lower prices, then resold the copper wire at market price. Koski pled guilty and was sentenced to three years in prison.

Privacy Enforcement and Protection Unit

The Privacy Enforcement and Protection Unit was created in July 2012 and is responsible for the following:

- Protects Californians' constitutionally guaranteed right to privacy through civil enforcement of state and federal privacy laws, including consumer protection laws

that regulate the collection and use of personal information by new and rapidly changing technologies.

- Serves as a clearinghouse for privacy issues within the Department of Justice.
- Educates consumers, develops legislation and policies, and forges partnerships with industry and innovators on privacy issues.

Significant cases include the following:

People v. Delta Air Lines, Inc.

The Attorney General filed the first legal action under California's online privacy law against Delta Airlines, Inc. for failure to comply with the state's Online Privacy Protection Act. The Act requires commercial operators of websites and mobile applications that collect personally identifiable information from Californians to conspicuously post a privacy policy.

Financial Fraud and Special Prosecutions Section

The Financial Fraud and Special Prosecutions Section is responsible for the following:

- Assists local, state and federal law enforcement agencies in the investigation and prosecution of large-scale, multi-jurisdictional investment frauds and business crimes.
- Investigates and prosecutes crimes where state agencies are the victims of economic crime.

- Assists local, state and federal agencies in the investigation and prosecution of lending abuses, loan modification crimes and mortgage fraud.

Significant cases include the following:

People v. Sweeney and Ryan

Sweeney and Ryan sold fraudulent stock and ran a pyramid scheme through their Riverside-based companies, Big Co-op and EZ2Win.biz. Over 1,000 investors suffered losses of \$8.2 million as a result of their scams. The defendants were convicted on 65 counts; Sweeney was sentenced to 33 years in state prison and Ryan to 31 years.

U.S. v. Shults

The Attorney General and the U.S. Attorney's Office in Santa Ana obtained a federal indictment against Shults and five other defendants for a \$4.5 million scam. The defendants sold uninhabitable, bank-owned homes to investors, on the premise that the properties were FHA approved, habitable, had clean titles, and could be quickly and easily flipped for big profits. Most titles were not transferred to the investors, who paid \$35,000 to \$45,000 for each property. Those who did receive title now own properties worth less than \$10,000; the properties also have costly liability issues. The trial is set for 2013.

People v. Sassman

Sassman, a licensed insurance salesman, was charged with 13 counts of grand theft for selling more than \$10 million worth of investments to victims of his Ponzi scheme. Few actual investments were made; Sassman paid new investors with

old investor money. He was sentenced to 18 years in state prison and ordered to pay more than \$4.45 million.

People v. Vander Tuig

A boiler room of 50 unlicensed sales representatives in Orange County sold \$50 million in stock for golf courses and residential properties that were never developed. In 2009, a grand jury returned an 85-count indictment charging the defendants with grand theft and securities fraud. The case is set for trial in 2013.

People v. Alizadeh

Alizadeh, who operated 71 Jack-in-the-Box restaurants in the Central Valley, used sales taxes collected from customers and his employees' income taxes and disability insurance payments to pay his debts. As a result of his dealings, he owed more than \$5.4 million to the Board of Equalization and nearly \$1.8 million to the Employment Development Department. Alizadeh pled no contest in 2012 and paid restitution of \$700,000. His sentencing was deferred for four years, during which time he will pay an additional \$500,000 per year.

United States v. Makkad

Over several years, three defendants purchased millions of dollars worth of untaxed tobacco from outside California that was transferred through a fictitious business in Nevada to a truck depot in California using a phony name and misleading invoices. The defendants then sold the tobacco to California customers without reporting state taxes to the Board of Equalization. All three defendants pled guilty.

People v. Calderon

Calderon masqueraded as a foreclosure consultant for two years and swindled more than a dozen homeowners out of money and property worth over \$300,000. He promised mortgage relief with loan modifications and visited victims in their homes to persuade them to deed their property to him. Calderon performed no services and was not licensed to conduct such transactions. Calderon was sentenced to more than four years in state prison and ordered to pay restitution.

Bureau of Medi-Cal Fraud and Elder Abuse

The Bureau of Medi-Cal Fraud and Elder Abuse has dual criminal and civil prosecution responsibilities. The attorneys work in close partnership with DOJ law enforcement personnel and forensic auditors. The Bureau is responsible for the following:

- Protecting the state's \$43.9 billion Medi-Cal program from provider fraud and abuse.
- Investigating and prosecuting elder abuse, neglect and poor quality of care in health care facilities such as hospitals, skilled nursing facilities and residential care facilities.

Significant cases include the following:

People v. Yakovenko

The defendant entered 23 pharmacies in Sacramento and San Joaquin counties and obtained \$34,000 worth of anti-psychotic prescription drugs, which

were filled through fraudulent prescriptions using stolen identifying information of Medicare beneficiaries. The investigation revealed that this scam was part of an ongoing scheme to defraud Medicare and resell expensive prescription medications on the black market. Yakovenko was sentenced to four years in state prison and ordered to pay restitution.

People v. Adjian

Adjian, the owner of Community Labs, Inc., stole beneficiary and physician identities to fraudulently bill Medicare \$3.1 million for services that were unnecessary or never provided. Medicare received numerous complaints from beneficiaries who had been billed for services by Community Labs, but had never heard of the labs or the referring physician. Community Labs also billed for services allegedly performed on more than 70 deceased beneficiaries. Adjian was sentenced to three years in state prison and ordered to pay restitution.

People v. Green

Green, a nurse practitioner with a clinic in Los Angeles, used her patient files to bill Medi-Cal for fictitious visits, fraudulently collecting \$1.2 million over a two-year period. Green, who pled guilty to grand theft and submitting false claims, was sentenced to 16 months in state prison and ordered to pay restitution of \$840,000.

People v. Buki

Buki, the owner of a residential care facility, admitted two elderly residents who suffered from dementia. Buki had them execute powers of attorney that allowed him to control their assets. After the first victim entered a nursing home in poor health, Buki

transferred the victim's stock to himself. The second victim's best friend died and Buki closed an account held by the victim and her best friend, and had the victim open a new account naming Buki as joint tenant. When she died, Buki took \$100,000 from the account. The money stolen from these victims represented their entire life savings. Buki was convicted after a nine-day jury trial, sentenced to five years in prison and ordered to pay nearly \$120,000 in restitution.

Office of Native American Affairs

The Office of Native American Affairs was established to coordinate with California's 108 federally recognized tribes. The office is responsible for assisting Native American communities by fostering relationships between the DOJ, the tribal governments, and state and local law enforcement agencies. The office also advises on tribal public safety issues as mandated by federal law, and collaborates with tribes, state and federal justice agencies to provide training and information on the unique policing situations of California's Indian lands.

Victims Services Unit

The Victims Services Unit provides assistance, information and support to families in capital cases. The unit is also the statewide contact for inquiries on Marsy's Law, which created additional constitutional and statutory rights for victims.

Division of California Justice Information Services

The Division of California Justice Information Services (CJIS), through its 1,064 employees, provides accurate, timely and comprehensive criminal history data and analysis to law enforcement, district attorneys, and local and state regulatory agencies. In addition, the division supports the critical DOJ information technology infrastructure.

CJIS consists of the following bureaus:

- Criminal Identification and Investigative Services
- Criminal Information and Analysis
- Technology Support
- Criminal Justice Information Technology Services
- Departmental Technology Services
- Supervised Release File
- Cal-ID
- Wanted Persons
- California Automated Restraining and Protective Order
- Automated Fingerprint Identification
- Automated Latent Print
- California Automated Palm Print
- Controlled Substance Utilization Review and Evaluation System Program

Bureau of Criminal Identification and Investigative Services

The Bureau of Criminal Identification and Investigative Services is responsible for the following systems:

- Missing and Unidentified Persons
- Megan's Law
- Automated Property
- Stolen Vehicles
- California Sex and Arson Registry

Missing and Unidentified Persons Program Assistance

The Missing and Unidentified Persons Section (MUPS) assisted the Marin County Coroner's Office with the identification of a body that washed ashore at Point Reyes. The body was in an advanced state of decomposition, and facial features and fingerprints could not be used for identification. Based on physical characteristics, an ad-hoc analysis was conducted by the section and provided to the coroner with a list of possible matches.

The coroner subsequently obtained dental x-rays, performed a comparison, and the remains were identified.

Violent Crime Investigative Support Program (VCISP) Assistance

The Butte County Sheriff's Office arrested a peace officer on charges of possession of child pornography and contributing to the delinquency of a minor. VCISP analyzed data from the subject's phone, including e-mails, text messages, and photographs. A timeline of his activity since 2005 identified potential victims and interactions with multiple minors. The case is ongoing.

Sex Registrant Mapping for Child Abduction Investigations

Geographic Information System (GIS) technology is used to generate investigative leads in the DOJ California Sex and Arson Registry (CSAR). Over 1.8 million records have been geo-coded. Within two hours of a stranger abduction of a child, analysts can identify sex offenders near a crime scene by comparing the offenders' crime characteristics to the method of operation used in the abduction. A report is then prepared for the agency that contains potential leads.

Sex Registrant Assessment Unit

The U.S. Marshal's Office arrested a subject in the Dominican Republic who had two California sex-offense convictions involving minors violated a pretrial release on a third sex-related case, and moved overseas to avoid prosecution. When the subject was arrested, there were two minors living with him, and other victims have since come forward. The unit and DOJ's attorneys

expedited an assessment in order to support the filing of additional charges.

Supervised Release File

The Supervised Release File database provides law enforcement with physical descriptors, resident addresses, offense data, incarceration locations, registration status, parole or supervising agent, and other critical advisory information. The database also includes information regarding subjects on active parole, probation and federal probation, sex or arson registrants, mental health registrants, including Post Release Community Supervision (PRCS) and subjects on mandatory supervision. Since the enactment of the California Realignment Project (AB 109), eight county probation departments are submitting PRCS data to DOJ.

Mobile ID Project

The program provides law enforcement in the field with identification of offenders through the California Automated Fingerprint Identification System and the FBI Repository for Individuals of Special Concern. Six counties are using the service and 22 counties are in various stages of development. The next phase of the Mobile ID program will provide law enforcement with photos and rap sheets on the subjects.

Missing and Unidentified Persons Identification

The Cal-ID Program and the Investigative Services Program are automating fingerprints for missing and unidentified individuals that will increase the ability of the DOJ and coroners across the state to identify unknown persons.

Live Scan DNA Automation Project

The project provides law enforcement with an electronic response on whether a DNA sample must be collected from a subject at booking. It also allows agencies to electronically submit DNA collection data. Live Scan DNA devices are being deployed in areas that account for at least 66 percent of the state's felony arrests. There are currently 381 devices assigned in 43 counties.

California Restraining and Protection Order System

The system is used to track data for mandated reporting on restraining and protective orders, including emergency protective orders, temporary restraining orders, order after hearing orders, juvenile restraining orders, workplace/domestic violence restraining orders, criminal protective orders, civil harassment orders, out of state restraining orders, elder/dependent adult and financial abuse orders, and school violence orders.

Background Checks for Emergency Child Placement

The Information Expedite Services Section's Command Center provides background checks on a 24/7 basis for county child protection services agencies. Social workers submit emergency background check requests for child placements to ensure the child is placed in a home with acceptable family members. The background checks are triggered by a number of child protection emergencies, including child abuse, child endangerment, child neglect and homelessness. The command center

provided 137,000 background checks during the biennial period.

Automated Fingerprint Identification System

AFIS, the second largest fingerprint identification system in the nation, contains more than 22 million criminal and applicant fingerprint records. The system processed 3 million criminal and 3.4 million applicant transactions during the biennial period.

Controlled Substance Utilization Review and Evaluation System Program

The CURES Program is a prescription drug monitoring system that maintains and monitors more than 150 million prescription records for specific controlled substances. The CURES program receives 5 million prescription records every month from more than 6,700 licensed pharmacies.

Bureau of Criminal Information and Analysis

The Bureau of Criminal Information and Analysis is the central repository of criminal history information used by local, state and federal law enforcement agencies, courts and regulatory agencies. The bureau collects, maintains and publishes criminal statistical data, and maintains the Child Abuse Central Index.

2011 Public Safety Realignment – Law Enforcement Agencies

In September 2011, local law enforcement agencies implemented new procedures for capturing a jail custody entry on a rap sheet

at booking. As part of the 2011 Public Safety Realignment, new procedures were developed to: 1) aid in the electronic submission of rap sheets for subjects being sentenced to county jail in lieu of state prison; 2) identify commitments for subjects who are in violation of the terms and conditions of their post release community supervision status; and 3) identify subjects in violation of the terms and conditions of their mandatory supervision status.

Child Abuse Central Index

Through the passage of AB 717, changes were made to the DOJ's maintenance of the Child Abuse Central Index. As of January 1, 2012, law enforcement agencies were deleted as index reporters. A total of 147,000 index reports labeled inconclusive or unsubstantiated were removed.

Technology Support Bureau

The Technology Support Bureau designs, coordinates, installs and provides 24-hour support for communications applications, server infrastructure, and networks used by the DOJ, California criminal justice agencies and national criminal justice systems.

UNISYS Migration

In 2012, several legacy applications were moved from the UNISYS mainframe to an open systems platform, saving the Department more than \$1.2 million in annual hardware maintenance costs. This effort provides law enforcement agencies with speedier access to DOJ law enforcement databases.

Criminal Justice Information Technology Services Bureau

The bureau supports the statewide investigative networking system and various other systems used by the DOJ and provides reporting and testing support for CJIS application developers.

Automated Firearms System

The AFS system, implemented in 2011, provides law enforcement agencies with online access to historical gun registration information prior to 1980. Agencies previously relied on DOJ staff to conduct historical registration searches that took days to complete.

Redesign of Criminal Justice Systems

The DOJ's criminal justice information system and the violent crime information network system were redesigned to better meet law enforcement, public safety, and community needs.

Departmental Technology Services Bureau

The bureau provides computer support to DOJ employees through its Technical Assistance Center. It also supports the department's desktop equipment, applications and shared storage environments. The bureau partners with DOJ programs to ensure CJIS technical solutions meet their requirements.

DNA Arrestee Convicted Offender Status Project

Familial searching is used only in major unsolved cold cases by comparing DNA types found at crime scenes against the DNA of convicted offenders in the state

database. In 2011, the project was expanded to track whether convictions had occurred subsequent to the arrestee DNA submission.

Division of Administrative Support

The Division of Administrative Support, through its 864 employees, supports the day-to-day operations of the department and assists programs in administrative and technical areas such as accounting, budgeting, personnel, asset management, facilities, procurement, contracting, conferencing, recycling, training, law library services, legal case management, time reporting, special projects, litigation support and legal support services.

The Division of Administrative Support consists of the following units:

- Fiscal Programs
- Office of Departmental Services
- Personnel Programs
- Office of Professional Development
- Legal Support Operations Branch
- Law Library Services Section
- Information Support Services
- Management Analysis and Policy Development

Fiscal Programs

Budget Office. The Budget Office is responsible for the DOJ's annual financial plan and provides technical direction and support to program managers in the preparation, negotiation and management of the department's annual budget. As of June 2012, the DOJ budget was \$721 million.

Accounting Office

The office maintains centralized records of appropriations, expenditures, revenues, reimbursements and legal billing. It also provides cash flow analysis and accurate accounting of DOJ activities to state control agencies.

Office of Departmental Services

The Office of Departmental Services provides a wide range of business support services throughout the DOJ, including facilities management, telecommunications services, contracting, purchasing, warehousing, printing, publication, media production and mail/delivery operations.

Facilities Planning and Management and Telecommunications Section

The section manages the space needs of more than 1.7 million square feet of DOJ facilities at over 103 locations statewide, including 6 legal offices, 6 regional law enforcement offices, 13 forensic crime laboratories, 30 anti-crime task force offices, the DOJ aircraft hangar, the Hawkins Data Center, and multiple field offices and radio sites. The downsizing of the Division of Law Enforcement in FY 2011-2012 decreased occupied space by 305,513 square feet.

The section's significant projects include the following:

Law Enforcement Office Consolidation

Due to \$71 million in budget reductions in the Division of Law Enforcement, numerous facilities were forced to close, including four regional law enforcement offices, seven leased facilities, nine task force locations, and one aircraft hanger. The consolidation, originally estimated to take 18-24 months, was completed in four months.

Refurbished Facilities

Four forensic laboratories and office space at 4949 Broadway in Sacramento were repaired and refurbished:

Sacramento Laboratory

Extensive alterations were made to the latent print evidence storage and laboratory areas to comply with the American Society of Crime Lab Directors/ Laboratory Accreditations Board standards. Strobes and annunciators were also added to the building's alarm control system.

Sacramento Offices

Office space at 4949 Broadway was brought up to current building standards, and reconfigured to accommodate personnel relocated from seven leased facilities in the Sacramento area that were closed. Likewise, Division of Law Enforcement executive staff was relocated into office space at 1300 I Street.

Santa Barbara Laboratories

A failed security system was replaced, and interior laboratory spaces were renovated to create more space for DNA processing

Watsonville Laboratory

The lab's parking lot was repaired to fix a drainage problem that caused the adjacent lot to flood. Repairs were also made to the building's exterior stucco and the sidewalk as a result of the foundation settling.

Santa Rosa Laboratory

Repairs were made to the roof and flooring. The building's main HVAC was repaired and the energy management system was replaced.

Enterprise Voicemail System

The DOJ and Telecommunications Unit installed a new and improved software-based enterprise voicemail system.

Business Services Section

The section is comprised of three units: Contracts, Purchasing and Central Services. The Contracts Unit prepares contracts for expert witnesses, outside attorney services, forensic services, law enforcement training and maintenance and repair of equipment. The Purchasing Unit oversees the ordering and purchasing of equipment, furniture and supplies. The Central Services Unit provides mail and warehouse services to DOJ, including shipments and document archive storage.

The section's significant projects include the following:

Law Enforcement Office Consolidation

As a result of budget cuts, a number of contracts were canceled, reduced or restructured. As part of the consolidation efforts, the Central Services Unit provided moving, storage, and other logistical services. Contracts with outside vendors were eliminated and the Unit was reprioritized to permanently handle package and evidence delivery routes and storage space.

Automated Package and Document Tracking System

The section procured a new evidence, package, and document storage tracking system to improve evidence chain of custody, and the protection of important and confidential DOJ documents.

Communications and Imaging Resource Center (CIRC)

The center offers imaging and media production services to the department. In-house services include printing, creating signage and court exhibits, publishing, graphic and web design, photography, video production, audio recording and live-streaming of press conferences.

Personnel Programs

Personnel Programs is responsible for all facets of employment for the DOJ's 4,500 authorized positions. The section is comprised of five units that handle classification and pay, labor relations, risk management, testing and selection, and personnel transactions.

The section's notable activities include the following:

Personnel Training

Personnel Programs provided webinar training on the new collective bargaining unit contracts that went into effect in 2010 and 2011 and offered customized training on leaves of absences and performance management.

Communication with Union Representatives

Increased efforts were made to reach out to job stewards and union employees to share information and resolve issues. The section worked with SEIU and CSLEA to negotiate agreements related to budget reductions.

Layoff Coordination

Personnel Programs coordinated and implemented the layoff, transfers and demotions of department employees that resulted from the \$71 million budget reduction to the Division of Law Enforcement.

Examinations and Continuous Testing

The Testing and Selection Office administered 90 online examinations and increased participation in continuous examinations.

Attorney Recruitment

The Testing Office coordinated with DOJ attorney recruiters at 13 legal recruitment events. The office also developed the continuous Graduate Legal Assistant exam as a recruitment base for Deputy Attorney General positions.

Office of Professional Development

The Office of Professional Development provides training and learning opportunities to all DOJ employees. Courses include new employee orientation, basic supervision, continuing legal education for attorneys and paralegals, professional and critical skills development and desktop applications. The office held over 400 classes during the biennial period.

Legal Support Operations Branch

The branch is comprised of nearly 600 employees statewide who provide administrative support in the Attorney General's law offices located in Sacramento, Oakland, San Francisco, Fresno, Los Angeles and San Diego. Services are provided to 1,300 attorney and paralegal staff in 25 law practice areas. The services include legal secretarial and clerical support, business and office services, digital printing and reprographics, docketing and records management, procurement and facilities management.

Electronic Faxes

All legal offices now have the capacity to transmit and receive electronic faxes by email, thereby saving paper and reducing time.

The Paperless Law Office

The department continued its efforts to convert from paper to electronic documents. Scanning legal documents makes them readily available in ProLaw, reduces photocopying as well as transit and hard-copy storage costs, saves staff time and enhances the DOJ's green efforts by reducing paper consumption. Record retention schedules were updated for all legal divisions to further reduce storage costs.

Law Library Services Section

The section provides research services and manages the statewide law libraries. The libraries maintain codes, statutes, court procedures, treatise materials and legislative histories in their collections.

Activities during the biennial period include:

Expansion of Online Resources

Hundreds of links to electronic resources were added to the library catalog through Westlaw, Westlaw Next, Lexis, HeinOnLine and Courtlink.

Legal Research

The law libraries expanded research services by providing a combination of print and online resources, new research tools for legal staff, such as Westlaw Next and Courtlink, and personalized research assistance with digitized, searchable legislative histories.

Fiscal Management

The section consolidated its law collections by eliminating duplicate hard copies to “green” the offices, the law libraries reduced the number of paperback and hardbound coded books by 500; the number of California Annotated Code pocket-part updates was reduced by 800.

Information Support Services

Information Support Services provides litigation support, legal knowledge management, case management and time reporting, and project performance management.

Business Project Management Team

This unit assists with a variety of complex business projects that use information technology solutions. The following significant projects are underway:

FI\$CAL Project

This multi-year project, sponsored by the Department of Finance and other control agencies, will standardize fiscal reporting among state agencies. The DOJ is involved in advisory work groups, procurement, system integration, system interface, data cleansing, data conversion and business process documentation. The FI\$Cal system is projected to replace the DOJ’s current accounting system in 2013 and will be fully implemented in 2015.

Intranet Redesign

Four separate DOJ Intranet sites were combined into one department-wide site with a new design and structure. The Business Project Management Team was responsible for coordinating the transfer of thousands of pages of content to the new Intranet site.

MyCalPAYS

The system will be used by all state agencies for personnel administration, benefits administration, payroll time reporting and will allow employee/manager self-service functionality. The system will be deployed in September 2013.

Litigation Support Section

The section provides professional services and software applications for legal staff to manage data acquired throughout their cases. The section consolidated its workflow processes and procedures and developed a statewide standardized business process to increase efficiency. The section provided services on over 1,100 matters and completed over 3,900 litigation support projects during the biennial period.

Case Management Section

The section is responsible for the development, implementation and maintenance of the Department's case management and time reporting system (ProLaw) used by the legal staff. The section works closely with the accounting staff, attorneys and executive staff to manage legal staff billable hours, produce reports for client agencies and allow for reimbursement of the Attorney General's legal work.

Management Analysis and Policy Development Unit

The unit provides analysis and assistance to the DOJ in a variety of areas, including: vehicles, regulations, records management, forms, conference services, wireless devices and recycling. The unit also handles property inventory, maintains the Asset Management System, and provides training and support of the AMS system.

Green Office

The Green Office is a department-wide effort that targets ways to reduce greenhouse gas emissions, conserve energy and save money. Regional offices now include plastic bag recycling receptacles and freecycle and re-use stations. In 2011, DOJ offices recycled over 18,000 pounds of e-waste and donated old office equipment to schools, other state agencies, law enforcement agencies, universities and the Department of General Services Reuse Program. The DOJ, at .41 pounds per person per day, continues to reduce waste below the per capita disposal rate of .60 set by CalRecycle.

www.ag.ca.gov/greenoffice

Executive Programs

Executive Programs consists of the following units:

- Solicitor General / Opinion Unit
- Special Assistant Attorneys General
- Office of Communications
- Public Inquiry Unit
- Office of Legislative Affairs
- Equal Employment Rights and Resolution Office
- Office of Program Review and Audits

Solicitor General Unit

The Solicitor General Unit ensures appellate excellence, particularly in the California Supreme Court and the U.S. Supreme Court. The unit helps to determine whether to seek review of a case in the state or federal supreme courts, assists deputy attorneys general in writing petitions and briefs, consults with deputies in preparing for oral argument and provides general instruction regarding Supreme Court procedures. The unit also coordinates and participates in the supervision of amicus curiae briefs filed by the Attorney General in state and federal reviewing courts, including the California and U.S. Supreme Courts and the Ninth Circuit Court of Appeals.

The Solicitor General is the Attorney General's liaison to state and federal

appellate courts in matters relating to the Attorney General's litigation efforts, with state solicitors and with the National Association of Attorneys General concerning litigation matters before the U.S. Supreme Court. The Solicitor General is the statutory designee for receipt of service of all briefs filed in the California Supreme Court or state appellate courts concerning specified civil rights statutes. The Solicitor General also oversees the Attorney General's Opinion Unit.

Opinion Unit

The Opinion Unit prepares and distributes formal written opinions in response to legal questions from legislators, state agencies, district attorneys, county counsel, city prosecutors and county sheriffs.

The unit also responds to requests for permission to bring quo warranto actions (disputes over the right of public office-holders to serve their term). Opinions published by the Attorney General may be cited by courts as persuasive authority.

Of the opinions issued during the biennial period, the following were of particular interest:

Opinion 07-804

94 Ops. Cal. Atty. Gen. 51 (2011)

State law does not authorize private property owners to issue parking citations imposing monetary sanctions to the owners of vehicles parked on their property. Private

property owners may not acquire, by means of written warnings or signage, the right to issue parking citations. People who tow and impound vehicles may not require payment of parking citations that have been issued by private property owners. Citations imposing monetary sanctions issued by private property owners are unenforceable.

Opinion 08-505

94 Ops. Cal. Atty. Gen. 59 (2011)

An animal control officer is not permitted to administer controlled substances to capture or treat animals in the field without consulting a licensed veterinarian.

Opinion 11-203

94 Ops. Cal. Atty. Gen. 66 (2011)

A victim of sexual assault may elect to have “victim advocates” present during an interview by law enforcement. The victim advocates may not be excluded from the interview. The interviewing authority’s power to exclude “a support person of the victim’s choosing” may be exercised only upon a determination that the presence of that individual would be detrimental to the purpose of the interview.

Opinion 08-509

94 Ops. Cal. Atty. Gen. 111 (2011)

A school counselor may disclose personal information received from a student age 12 or older to the parents or principal when the counselor has reasonable cause to believe disclosure is necessary to avert a clear and present danger to the student’s health, safety or welfare. Education Code section 49602(c) may not form the basis of civil liability against a counselor under the

doctrine of negligence if the counselor fails to disclose personal information and the minor thereafter suffers harm.

Opinion 12-301

95 Ops. Cal. Atty. Gen. 1 (2012)

A police department has discretion to establish guidelines that would allow an impounded vehicle to be released in less than 30 days under Vehicle Code section 22651(p), including those situations where a fixed 30-day statutory impoundment period may apply under Vehicle Code section 14602.6(a)(1).

Special Assistant Attorneys General

The Attorney General appoints Special Assistant Attorneys General to focus on the priorities of her administration, such as human trafficking, mortgage fraud, privacy issues, transnational gangs, and law enforcement. Special Assistant Attorneys General may also serve as the Attorney General’s designees on task forces, commissions and committees and serve as liaisons with local, state and federal agencies, associations and advocacy groups.

Office of Communications

The Office of Communications oversees media relations. The office organizes news conferences, provides media organizations with information on activities of the Attorney General and the department, responds to daily press inquiries, conducts research, and prepares news releases.

Public Inquiry Unit

The Public Inquiry Unit is the primary point-of-contact for members of the public seeking assistance and information from the Attorney General's Office. The unit responds to thousands of written and telephone inquiries annually from citizens, elected officials, law enforcement agencies and other governmental entities on a wide variety of subjects and issues.

Consumer Protection

The unit works closely with attorneys in the Consumer Law Section on consumer issues and provides reports of complaints against companies that may be used to support investigations and lawsuits. The economic downturn and collapse of the California housing market led to a dramatic increase in the volume of complaints related to predatory lenders and fraudulent loan-modification companies. The unit provided information to homeowners seeking mortgage relief under the Attorney General's historic 2012 settlement with the nation's largest loan servicers, and also forwarded complaints to the California Monitor.

Alternate Dispute Resolution Program

The unit takes a leading role in helping consumers resolve their disputes with California businesses. In many instances after a complaint is received, the company or individual is contacted by the unit to resolve the issue through an informal mediation process.

Office of Legislative Affairs

The office represents the Attorney General in legislative matters, and is responsible for coordinating the Attorney General's communications with the State Legislature and U.S. Congress.

The Attorney General sponsored 20 bills during the biennial period, most of which had a direct connection to the work of the department. Some of the sponsored bills included:

SB 622 (Corbett)

Requires a person convicted of an offense in another state in which registration as a sex offender is required to also register as a sex offender in California. The out-of-state offense must contain the elements of an offense that would require registration in California. (Chaptered 9/29/2011.)

SB 819 (Leno)

Authorizes the Department of Justice to use firearms purchaser fees in the Dealer Records of Sale Account, to fund regulatory and enforcement activities related to possession of firearms by persons prohibited from firearms possession. (Chaptered 10/09/2011.)

SB 900 (Leno, Evans, Corbett, DeSaulnier, Pavley, Steinberg)

AB 278 (Eng, Feuer, Mitchell, John A. Pérez)

The bills were part of the Attorney General's Homeowner Bill of Rights, which ended dual track foreclosures, required a single point-of-contact for distressed homeowners, and banned the robo-signing of documents in the foreclosure process. (Both bills chaptered 7/11/2012.)

SB 1133 (Leno)

Authorizes the forfeiture of vehicles, boats, airplanes, money, negotiable instruments, securities, real property or other items of value used for the purpose of facilitating the human trafficking involving a commercial sex act where the victim is under 18 years of age. It also prescribes the distribution of funds to support the general fund of the prosecuting entity and the Victim-Witness Assistance Fund. (Chaptered 9/24/2012.)

AB 2466 (Blumenfield)

Authorizes a prosecuting agency to seek a court order preventing the concealment of property implicated in a human trafficking prosecution. (Chaptered 9/24/2012.)

Equal Employment Rights and Resolution Office

The office ensures equal employment opportunities within the DOJ, consistent with state and federal laws. The office administers the employee discrimination complaint process, monitors departmental employment processes, and provides training to ensure a workplace free of discrimination and harassment. The office also provides advice and consultation on difficult personnel issues to curtail potential complaints. The office facilitates employee mediation services as an alternative to help employees resolve conflict in the workplace. The office oversees foreign language translation services for the department.

Training and Wellness Activities

The office provided harassment and discrimination prevention training to over 1,500 DOJ employees annually during the biennial period. The unit assisted DOJ employees who received State Restriction of Appointment (SROA) notices with career counseling and advice on employment and promotional opportunities with other state agencies. The office also provided diversity and inclusion awareness training, upward mobility skill building workshops and other training on request. The office conducted activities to promote the well-being of DOJ employees, such as flu shot clinics, *Weight Watchers* classes, brown bag topics and wellness articles.

EEO Reports

The office produces state and federally mandated Equal Employment Opportunity

(EEO) reports. The reports track race, ethnicity, and gender by classification, the hiring of people with disabilities, the status/effectiveness of the Upward Mobility Program, as well as deficiencies in the hiring process. The unit also implemented the workforce composition database to identify workforce representation, upward mobility, recruitment, hiring, and under-represented and/or under-utilized racial, ethnic, gender and disabled groups.

Office of Program Review and Audits

The office is the DOJ's primary internal audit organization, and ensures that the department meets Government Code reporting requirements for accounting and internal control.

The office reduces departmental risk by providing information and recommending solutions to DOJ programs to improve operational efficiency. The office conducts internal control and program audits, program evaluations and management reviews. The office also coordinates external audit requests and responses to state and federal agencies, and assists in defending the department's policies, processes and practices.

Audits

The office conducts comprehensive and objective independent internal and external audits and reviews to determine whether the organization's network of risk management, control, and governance processes are

adequate and functioning. The office makes recommendations to the executive staff and directors regarding an audit or a review, including its scope and conditions.

The office performs reviews of the California Witness Relocation and Assistance Program and provides assistance to the Bureau of State Audits for whistleblower investigations.

Information Security Office

The Director serves as the DOJ's Information Security Officer and Privacy Officer. The primary objective of the office is to protect DOJ's information technology and information assets, and its computing environments, processes, systems, and applications. The office works closely with the DOJ's California Justice Information Services Division on the information security policy, and oversees the department's compliance with policies and procedures on the security of information assets.

Information Security Office activities are coordinated with the Privacy Office to ensure security and confidentiality of records, to prevent breaches of confidential records within the department, and to ensure that DOJ employees receive mandatory information security and privacy training.

Privacy Office

The office is responsible for ensuring privacy protection within the DOJ pursuant to Government Code section 11019.9 and provisions of the Information Practices Act of 1977 (Civ. Code, §1798 et seq.) regarding the administrative procedures related to the collection, use, maintenance, dissemination and disposal of personal information.