



STATE OF KANSAS  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION AND ANTITRUST DIVISION

**DEREK SCHMIDT**  
ATTORNEY GENERAL

January 24, 2012

MEMORIAL HALL  
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Representative Carl Holmes, Chairman  
House Standing Committee on Energy and Utilities  
300 SW 10th Ave., Rm. 174-W  
Topeka, Kansas 66612

Dear Chairman Holmes:

The 2011 Annual Kansas No-Call Act Report is submitted to the House Standing Committee on Energy and Utilities, pursuant to K.S.A. 50-670a(o). The No-Call Report also will be included in the 2011 Consumer Protection Report later this spring, as has been the custom of this office.

Per your request, Assistant Attorney General Meghan E. Stoppel will testify in front of the Committee at 9:00 a.m. on Thursday, January 26, 2012. Please do not hesitate to direct your questions regarding this report or the Kansas No-Call Act to Ms. Stoppel's attention.

Sincerely,

Derek Schmidt  
Kansas Attorney General

HOUSE ENERGY AND UTILITIES

DATE: 1.26.2012

ATTACHMENT 5

**CONSUMER PROTECTION  
&  
ANTITRUST DIVISION**

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**2011 ANNUAL  
KANSAS NO-CALL ACT REPORT**

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**January 25, 2012**

# Kansas No-Call Act Annual Report 2011

## Investigative Requests

Number of No-Call Investigative Requests Received: 464

Number of No-Call Investigative Requests Closed: 353

## Litigation

Petitions Filed<sup>1</sup> 2

Judgments Obtained 2

Judgments Awarded (Total): \$ 123,868.00

Consumer Restitution \$ 1,868.00

No-Call Penalties<sup>2</sup> \$ 5,000.00

KCPA Penalties \$ 100,000.00

Fees \$ 17,000.00

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<sup>1</sup> One case is pending. See pg. 6 infra.

<sup>2</sup> These penalties are collected pursuant to K.S.A. 50-670a(m).

# Disposition of Closed Investigative Requests

## Requests Closed Without Litigation

<u>Disposition Description</u>	<u>Requests Closed</u>
Inquiry or Information Only	17
Referred to County/District Attorney	2
Referred to Other State Attorney General	2
Referred to Other Kansas Agency	1
Referred to Federal Agency (FTC, Post Office, etc.)	167
Mediation Only – No Savings	1
No Reply From Complainant	5
Unable to Locate Respondent	12
Practice Complained of Discontinued	27
No Violation	21
Insufficient Evidence	38
Withdrawn	1
Other	23
No Call – Charity	3
No Call – Polling	2
No Call – Established Business Relationship Exempt	9
No Call - Collection Exemption	3
No Call – Affirmative Defense – Error	5
No Call – Affirmative Defense – Business Phone	3
No Call – Express Authorization Exemption	2

## Disposition of Closed Investigative Requests (Cont'd)

<u>Disposition Description</u>	<u>Requests Closed</u>
No Jurisdiction	2
TOTAL	346

### Requests Closed Through Litigation

<u>Disposition Description</u>	<u>Requests Closed</u>
Consent Judgment	11
TOTAL	11
TOTAL INVESTIGATIVE REQUESTS CLOSED	357

## **Litigation Summary**

*The Williams Law Center, PC and A.I.M. Center, LLC*

Shawnee County, 11C462

Filed 4-12-2011

Default Judgment Obtained 7/8/11

The Attorney General filed suit against the Defendants for violations of the KCPA related to the offering of debt management services to Kansas consumers and violations of the Kansas No Call Act. When the Defendants failed to answer the allegations made in the Attorney General's petition, the Court entered a default judgment against the Defendants. The Court awarded consumer restitution in the amount of \$1,868.00, civil penalties in the amount of \$100,000.00, and investigative fees to the Attorney General in the amount of \$5,000.00.

*East Valley Financial LLC and David Sourwine, Jr.*

Shawnee, 10C824

Filed 7-22-10

Consent Judgment Obtained 11/18/11

The Attorney General filed suit against the Defendants for violations of the KCPA related to the offering of debt management services to Kansas consumers and violations of the Kansas No Call Act. The Defendants agreed to pay \$12,000.00 in investigative fees and \$5,000 in No Call civil penalties, and to abide by certain injunctive measures regarding business practices.

## **Pending Litigation**

*Vandell Communication LLC and Tony Mitchell*

Shawnee, 11C1114

Filed 9-23-11

The Attorney General filed suit against the Defendants for violations of the Kansas No Call Act. The case is still pending.