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Statistic on Use of AS 45.50.495

1981 -- 55 subpoenas issued (35 were issued on 2 major investigations, 1 of which resulted in a lawsuit and the other is pending)

-- 6 investigative demand letters

1980 -- 18 subpoenas

-- 9 investigative demand letters

Total 73 subpoenas

15 investigative demand letters  
88

Requests for extensive documents -- 20

Requests to appear or produce a few documents -- 68

Requests complied with -- 46

Consumer Protection enforced through court action -- 1

Motions to Quash filed -- 3 (1 decided in favor of Consumer Protection; 2 pending)

Requests unenforced -- 6 (either unable to serve or decided not to seek court enforcement)

Requests Recalled -- 2

Pending -- 1

Consumer Inquiries Received FY 81 -- 2,380

Lawsuits filed FY 81 -- 17

Investigations conducted FY 81 -- 207

## COMPARABLE STATUTES

Thirty-nine (39) states provide for Attorney General or Commissioner discretion in using administrative investigative orders. Twenty-eight (28) of those states require the Attorney General or Commissioner to have "reason or cause to believe" there has been a violation of law. Eleven (11) of those states require the Attorney General or the Commissioner to believe the "evidence is relevant" or necessary for an investigation.

Five (5) states require that the Attorney General or Commissioner have "probable cause" to issue an administrative investigative demand order.

Three (3) states require the Attorney General or Commissioner to get a court order to issue an administrative investigative demand order. All three (3) provide that the court conduct the proceeding ex parte. Two (2) of the three (3) states establish a standard of reason to believe a violation of law is occurring or about to occur. One (1) of the three (3) states establish a standard of probable cause.

FUND FUNCT. NO.	MEASURE/PERFORMANCE INDICATOR	PRIOR YEAR FY81		CURRENT YEAR PLAN FY82	BUDGET YEAR FY83		GOVERNOR'S BUDGET
		PLAN 3	ACTUAL 4		CONTINUATION LEVEL 6	AGENCY REQUEST 7	
1	2	3	4	5	6	7	8
1-5	Reduce consumer dollars lost due to fraud and unfair business practices through investigation and prosecution of violators and utilization of public awareness programs.						
	a. Consumer inquiries received.	37,000	37,500	40,000	38,000	38,000	
	b. Consumer complaints filed.	2,500	2,340	2,800	2,660	2,660	
	c. Consumer complaints completed.	2,300	2,380	2,450	2,628	2,628	
	d. Consumer lawsuits filed.	20	17	25	28	28	
	e. Consumer lawsuits closed.	10	21	12	14	14	
	f. Investigations conducted.	230	207	260	287	287	
	g. Dollar value of recoveries made for consumers through mediation and investigations.	\$260,000	\$261,000	\$310,000	\$344,500	\$344,500	
	h. Dollar value of recoveries made for consumers from enforcement litigation.	\$ 45,000 +1,100,000	\$ 35,974 (+1,281,265*)	\$ 60,000	\$ 87,000	\$ 87,000	
	i. Average value of recovery per complaint closed.	\$ 125	\$ 125	\$ 130	\$ 123.5	\$ 123.5	
	*One time recovery on large land fraud case stretching back 4 fiscal years.						

AGENCY Department of Law

PROGRAM Consumer Protection

BRU Office of Consumer Protection

**3** BRU PERFORMANCE PLAN

FY 83

000008

Page 1 of 3

REVISED  
DATE \_\_\_\_\_

October 27, 1981

X TELEPHONE SOLICITATION  
COMPANY

Reno, Nevada

INVESTIGATIVE DEMAND  
LETTER

Prior letters on 1-2 consumer  
complaints.

Numerous complaints state  
wide, prompting more  
investigation.

Dear Mr. :

The Consumer Protection Section of the Alaska Attorney General's Office has received numerous inquiries statewide about your company's telephone solicitations. Business people have reported that they have received telephone calls telling them they have been selected by computer to win a prize of \$400 to \$2,400 in value such as a TV, Microwave, or vacations. All they have to do is buy some advertising promotional products such as calendars or pens.

Enclosed is a copy of the Alaska Unfair Trade Practices and Consumer Protection Act. Based upon information already received, the Attorney General has reason to believe

X Company may be operating in violation of Alaska law. For instance, when something is offered for "free," it should be just that, "free" with no purchase required.

Therefore, pursuant to Alaska Statute 45.50.495(a), you are hereby requested to file a written response under oath to the following questions. Space has been provided below for your response, but should any additional space be needed, please type or legibly write your additional response on plain paper, and sign the final sheet, having your signature notarized, and return the original copies to us within ten (10) days from receipt of this letter.

1. In the last six (6) months, how many Alaskan businesses have been contacted through your telephone solicitations stating that they were "selected: to win a prize and how many Alaska businesses were contacted without reference to any special prize : or : "selection?"

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2. Please list the names and addresses of all Alaska businesses contacted through your telephone solicitations who have accepted your offer.

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Mr.

Page 2  
October 27, 1981

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3. Please indicate on the above list the prizes received and the dollar value of the prize for each Alaska business which accepted your offer.
4. Enclose a copy of the notice that a prize was won which describes the prize.
5. Please describe what happens when the consumer turns in the prize coupon asked for in paragraph 4; i.e., how do they claim the prize?
6. What exactly can be won? List the make and model number of appliance prizes.

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7. How many are available of each prize?

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Mr.

Page 3  
October 27, 1981

8. Enclose copies of all the literature and tickets, itinerary, etc. of the vacation prizes.

("Copies" as used above means you can send machine copies rather than originals if you wish.

Thank you very much for your prompt attention to this matter.

Sincerely,

WILSON L. CONDON  
ATTORNEY GENERAL

By  
Michele D. Brown  
Assistant Attorney General  
Consumer Protection Section

PP  
Encl.  
CERTIFIED

INVESTIGATIVE DEMAND  
LETTER

Janua

Mystery Auto Rental  
Anchorage Alaska

Rural Town Business →  
Complaint Plus Troopers  
Referral - Serious Allegation

Dear Mr. Mystery:

The Consumer Protection Section of the Attorney General's Office has received an inquiry regarding Auto Rental. The inquiry concerns whether Mystery Auto Rental is affiliated with Budget Rent-a-Car since it is alleged that you use Budget Rent-a-Car advertising, but claim to be an independent operation.

Pursuant to Alaska law AS 45.50.495(a), you are hereby requested to file a written response under oath to the following questions. Space has been provided below for your response. Should any additional space be needed, please type or legibly write your additional response on plain paper. Please sign the final sheet, have your signature notarized, and return the original copies to us within ten days from receipt of this letter.

1. Are you now or have you ever been a franchised or licensed Budget Rent-a-Car operator? If so, please give the dates of your franchise operation with Budget Rent-a-Car and enclose a copy of your franchise agreement.

2. If you are not currently a franchised or licensed Budget Rent-a-Car operator, describe what, if any, affiliation Mystery Auto Rental has with Budget Rent-a-Car.

3. Does *Mystery* Auto Rental utilize the name Budget Rent-a-Car in advertising *Mystery* Auto Rental either on-site or through another medium? If so, please describe this advertising.

4. Does *Mystery* Auto Rental use Budget Rent-a-Car equipment, supplies, forms, etc. in the operation of Auto Rental? If so, please describe these items.

5. Does *Mystery* Auto Rental accept Budget Rent-a-car credit cards?

6. If *Mystery* Auto Rental is not a franchise of Budget Rent-a-Car, what, if any, arrangement does Auto Rental have with Budget Rent-a-Car to utilize Budget Rent-a-Car's name, and/or supplies?



1 OFFICE OF THE ATTORNEY GENERAL  
2 CONSUMER PROTECTION SECTION  
3 STATE OF ALASKA

4 In the Matter of: )

5 A RETAIL VIDEO EQUIPMENT STORE )

SUBPOENA (Specific)

Non-response to  
serious & numerous  
complaints.

6 SUBPOENA DUCES TECUM

SEP 16 1981

7 THE STATE OF ALASKA  
8 OFFICE OF THE ATTORNEY GENERAL  
9 CONSUMER PROTECTION SECTION

CIVIL SECTION  
Alaska State Troopers  
ANCHORAGE, ALASKA

10 TO: RETAIL VIDEO EQUIPMENT STORE

11 Anchorage, Alaska

12 GREETINGS:

13 You are hereby commanded to appear, testify, and  
14 produce for inspection and copying all materials in your  
15 possession, or produced by you, and all other records  
16 pertaining to video tape club memberships or video equipment  
17 purchased from and/or repaired by STORE for the following  
18 persons: D. D., L. H. L., J., K., B.,  
19 C. E. and J. L.

20 YOUR TIME TO APPEAR will be WEDNESDAY, SEPTEMBER  
21 23, 1981 at 2:00 p.m., Office of the Attorney General,  
22 Consumer Protection Section, 1049 West 5th Avenue, Suite 101  
23 (MONY Building, corner of 5th and L Streets), Anchorage,  
24 Alaska.

25 This subpoena is issued pursuant to authority  
26 granted the Attorney General for the State of Alaska by AS  
27 45.50.495(b), the Attorney General having reason to believe  
28 that STORE has engaged in unfair or deceptive acts or  
29 practices in violation of AS 45.50.471, including taking pay-  
30 ments for membership in a video tape club and then going out  
31 of business without notifying all members; failing to deliver  
32 rental tapes within the time frame promised; and taking  
33 payment for video equipment and then going out of business  
34 without delivering the merchandise ordered nor providing a  
refund.

1 Request for modification or extension of time may  
2 be made in writing to the Office of the Attorney General,  
3 Consumer Protection Section.

4 If you wish to challenge this subpoena, you may do  
5 so by a petition to the Alaska Superior Court to quash  
6 subpoena.

7 If you do not file such a petition and you fail to  
8 respond to this subpoena, the Consumer Protection Office  
9 will start a court proceeding pursuant to Alaska Civil Rule  
10 45 and Alaska Statute 44.62.590 for an order directing you  
11 to show cause why you should not be held in contempt.

12 DATED: September 16, 1981

13 WILSON L. CONDON  
14 ATTORNEY GENERAL

15 By: Connie J. Sipe by Robert A. Cross  
16 Connie J. Sipe  
17 Assistant Attorney General  
18 Chief, Consumer Protection  
19 Section

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25 DEPARTMENT OF LAW  
26 OFFICE OF THE ATTORNEY GENERAL  
27 ANCHORAGE, BRANCH  
28 420 L STREET, SUITE 100  
29 ANCHORAGE, ALASKA 99501  
30 PHONE: 276-3550  
31  
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OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION SECTION  
STATE OF ALASKA

In the Matter of:

*ANYTOWN AIRLINES*

SUBPOENA - specific  
Consumer Complaint alleging  
serious violation of tariff.  
(CP staff checked Ad and tariff.)

SUBPOENA

THE STATE OF ALASKA  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION SECTION

TO: Registered Agent  
*ANYTOWN AIRLINES, INC.*  
Anchorage, Alaska

RECEIVED  
MAY - 4 1981

CIVIL SECTION  
Alaska State Troopers  
ANCHORAGE, ALASKA

GREETINGS:

You are hereby commanded to appear, testify, and produce for inspection and copying any and all records pertaining to the advertisement of a \$126 Roundtrip Anchorage/*ANYTOWN* flight appearing in the *ANYTOWN NEWS* in January 1981.

You are further commanded to produce for inspection and copying a list of all purchasers of the \$126 Anchorage/*ANYTOWN* Roundtrip fare from the date said offer was rescinded until March 31, 1981.

Your time to appear and produce these records will be Friday, May 15, 1981, at 11:00 a.m. at the Office of the Attorney General, Consumer Protection Section, 1049 West 5th Avenue, Suite 101 (MONY Building, corner of 5th and L Streets), Anchorage, Alaska.

This subpoena is issued pursuant to authority granted the Attorney General for the State of Alaska by AS 45.50.495(b), the Attorney General having reason to believe that *ANYTOWN AIRLINES* may have engaged in unfair or deceptive acts or practices in violation of AS 45.50.471(a) and 9 AAC 05.040 (a)(1), regarding the manner and method by which *ANYTOWN AIRLINES* advertised their Anchorage/*ANYTOWN* Roundtrip fare.

Request for modification or extension of time may

DEPARTMENT OF LAW  
OFFICE OF THE ATTORNEY GENERAL  
ANCHORAGE, BRANCH  
420 L STREET, SUITE 100  
ANCHORAGE, ALASKA 99501  
PHONE: 276-3550

1 be made in writing to the Office of the Attorney General,  
2 Consumer Protection Section.

3 If you wish to challenge this subpoena, you may do  
4 so by a petition to the Alaska Superior Court to quash  
5 subpoena.

6 If you do not file such a petition and you fail to  
7 respond to this subpoena, the Consumer Protection Office  
8 will start a court proceeding pursuant to Alaska Civil Rule  
9 45 and Alaska Statute 44.62.590 for an order directing you  
10 to show cause why you should not be held in contempt.

11 DATED: May 4, 1981

WILSON L. CONDON  
ATTORNEY GENERAL

13 BY: Robert A. Evans  
14 Robert A. Evans  
15 Assistant Attorney General  
16 Consumer Protection Section  
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DEPARTMENT OF LAW  
OFFICE OF THE ATTORNEY GENERAL  
ANCHORAGE BRANCH  
420 L STREET, SUITE 100  
ANCHORAGE, ALASKA 99501  
PHONE: 276-3550

OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION SECTION  
STATE OF ALASKA

In the Matter of:

ABC Mobile Homes Sales

SUBPOENA -  
EXTENSIVE

SUBPOENA DUCES TECUM

THE STATE OF ALASKA  
OFFICE OF THE ATTORNEY GENERAL  
CONSUMER PROTECTION SECTION

TO: *PRESIDENT*  
*ABC Mobile Home Sales*

GREETINGS:

You are hereby commanded to appear, testify,  
and produce for inspection and copying any and all records  
pertaining to

*(25 consumers, listed  
by name.)*

"Any and all" includes, but is not limited to: receipts for  
deposits, canceled checks, worksheets, contracts of sale,  
lease agreements, earnest money agreements, documents related  
to the repurchase or repossession of mobile homes which were  
sold to any of the above persons, consignment agreements or  
agreements to act as agents of sale for mobile homes belonging  
to any of the above persons, reports sent to any credit  
bureaus.

Secondly, produce for inspection and copying any  
and all agreements between *ABC Mobile Homes* and *Anytown*  
Bank during the period of June 1, 1979,

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through May 30, 1981.

Thirdly, produce for inspection and copying any and all ledgers, bookkeeping records, and bank statements for *ABC Mobile Homes* during the months of March, April, and May 1981.

Any questions regarding the above-mentioned documents may be directed to Mary Ellen Ashton, Assistant Attorney General. Failure to produce all of the documents requested will result in this office seeking a court order requiring production of said documents.

Your time to appear will be Thursday, June 4, 1981, at 10:00 a.m., Office of the Attorney General, Consumer Protection Section, 1049 West 5th Avenue, Suite 101 (MONY Building, corner of 5th and L Streets), Anchorage, Alaska.

This subpoena is issued pursuant to authority granted the Attorney General for the State of Alaska by AS 45.50.495(b), the Attorney General having reason to believe that *ABC Mobile Homes* has engaged in unfair or deceptive acts or practices in violation of AS 45.50.471(a).

*ABC Mobile Homes* has failed to respond to requests from this office for information concerning consumer complaints.

Request for modification or extension of time may be made in writing to the Office of the Attorney General, Consumer Protection Section.

If you wish to challenge this subpoena, you may do so by a petition to the Alaska Superior Court to quash subpoena.

If you do not file such a petition and you fail to respond to this subpoena, the Consumer Protection Office will start a court proceeding pursuant to Alaska Civil Rule 45 and Alaska Statute 44.62.590 for an order directing you to show cause why you should not be held in contempt.

DATED: 5/22/81  
13 12

WILSON L. CONDON  
ATTORNEY GENERAL

By: Mary Ellen Ashton  
Mary Ellen Ashton  
Assistant Attorney General  
Consumer Protection Section

DEPARTMENT OF LAW  
OFFICE OF THE ATTORNEY GENERAL  
ANCHORAGE, BRANCH  
420 L STREET, SUITE 100  
ANCHORAGE, ALASKA 99501  
PHONE: 276-3550

1 OFFICE OF THE ATTORNEY GENERAL  
2 CONSUMER PROTECTION SECTION  
3 STATE OF ALASKA

4 In the Matter of:  
5 4 Wheels RENT-A-CAR/

SUBPOENA -  
Fairly extensive, but  
with staggered production  
dates.  
Issued after numerous  
complaints of serious violations.

7 SUBPOENA DUCES TECUM

8 THE STATE OF ALASKA  
9 OFFICE OF THE ATTORNEY GENERAL  
10 CONSUMER PROTECTION SECTION

11 TO: President  
4 Wheels Rent-a-Car

12 GREETINGS:

13 You are hereby commanded to produce for inspection and  
14 copying all business records pertaining to your  
15 rental vehicles since October 15, 1979. In addition, you  
16 are commanded to produce for inspection and copying all records  
17 pertaining to all transactions with CONSUMER A. should such  
18 records pre-date October 15, 1979. In addition, you are also  
19 commanded to produce for inspection and copying any and all led-  
20 ger and/or accounting sheets or records kept by you  
21 which indicate all income from rental and/or other  
22 related sources and all costs, including labor and material, for  
23 rental vehicle repair.

24 These documents must be produced at the office of the  
25 Attorney General, Consumer Protection Section, 1049 West 5th  
26 Avenue, Suite 101, Anchorage, Alaska, in accordance with the  
27 following schedule:

- 28 1. All above-mentioned documents dated October 15,  
29 1979, through January 15, 1980, must be produced by 4:00 p.m.,  
30 Friday, October 31, 1980;
- 31 2. All above-mentioned documents dated January 16,  
32 1980, through April 15, 1980, must be produced on or before  
33 4:00 p.m., Friday, November 7, 1980;
- 34 3. All above-mentioned documents dated April 16,

1 1980, through July 15, 1980, must be produced on or before  
2 4:00 p.m. Friday, November 14, 1980;

3 4. All above-mentioned documents dated July 16, 1980,  
4 through October 15, 1980, must be produced on or before 4:00 p.m.  
5 Friday, November 21, 1980.

6 The office of the Attorney General, Consumer Protection  
7 Section, will have the documents available for return five (5)  
8 working days after they have been produced for review. If you  
9 so choose, you may produce all of the documents at any of the  
10 earlier dates if it is more convenient. However, the office of  
11 the Attorney General will still require five (5) working days for  
12 review of each of the groups listed above.

13 This subpoena is issued pursuant to authority granted  
14 the Attorney General for the State of Alaska by AS 45.50.495(b).  
15 The Attorney General has reason to believe that unfair trade  
16 practices in violation of AS 45.50.471 may have occurred in  
17 assessment and charges for damage repair costs to rental vehicles

18 DATED: October 16, 1980

19 WILSON L. CONDON  
20 ATTORNEY GENERAL

21 BY: Michele D. Brown

22 Michele D. Brown  
23 Assistant Attorney General  
24 Consumer Protection Section

25 Service accepted by \_\_\_\_\_, attorneys  
26 for: 4 Wheels Rent-A-Car

27 DATED: 11/14/80

28 DEPARTMENT OF LAW  
29 OFFICE OF THE ATTORNEY GENERAL  
30 ANCHORAGE, BRANCH  
31 420 L STREET, SUITE 300  
32 ANCHORAGE, ALASKA 99501  
33 PHONE: 276-3880  
34

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 674

Title "An Act relating to the investigative power of the attorney general

Requested by Rep. Barnes, House Judiciary Committee. Date 2/2/82

regarding violation of AS 45.50.471."

II. FISCAL DETAIL

Agency Affected Department of Law

Program Category Affected Public Protection

BRU, Program, Or Subprogram(s) Affected Consumer Protection

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME	0	0	0	0	0	0
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

This bill will not have a reportable fiscal impact on Consumer Protection section's operations. The Chief of that section, Assistant Attorney General, Connie J. Sipe, is providing formal comments, in respect to certain provisions of the bill, for consideration by the House Judiciary Committee.

IV. DATE February 3, 1982

PREPARED BY Richard I. Pegues, Director, Admin. Svcs.

AGENCY Department of Law

Original: Legislative Finance

PHONE 465-3672

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

*Richard I. Pegues*

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 674  
 Title Investigation of Violations of AS 45.50.471 by the Attorney General  
 Requested by House Judiciary Committee Date 2/5/82

II. FISCAL DETAIL

Agency Affected Alaska Court System  
 Program Category Affected Administration of Justice  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE 2/9/82 PREPARED BY Richard P. Barrier  
 AGENCY Alaska Court System  
 Original: Legislative Finance PHONE 264-0546  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)