



*Environmentalist credit New Mexico Attorney General Hector Balderas with keeping Rio Grande del Norte National Monument off the list of sites the Trump administration is shrinking. Bureau of Land Management/Flickr*

# A MESSAGE FROM THE NEW MEXICO ATTORNEY GENERAL

To My Fellow New Mexicans,

The number one priority of the Office of the Attorney General is protecting New Mexican families so that they can truly prosper. Over the course of 2018, my office has done this by connecting with constituents across the state, aggressively litigating to protect New Mexico consumers, bringing justice to victims by holding the worst offenders accountable, and **prosecuting public corruption to restore New Mexicans' faith in government.** I am pleased to present this annual report which highlights some of our significant achievements from the last year.

I am honored to serve as your Attorney General, and I will continue to work diligently to help build safe and prosperous communities in which all New Mexicans can thrive.

Sincerely,



Hector Balderas  
Attorney General



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# ABOUT THE OFFICE OF THE ATTORNEY GENERAL

## *Authority*

The Office of the Attorney General is the statutorily created Department of Justice for New Mexico, (NMSA 1978 § 8-5-1). **The Attorney General's duties include but are not limited to prosecuting and defending all causes in the supreme court and court of appeals in which the state is a party or interested. prosecuting and defending in any other court or tribunal all actions and proceedings, civil or criminal, in which the state may be a party or interested when, in his judgment, the interest of the state requires such action or when requested to do so by the governor. (NMSA 1978 § 8-5-2)**

## *Mission*

Our mission is to protect New Mexicans in order to make our communities safer and more prosperous. We prosecute criminal and civil offenses; advocate for consumers and those without a voice; empower the public with education; connect the public to beneficial resources; and serve as legal counsel for the State and its agents.

## *Vision*

We aspire to be an innovative leader in New Mexico, recognized for proactively finding solutions and responding to evolving needs by leveraging partnerships with individuals, community organizations, government agencies, and businesses.

## *Focus*

During my tenure as Attorney General, I have committed myself and my office to protecting New Mexican families by bringing targeted enforcement on behalf of the State. Since taking office, I have focused on three key areas:

- ◆ Protecting children, vulnerable populations and families
- ◆ Targeting violent criminals, and
- ◆ Fighting public corruption.

The programming of these key areas is undertaken by the various Divisions within my office supporting this vision by focusing efforts on:

- ◆ Prevention,
- ◆ Prosecution, and
- ◆ Public awareness.

The Office of the Attorney General worked diligently to protect the safety and well-being of all New Mexicans throughout 2018, and many of our greatest successes are highlighted in this Annual Report.

# NEW MEXICO

## ATTORNEY GENERAL HECTOR BALDERAS



New Mexico Attorney General Hector Balderas serves as the State's 31st Attorney General. Since he took office in January 2015, Attorney General Balderas has been committed to serving as the **people's advocate and voice, working to protect New Mexico's families by focusing on economic security and public safety.**

Attorney General Balderas was raised in the rural, isolated village of Wagon Mound, New Mexico. Growing up in a forgotten community, he realized the need to give a voice to underserved, vulnerable New Mexicans.

The Attorney General served in the New Mexico House of Representatives, where he introduced the Truthful Interrogation Bill to prevent police misconduct. He then served two terms as State Auditor before serving as Attorney General. When Hector was first elected State Auditor he became the **nation's** youngest Hispanic statewide elected official, and when he was elected as the Attorney General he received more votes than any other candidate on the statewide ballot. **Hector's** work for reform has been recognized with numerous awards including the New Frontier Award by the Harvard Institute of Politics and John F. Kennedy Library Foundation. As Attorney General, Hector is focused on protecting families and vulnerable populations, and believes that we will not have a prosperous New Mexico until we have safe communities.

# DEPUTY ATTORNEYS GENERAL



Chief Deputy Attorney General for Civil Affairs

## Tania Maestas

As the Chief Deputy Attorney General Tania oversees Civil Affairs for Attorney General Hector Balderas.

Before being appointed to her position, Tania held the positions of Assistant Attorney General and Director of the Office's Open Government Division. She has dedicated the majority of her career to government practice, also serving as Chief Legal Counsel for the New Mexico Regulation and Licensing Department. Before moving to New Mexico, Tania worked with the Colorado Office of the Attorney General.

Tania received her J.D. from the University of Denver School of Law and is an instructor for the National Association of Attorneys General Training and Research Institute.



Chief Deputy Attorney General for Criminal Affairs

## Sharon Pino

As the Chief Deputy Attorney General Sharon oversees Criminal Affairs for Attorney General Hector Balderas.

Sharon joined the office as an Assistant Attorney General in 2010. She worked in the Special Prosecutions and the Border Violence Divisions until assuming her current position in 2015. Sharon worked as an Assistant District Attorney for the First Judicial District Attorney's Office in New Mexico and she has handled contract domestic violence and sexual assault prosecutions for the Eight Northern Indian Pueblos Inc. while she was in private practice. In 2007, Sharon was appointed as the Domestic Violence Czar for Governor Bill Richardson.

Sharon received her J.D. from the University of New Mexico School of Law and her Bachelor of Arts degree in Criminology from the University of New Mexico.

Chief Deputy Attorney General Sharon Pino oversees two divisions within Criminal Affairs: **Special Investigations and Criminal Appeals, as well as the Victim's Services Unit, which serves all divisions within Criminal Affairs.**



Deputy Attorney General for Special Prosecutions & Medicaid Fraud

## Clara Moran

As the Deputy Attorney General, Clara oversees the Special Prosecutions Division and the Medicaid Fraud Control Division of the Office of the Attorney General. The Special Prosecutions Division and Medicaid Fraud Control Division protect children and vulnerable populations from exploitation, abuse, and violent crime.

Before being appointed Deputy Attorney General, Clara held the position of Director of Special Prosecutions Division where she managed case assignments and case strategy of all matters within the division and handled a caseload of complex prosecutions statewide including human trafficking, child abuse, homicide, violent crimes, child exploitation, public corruption and governmental conduct violations. Before her time at the Office of the Attorney General, Clara worked as an Assistant District Attorney at the 2nd Judicial District Attorney's Office, prosecuting child abuse cases, gang crimes, and domestic violence. She is a career prosecutor who has focused her efforts on obtaining justice for vulnerable and marginalized victims of crime.

Clara received her J.D. from the University Of New Mexico School Of Law in 2005. She was awarded the Spirit Award in 2007 from the Coalition Against Domestic Violence in 2007, Outstanding Young Lawyer of the year by the State Bar in 2008, and Jurisprudence Prosecutor of the Year in 2014 for her work in prosecuting child sexual abuse cases.

Clara currently serves on the Board of Bar Commissioners for 1st District of the State of New Mexico, has served on the Prosecutor's Section of the NM State Bar, the New Mexico Supreme Court Criminal Uniform Jury Instruction Committee and as Vice Chair of the Young Lawyers Division of the State Bar.

# CIVIL AFFAIRS



## *Texas v. New Mexico*



Families, businesses, and communities all rely upon our limited water resources as an absolute necessity to life and prosperity in New Mexico. Protection of these waters against claims by downstream interests is of paramount importance to continue the historical stewardship of waters to meet our current needs within New Mexico and for the enjoyment of our waters to serve future generations. Attorney General **Balderas serves as the “point of the spear” for the protection of New Mexico’s lawful use of waters in the Rio Grande Basin** against unfounded claims by downstream interests seeking to expand their own water supply to the detriment of other individuals, farmers, and commerce in New Mexico.

The State of New Mexico did not seek out the case of Texas v. New Mexico and Colorado. Instead, the case began on January 27, 2014, when the United States Supreme Court allowed the State of Texas to file its complaint against the State of New Mexico, seeking to enforce rights under the Rio Grande Compact, which apportions the waters of the Rio Grande Basin among New Mexico, Colorado, and Texas. The State of Texas, seeking to expand its water supply, filed a lawsuit that seeks to limit the lawful use of waters allocated to New Mexico in the Compact and deliver more water to downstream interests in Texas. The United States Supreme Court also invited New Mexico to file a Motion to Dismiss under the Federal Rule of Civil Procedure 12(b)(6). The United States filed a motion for leave to intervene as a plaintiff and a proposed complaint in intervention based on several distinct federal interests that are at stake in this dispute over the interpretation of the Compact. **On March 31, 2014, the Court granted the United States’ motion for leave to intervene as a plaintiff.**

New Mexico moved to dismiss the complaints filed by Texas and the United States. The First Interim Report of the Special Master, appointed by the court, **recommended that the Court deny New Mexico’s motion to dismiss the complaint filed by Texas. As for the United States’ complaint in intervention, the Special Master recommended that the Court grant New Mexico’s motion to dismiss to the extent the United States asserts claims under the Compact, but deny the motion to the extent the United States asserts claims under federal reclamation law. The United States, New Mexico, and Colorado filed exceptions to the Special Master’s report.**

The Parties appeared before the United States Supreme Court on January 8, 2018 to present oral argument on exceptions to the Special Master’s First Interim Report. **On March 5, 2018, the Court issued its opinion on the exceptions to the Report. It sustained the United States’ exception to the Special Master’s recommendation that the United States’ claims be dismissed to the extent they asserted Compact claims.** The Court reasoned that the United States has distinct federal interests in the Rio Grande basin, including its treaty obligation to deliver Rio Grande water to Mexico and within the Rio Grande Project, which the Court found is inextricably intertwined with the Compact. Moreover, the Court held that the United States seeks substantially the same relief as Texas. For these reasons, the Court held that the United States could proceed with its Compact claims.

**Following entry of the Court’s opinion, there have been a number of developments in the case. On April 2, 2018, the Court dismissed Special Master A. Gregory Grimsal and appointed a new Special Master, the Honorable Michael J. Melloy, a senior judge in the eighth Circuit Court of Appeals. On May 22, 2018, New Mexico filed its Answers to the complaints of Texas and the United States. New Mexico also filed counterclaims against both Texas and the United States, alleging Compact violations against both parties related to Texas’s own groundwater pumping and other diversions, the adoption of the 2008 Operating Agreement for the Project, the United States’ management of the Project, and other issues. Texas and the United States filed their Answers to New Mexico’s counterclaims in July 2018.**

The Special Master has approved a Case Management Plan and litigation schedule, with a tentative trial date in January/February 2021. The Parties are now engaged in the process of discovery, and in 2019 New Mexico will disclose its extensive technical case supporting its counterclaims and defenses.

Because Texas, and not New Mexico, initiated this litigation, only Texas has the power to end the case unilaterally by voluntary dismissal. There is no indication, however, that Texas intends to do anything other than aggressively pursue the course it charted by bringing this suit against New Mexico and its people. As a defendant, New Mexico must continue to defend its rights vigorously under the Rio Grande Compact.

**The defense of New Mexico’s water allocation is a complex task that is based upon scientific and legal principles. Attorney General Balderas continues to fully address the complete spectrum of legal, technical and water administration issues in the Rio Grande Basin to serve the lawful interests of New Mexico’s citizens. The New Mexico Attorney General’s Office is developing a robust legal and technical case to protect New Mexico’s lawful entitlement to water in the Rio Grande Basin.**

# SPECIAL PROSECUTIONS DIVISION



*Tony Long, AAG  
Special Prosecutions  
Division Director*

The Special Prosecutions Division is responsible for prosecuting complex and specialized criminal cases throughout the State of New Mexico. Many of the cases the Office of the Attorney General takes on for criminal prosecution are large scale and require a great number of resources and specialization. The division specializes in handling cases related to internet crimes against children, child sexual exploitation, violent crimes, fraud, and political corruption. The division also has a Traffic Safety Resource Prosecution Unit (TSRPU) which provides training, education, technical and trial support to prosecutors and law enforcement agencies throughout the State. Additionally, the division has a Border Violence Unit which specializes in International extraditions, human trafficking, and money laundering prosecutions. Additionally, the division provides training for federal, state, and local law enforcement and prosecutors.

## ***NEW FOR 2018***

- ◆ In addition to the matters taken to trial in 2018, the Special Prosecutions Division also initiated, reviewed, and resolved cases involving human trafficking, sexual exploitation of children, child solicitation, tampering with evidence, voyeurism, criminal sexual penetration, money laundering, embezzlement, and public corruption.
- ◆ The Traffic Safety Resource Prosecution Unit conducted 18 trainings and presentations statewide that reached almost 250 law-enforcement officers and prosecutors throughout the State.
- ◆ Our Border Violence Liaison, along with prosecutors from the Special Prosecutions Division, attended several Border Violence Protocol Meetings. The liaison assists and collaborates with law-enforcement officials from the U.S. **Marshal's Service, FBI, U.S. Border Patrol, ICE, Homeland Security, and from Mexico PGR, Mexican Consulate, CISEN, Mexican Federal Police, Chihuahua State Police (Unica), C4, and Mexican Federal Immigration.** The Border Violence Liaison also assisted in the successful international extradition of Jaime Valeta, who is charged with first-degree murder, and the Article 4 prosecution of Jose Roberto Gonzales Anchondo in Mexico.
- ◆ **As part of the Attorney General's ongoing commitment to collaborating with the State's elected district attorneys on a variety of criminal cases, in 2018, attorneys in the Special Prosecutions Division continued to proactively assist district attorney's offices on cases involving DWI, child abuse, sexual exploitation of children, fraud, homicide, and criminal sexual penetration.**



# Special Prosecutions Division cont'd

## KEY CASES PROSECUTED

### Demesia Padilla

In November and December of 2018, a Santa Fe magistrate court judge found sufficient evidence existed to bind former Tax and Revenue Department (TRD) Cabinet Secretary Demesia Padilla over for trial on three felony and five misdemeanor offenses. Padilla, a 2011 appointee of former Governor Susana Martinez, resigned in December 2016 the day after NMAG agents executed a search warrant at TRD headquarters. Padilla now faces trial in District Court for two variants of embezzlement and multiple violations of the Governmental Conduct Act. Trial is set for May 2019.

### Mark Webb

On August 27, 2018, Mark Webb pled guilty to manufacturing child pornography, a second-degree felony, a charge stemming from Webb **videotaping his girlfriend's minor daughter** in the family bathroom they shared. This conviction requires him to serve a period of five to 20 years of supervised, sex-offender probation and to register as a sex offender for the remainder of his natural life. He is scheduled to be sentenced before the Honorable Daniel Gallegos on January 24, 2018.

### Davon Lymon

On December 22, 2016, Davon Lymon was indicted for the murder of Albuquerque Police Officer Daniel Webster, along with multiple related charges. He will face trial on

December 7, 2018 for the charges of Possession of Firearm by a Felon and Forgery. On March 25, 2019, he will be tried on the charges of Murder, Tampering with Evidence, Shooting at or from a Motor Vehicle, Receiving/Transferring a Stolen Motor Vehicle, and Resisting, Evading, or Obstructing an Officer. That trial is scheduled to last one month.

### Edward Cebada

In August 2018, a Bernalillo County grand jury indicted 27-year-old Edward Cebada on 13 charges (12 felonies) stemming from an incident occurring in April 2018 where Cebada engaged an 16-year-old female online, met up with her at Cottonwood Mall, and raped her in her car in the Mall parking lot. Cebada had prior similar convictions in 2013 in separate cases out of Bernalillo and Sandoval counties. The State successfully argued for preventive detention on Cebada until his May 2019 trial date.

### Francisco Saucedo

In October 2017, Francisco Saucedo was charged with Criminal Sexual Penetration of a Minor, numerous counts of Sexual Exploitation of Children, Voyeurism (Child under 18), and Failure to Register as a Sex Offender. On October 30, 2018, Saucedo pled to numerous counts involving Sexual Exploitation of Children and Voyeurism (Child under 18). Saucedo will serve 15 to 30 years in prison for these convictions alone and will

face jury trial on an additional count of Criminal Sexual Penetration of a Minor in January 2019.

### Connie Lee Johnston

In July 2017, the State filed a criminal complaint in Aztec alleging former Magistrate Judge Connie Lee Johnston violated the Governmental Conduct Act and criminally interfered with the communications of her co-workers and subordinates. In 2015, Johnston, then a sitting magistrate judge, allegedly planted a recording device in the Aztec Magistrate Court to capture the telephone conversations of her co-workers and legal colleagues. This case is currently pending before the Court of Appeals, the issue being whether the Governmental Conduct Act provides criminal penalties for violations of the Act; the State vehemently asserts that it does.

### Laura Seeds and Dyon Herrera

In February 2018, a Rio Arriba County grand jury indicted Laura Seeds (spouse of Española City Councilor and then-mayoral candidate Robert Seeds) and Dyon Herrera on multiple felony offenses stemming from their alleged acts of voter fraud during a 2016 Española municipal election. In April 2018, another Rio Arriba County grand jury indicted Laura Seeds on additional counts stemming out of voter intimidation allegations during early voting for the 2018 primary election. Both cases are set for trial in April 2019.



*Assistant Attorney General's  
Brittany DuChaussee, Mark Probasco, & Brienne Bigej*

# Special Prosecutions Division cont'd



*Special Prosecution Division Team*

## James Lambros

In May 2018, a Bernalillo County grand jury indicted James Lambros on 32 felony charges, including money laundering, larceny, embezzlement, tampering with evidence, tax fraud, forgery, and theft of a credit card. Prosecutors allege Lambros stole over \$1,000,000.00 from two elderly women, ages 85 and 95. Lambros also stands accused of possessing child pornography, which was discovered by NMAG agents during this white-collar investigation. Trial is set for August 2019.

## Edward Boysel

In October 2017, a Bernalillo County grand jury indicted firearms instructor Edward Boysel on 29 criminal charges, including money laundering, tax and medicaid fraud, falsification of public records, perjury, and abandonment of a dependent. Boysel is alleged to have conducted fraudulent business practices related to a concealed-carry weapons business he owned and operated throughout the State (five total locations, in Bernalillo, Valencia, McKinley,

and Torrance counties). Trial is set for February 2019.

James Stewart, Sr. & Teri Sanchez Albuquerque residents Stewart and Sanchez are currently charged with abusing their three young children. The NMAG discovered these alleged crimes after a school nurse alerted police to suspicious activity involving the couple's seven-year-old female child. The Office of the Attorney General motioned the trial court to detain both Stewart and Sanchez until trial, arguing they posed a danger to the community. An Albuquerque judge agreed, finding Stewart and Sanchez had shown a "complete disregard" for the well-being of their three children. These cases are separately set for trial, the first beginning in February 2019.

## Eli Kronenanker

In September 2017, a Bernalillo County grand jury indicted Eli Kronenanker for the alleged 2013 sexual assault and kidnapping of a Rio Rancho teenager. Kronenanker presently faces four counts of criminal sexual

penetration, plus single counts of kidnapping, aggravated assault with a deadly weapon, intimidation of a witness, and sexual exploitation of a child. This case was adopted by the Office of the Attorney General after the **Second Judicial District Attorney's Office** declined prosecution and authorized the destruction of evidence. Trial is not currently set.

## Gary Gregor

**NMAG prosecutors obtained four indictments against former Santa Fe and Española public-school teacher Gary Gregor for sex crimes perpetrated against multiple female children that allegedly occurred while he was an elementary school teacher from 2003 - 2008.** On December 13, 2018, a Rio Arriba jury found Gregor guilty of 12 serious-violent felony offenses (which only allow a maximum of four days "good time" per month) in the first of four scheduled trials. Gregor faces up to 168 years in prison on the first case alone. The remaining three trials are set in 2019, with the first set to occur in mid-January.

# Special Prosecutions Division cont'd

## KEY OUTCOMES

Prosecutors in the Special Prosecutions Division regularly conducted training for federal, state, and local law enforcement and prosecutors. The topics for training include internet crimes against children, human trafficking, driving while intoxicated and traffic offenses, search and seizure, international extraditions, discovery issues in criminal cases, and victim restitution.

The Special Prosecutions Division reviewed referrals, reviewed and approved search and arrest warrants, trained law enforcement and prosecutors, and prosecuted cases in all 33 counties in the State of New Mexico.

### Enock Arvizo

On February 24, 2016, Bernalillo County grand jurors indicted former Metropolitan Detention Center corrections officer Enock Arvizo on multiple counts of Criminal Sexual Penetration of an Inmate by a Person in a Position of Authority and Assault. After five jury trials involving multiple victims, Arvizo was found guilty of sexual battery against an inmate and raping another inmate, both of whom were handcuffed and shackled while in his custody, both awaiting court hearings at the Bernalillo County District Courthouse. In January 2018, Arvizo was sentenced to almost 10 years in prison, the maximum term of incarceration he faced for his crimes.

### Ameer Muhammad

On July 27, 2018, Ameer Muhammad was sentenced to life in prison plus six months for stabbing Albuquerque resident Aaron Sieben. Sieben was purchasing a soda at a gas station when Muhammad confronted him with a knife that Muhammad had stolen earlier in the day. Muhammad demanded that Sieben give him the \$100 that Sieben had in his wallet so that Muhammad could purchase methamphetamine. Sieben refused, and Muhammad fatally stabbed Sieben after a struggle at the gas station. Muhammad was convicted of first-degree felony murder and shoplifting.

### Francesca Estevez

On June 11, 2018, 6th Judicial District Attorney Francesca Estevez was ordered to one year less one day of probation following her guilty plea to one count of reckless

driving and two counts of disorderly conduct. Estevez had been facing up to 455 days in jail for the convictions. The disorderly **conduct charges were based upon Estevez's** improper conduct towards two Silver City Police officers during and after a traffic stop in June 2016. Estevez also potentially faces a separate governmental conduct act charge that was dismissed by the district court but is still pending in the Court of Appeals.

### Phil Griego

In August 2018, former New Mexico State Senator Phil Griego was sentenced to prison following multiple guilty pleas to charges including felony embezzlement and perjury. **Griego's charges arose because he stole** money from his campaign account, stole money from a political-action committee he created, and failed to report these thefts to the Secretary of State in mandatory financial-disclosure statements. Griego, already serving time in prison for earlier convictions, was sentenced to another year in prison on top of the time he is currently serving -- bringing his total prison sentence to 2.5 years.

### Anthony Groomas

On August 14, 2017, Tucumcari resident Groomas was arrested on numerous counts of Criminal Sexual Penetration of a Minor and child-pornography charges. On March 14, 2018, he pled guilty to two counts of Criminal Sexual Penetration of a Minor in the second degree, one count of manufacturing child pornography, and one count of Tampering with Evidence. In July 2018, a

Tucumcari District-Court judge sentenced Groomas to serve 10 years in prison. Once released, Groomas will be placed on an indeterminate period of sex-offender probation and parole and will have to register as a sex offender for the rest of his life.

### Donn Wiese

In October 2017, a Santa Fe grand jury indicted Donn Wiese, the ex-CEO of a trial business regularly doing business with Los Alamos National Laboratory, on five felony counts including extortion, money laundering, and embezzlement. These criminal charges arose from Wiese embezzling more than \$20,000.00 in grant funds and computer equipment, and fabricating documents to cover up his crimes. In July 2018, Wiese pled guilty to felony embezzlement and tampering with evidence.

### Christopher Trujillo

In November 2017, a Bernalillo County grand jury indicted Trujillo on criminal charges of manufacturing, distributing, and possessing child pornography. A search warrant led to the discovery of multiple images of the **sexual abuse of children on Trujillo's cell** phone and Google account. The State prevailed on a motion to reconsider the trial **court's ruling ordering the State to provide child pornography to Trujillo's defense** attorney as discovery. In August 2018, Trujillo pled guilty to numerous felony counts and faces up to 10 years incarceration. Sentencing is set for January 2019.

These are just some of the examples of the exemplary work performed by the Special Prosecutions Division of the Office of the Attorney General. The staff continuously strives to do its best to defend the rights and dignity of the citizens of New Mexico while also ensuring that the guilty are held accountable throughout the state.

# MEDICAID FRAUD CONTROL DIVISION



*John Grubestic, AAG  
Medicaid Fraud Control  
Acting Division Director*

The Medicaid Fraud Control Division (MFCD) of the New Mexico Office of the Attorney General is the Medicaid Fraud Control Unit for the State of New Mexico. The MFCD is a single identifiable entity of the State government certified by the Secretary of the Department of Health and Human Services as meeting the requirements of 42 C.F.R. Sections 1007.7 through 1007.13. The MFCD conducts a statewide program for investigating and prosecuting violations of all applicable State laws pertaining to fraud in the administration of the Medicaid program, the provision of medical assistance, or the activities of providers of medical assistance under the State Medicaid plan. The MFCD also reviews complaints alleging abuse or neglect of patients in health care facilities.

In 2018, the Medicaid Fraud Control Division successfully secured felony convictions in five cases that occurred in three different judicial districts such as the cases involving Sgt. Ricky Romero from Taos and Leanne Bennett from Albuquerque. In addition to these successful convictions, the MFCD also filed new cases in Dona Ana, San Miguel, and Bernalillo Counties. The division collected significant amounts of restitution on behalf of the citizens of New Mexico. (Refer to pg. 14 for case outcome)

The MFCD executed settlements in lieu of filing civil complaints, for the following provider targets: Dr. Robert Woody; El Paraiso Management Services, LLC; ABQ Home Health Care. ( Refer to pg. 15 for case outcome) These civil settlement recoveries total over **\$55,000**. **The MFCD, working jointly with the DEA and the US Attorney's Office, also secured a \$300,000 settlement against Dr. Orrin McLeod to resolve the allegations that he submitted, or caused to be submitted, claims for payment for prescriptions while he was out of the country, and that he allowed non-qualified health care professionals to use his prescription pad while he was out of the country. These allegations involved both Medicare and Medicaid claims, but the involvement of the MFCD ensured that the maximum amount was recovered for New Mexico. Multiple global qui tam settlements were obtained in FY18; notably, against Mylan Inc., to resolve claims that Mylan knowingly underpaid rebates owed to the Medicaid program for its EpiPen (a recovery of \$3,224,564.20 for New Mexico Medicaid); against Alere San Diego, Inc., to resolve claims that Alere manufactured and sold faulty cardiac triage medical devices (a recovery of \$78,522.56 to New Mexico Medicaid); against Natera, Inc., to resolve claims that Natera up coded for prenatal genetic testing (a recovery of \$239,523.76 for New Mexico Medicaid).** Additionally, the NM MFCD has served lead roles on several global intake teams for ongoing (sealed) investigations.

## ***NEW FOR 2018***

- ◆ In 2018, the MFCD participated in the Opioid take back initiative. The MFCD has focused investigative efforts on attempting to address the opioid epidemic in New Mexico. These types of investigations can take several forms: over-prescribing of opioids resulting in false claims, harm to a patient, or even patient death.
- ◆ Through the MFCD's participation in the National Association of Medicaid Fraud Control Units, the MFCD has participated in a significant number of qui tam, or whistleblower cases requiring varying amounts of resources. The MFCD is also experiencing an increase in locally filed qui tam cases, which require considerably more resources, but have the potential to resolve with significant recoveries for New Mexico Medicaid Program.

# Medicaid Fraud Control cont'd

## *NEW FOR 2018 Cont'd*

- ◆ Data mining is the process of identifying fraud through submitted Medicaid claims data. The federal government has granted the New Mexico MFCD a waiver to perform data mining. Acting on this expanded authority, the MFCD has leveraged the skillsets of the Division's team members in order to successfully develop a large-scale database that securely manages billions of lines of data from the Medicaid system. The system developed by the Division minimizes initial and recurring cost while also maximizing the flexibility of its use and expandability for future growth. The MFCD has begun the process of developing algorithms that can be applied to the entire Medicaid claims data universe with the purpose of identifying anomalies and differentiations that may indicate Medicaid fraud is occurring. As variations, differentiations or anomalies are identified, further analysis is being completed to determine if Medicaid Fraud has occurred, including medical record reviews, as well as suspect and witness interviews.
- ◆ **In November 2017, the MFCD's civil enforcement action against Cathedral Rock Corporation, and Preferred Care, Inc. was stayed as a result of the multi-state corporate level bankruptcies of the defendants. Nationwide news articles, and bankruptcy court filings against Preferred Care have underscored the company's history of substandard care, and have revealed there were hundreds of personal injury claims against the chain. New information continues to show that Preferred Care was problematic and failed to provide adequate care to the most vulnerable of populations. The New Mexico MFCD, which filed its enforcement action in 2014, is the only MFCU to have pursued Preferred Care for their chain-wide deficiencies in resident care. Since the initiation of the bankruptcy stay, the MFCD has remained active in several aspects of the case. The Division continues to litigate in the bankruptcy proceedings, advocating for the MFCD (a creditor in the proceedings), and relaying pertinent proceeding information to the Department of Health (DOH) and Human Services Department (HSD). **Strong lines of communication have been vital in the Unit's joint efforts with DOH and HSD to facilitate facility transfers to new ownership, and ensure residents remain safe during the facility transition process. The MFCD continues to strategically pursue all potential outcomes for the case, including settlement or returning to State Court upon the bankruptcy completion.****
- ◆ During the FY2018, the Medicaid Fraud Control Division has served multiple warrants in a variety of fraud and abuse and neglect cases:

In July 2018, Special Agents served a warrant to retrieve documentation in support of an investigation into Serenity Counseling, LLC. It was alleged that the owners of Serenity Counseling, LLC were billing the Medicaid Program for services that were not rendered to recipients. Special Agents served two search warrants in support of an investigation into a Medicaid Provider. It has been alleged that this provider, Dr. Edwin B. Hall, has overprescribed medications, including opioids and psychotropic drugs in excess of standard practice. Additionally, Dr. Hall was treating many children in the New Mexico Foster Care Program who were being prescribed a multitude of drugs at the same time, possibly resulting in patient harm.

Special Agents served a warrant to retrieve financial records in support of an ongoing investigation into Angel Touch Personal Care, Inc. The company was allegedly not providing the PCO services of which they were billing, the allegations appeared to be company-wide and not just with a few caregivers.

In November 2018, Special Agents served a search warrant to retrieve financial records in support of an on-going investigation of a case of financial exploitation of a facility resident. **In this case, it was alleged the victim's adult son was withdrawing funds from his mother's account and not applying them to her benefit.**

# Medicaid Fraud Control cont'd

## MFCD's 2018 Prosecuting Cases

Rick Romero

On July 30, through August 3, 2018, a jury trial was held in Taos where Sgt. Rick Romero of the Taos County Sheriff's Office was alleged to have billed the Medicaid program for personal care services he supposedly provided to an elderly gentleman in Penasco, while he was **actually working Sheriff's Deputy**. The timesheets signed by Rick Romero included an attestation he acknowledged that failure to provide the services as indicated can be considered Medicaid Fraud. Rick Romero has been charged with one count of Medicaid Fraud and 10 counts of Falsification of Documents. An Order Declaring Mistrial upon Jury Disagreement was filed on August 27, 2018. Prosecutors intend to retry the case.

Leanne Bennett

On August 15, 2018, Leanne Bennett pled guilty to the following eleven (11) felonies: **Exploitation of Residents' Property (over \$20,000)**, **Exploitation of a Residents' Property (over \$2,500)**, **Exploitation of a Residents' property (over \$500)**, **six (6) counts of Violation of the Remote Financial Service Unit Act**, and **two (2) counts of Embezzlement (over \$500)**. Leanne Bennett used her various positions of trust to steal thousands of dollars from vulnerable New Mexicans and the businesses that are dedicated to serving them. **The Defendant's crime spree made victims of two Albuquerque nursing homes, three highly vulnerable nursing home residents, and an Albuquerque business that focuses on providing services for the elderly.** As part of her guilty plea, she agreed to pay over \$44,000 in restitution to the victims of her crimes. On December 5, 2018, Leanne Bennett was sentenced to 18 months in prison.

Elizabeth Martinez

On November 28, 2018, Elizabeth Martinez was convicted of two counts of Medicaid Fraud, one count of Falsification of Documents and one count of Computer Access with the Intent to Defraud or

Embezzle after she was investigated by the OAG for submitting time sheets for personal care services, but failing to provide services during the scheduled shifts in Dona Ana County.

Teresa Meador

On September 14, 2018, Teresa Meador was charged with two counts of Medicaid Fraud and five counts of Falsification of Documents in Dona Ana County District Court. The Defendant is alleged to have submitted timesheets in Las Cruces, while the consumer she was supposed to be caring for was living in Victoria, TX. In total, Medicaid was billed \$2,530 for services that could not have been rendered.

Michelle Billie

On September 10, 2018, MFCD agents filed a Criminal Complaint was filed in San Miguel County Magistrate Court charging Michelle Billie with one count of Medicaid Fraud and four counts of Falsification of Documents. It is alleged that for over two months in 2016, the Defendant was paid for personal care services despite never showing up to the consumers home. After the consumer obtained a new caregiver, the Defendant still continued to submit timesheets and seek payment from Medicaid.

Mayra Montes

On October 19, 2018, Mayra Montes was charged with one count of Medicaid Fraud and six counts of Falsification of Documents in Dona Ana County District Court. MFCD's investigation determined

that from August to December of 2016, the Defendant was submitting was timesheets while the consumer was on the road working as a long distance truck driver.



*John Martinez & AG Balderas at the Annual Employee Recognition & Service Awards*

Drue Loreque

On September 4, 2018, Drue Loreque was charged with one count of Medicaid Fraud, seven counts of Falsification of Documents, and one count of Computer Access with the Intent to Defraud or Embezzle in Bernalillo County District Court. After a MCFD investigation, it was determined that the Defendant was submitting timesheets for personal care services while the consumer was receiving inpatient care at various hospitals throughout Albuquerque. In total, the Defendant was allegedly paid \$6,513.40 for services that could not have been rendered.



*NMAC Conducts training for the Association of Certified Fraud Examiners (Special Agents Jennifer Weber & Santiago Baca)*

# Medicaid Fraud Control cont'd

## *MFCD's Key Outcomes*

During the course of 2018, the MFCD's open cases consisted of 92 criminal cases, 13 civil non-qui tam cases, and 71 qui tam cases. The MFCD completed 567 preliminary investigations, which resulted in six criminal indictments, six criminal convictions, five non qui tam settlements/judgments, and seven qui tam settlements. The Medicaid Fraud Control Division obtained \$4.04 million in recoveries for the Medicaid program, which is \$1.04 million more than the performance standard requirement of \$3 million. In 2018, investigators in the MFCD conducted six search warrants, 19 grand jury subpoenas, 269 regulatory document demands, and 234 document requests. The unit also conducted seven outreach events, which attracted approximately 900 attendees.

### JL Jones

On February 13, 2018, JL Jones pleaded guilty to one count of Medicaid Fraud and one count of Falsification of Documents in Curry County District Court. An investigation by the MFCD revealed that JL Jones submitted false timesheets indicating that he provided personal care services despite the Medicaid beneficiary being incarcerated. A restitution amount of \$1,378.34 was paid in full by the Defendant prior to being sentenced.

### Maurena Spurlin

On February 9, 2018, Maurena Spurlin pled guilty to one count of Medicaid Fraud and two counts of Falsification of Documents. Pursuant to HSD Medicaid guidelines, a caregiver cannot be paid for personal care services provided to their spouse. Despite such guidelines, Maurena Spurlin submitted timesheets for services she provided to her husband. She attempted to hide her marital status by signing paperwork with her maiden name and telling the personal care agency that she had no formal relationship with the consumer.

### Robert Woody

The New Mexico Office of the Attorney General, Medicaid Fraud Control Division received a referral from the Human Services Department, which indicated that Molina identified Dr. Robert Woody's practice as an outlier for up-coding. Up-coding involves billing for a code of higher complexity (usually resulting in a higher rate of reimbursement) than the service delivered. An investigation was conducted

by the New Mexico Office of the Attorney General, Medicaid Fraud Control Division, which resulting in the identification of funds inappropriately billed to and paid by New Mexico Medicaid. The New Mexico Office of the Attorney General, Medicaid Fraud Control Division reached a civil settlement with Robert Woody whereby approximately \$19,270.47 was identified for repayment.

### ABQ Home Health Care

The New Mexico Office of the Attorney General, Medicaid Fraud Control Division received a referral from the Human Services Department regarding ABQ Home Health Care. The referral alleged that ABQ Home Health Care billed for services there were never actually provided to the Medicaid beneficiary. The Medicaid Fraud Control Division determined through investigation that, for over a two year time period, ABQ Home Health Care billed Medicaid for personal care services despite knowing that the beneficiary was no longer receiving services from ABQ Home Health Care. The New Mexico Office of the Attorney General, Medicaid Fraud Control Division reached a settlement with the owners of ABQ Home Health Care, Lillie Martinez and Birdie Reading, whereby approximately \$20,074.04 was returned to the Medicaid program.

### Mylan - EpiPen (QUI TAM)

Mylan Inc. is a Pennsylvania corporation with its principal place of business in Canonsburg, Pennsylvania. It manufactures, markets and sells pharmaceuticals through its wholly-owned subsidiaries. Mylan Specialty is a Delaware limited partnership with its principal place

of business in Morgantown, West Virginia. Mylan Specialty owns the exclusive rights to sell EpiPen in the United States and possesses legal title to the New Drug Codes ("NDCs") for EpiPen. The settlement resolved allegations that Mylan knowingly underpaid rebates owed to the Medicaid program for the drugs EpiPen and EpiPen Jr. ("EpiPen") dispensed to Medicaid beneficiaries. Under the settlement, Mylan will pay \$465 million to the United States and the States. The States will share \$213,936,000 of the total settlement.



*John Grubescic, AAG acting Division Director for Medicaid Fraud presenting at the NMAG CLÉ Training*

# Medicaid Fraud Control cont'd

## *MFCD's Key Outcomes Cont'd*

### Natera (QUI TAM)

The New Mexico Office of the Attorney General, Medicaid Fraud Control Division joined the United States and more than 20 other States in settling allegations against Natera Inc. (**"Natera"**). **Natera is a Delaware corporation with its principal place of business in San Carlos, California.** Natera operates a laboratory certified under the Clinical Laboratory Improvement Amendments (CLIA) that provides a host of preconception and prenatal genetic testing services to patients in the United States. This settlement resolves allegations that Natera submitted false or otherwise fraudulent claims to government health care programs for its genetic testing services, including the Natera Panorama® test. Specially, the State alleged that Natera improperly billed for tests that were not subject to reimbursement, caused misrepresentations of the services and

thus falsely obtained payments, and caused reimbursements of tests at a higher rate than otherwise allowed. Pursuant to a settlement Natera entered with the United States and participating States, Natera agreed to pay \$10,635,615.90 to the United States and \$756,183.00 to the participating States.

### Rotech Healthcare, Inc. (QUI TAM)

The New Mexico Office of the Attorney General, Medicaid Fraud Control Division joined with 22 states and the federal government and reached agreement with Rotech Healthcare Inc., a Florida-based respiratory equipment supplier, to settle civil allegations that Rotech knowingly submitted false claims for portable oxygen contents to Medicaid and Medicare. Rotech continued this practice despite knowing that it resulted in the submission of claims for portable oxygen contents that were ineligible for reimbursement. Rotech will pay the states and the

federal government a total of \$9.95 million in civil damages and penalties to compensate Medicaid and Medicare for harm suffered as a result of this conduct. The Medicaid portion of the recovery is \$273,414.41.

### K-Mart - Garbe (QUI TAM)

Kmart Corporation, a wholly owned subsidiary of Sears Holdings Corporation (SHC), has agreed to pay \$32.3 million to the United States to settle allegations that pharmacies in Kmart stores failed to report discounted prescription drug prices to Medicare Part D, Medicaid, and TRICARE. The settlement agreement with the United States is a part of a global \$59 million settlement that includes a resolution of state Medicaid and insurance claims against Kmart. Garbe, who litigated the case after the government declined to intervene in the action, will receive \$9.3 million.



*Medicaid Fraud Control Division Team*



# CONSUMER AND ENVIRONMENT PROTECTION DIVISION



*Cholla Khoury, AAG  
Consumer & Environment  
Protection Director*

The Consumer and Environment Protection Division (CEPD) is a specialized division for bringing affirmative civil litigation that protects New Mexico's interests by taking actions on behalf of the State of New Mexico and New Mexican consumers against individuals, businesses or other entities that threaten New Mexico families, legitimate businesses or our environment and natural resources. Over the last year CEPD has brought actions against global companies, like Google and Wells Fargo, who deceptively market their goods in New Mexico or otherwise violate laws and put New Mexicans at risk. Additionally, CEPD has been focusing many resources on increasing its activity associated with protecting New Mexicans from the dangers they face online. The division continues to file lawsuits seeking to uphold regulations that protect New Mexico's environment and natural resources. The division acts as the consumer advocate in utility matters before the Public Regulation Commission, and seeks to pursue protection of both consumers and our environment in those matters. We continue to act on behalf of families facing foreclosure by investigating or pursuing entities or individuals that defraud New Mexicans and put their homes and futures at risk. The division has increased its enforcement of the Charitable Solicitations Act, providing New Mexicans with the resources to make wise charitable giving decisions and ensuring that charities are properly regulated. The division also teams up with other states' Attorneys General to participate in nationwide, multi-state consumer protection investigations and enforcement actions. In all, the division pursues its many matters with a multi-disciplinary, creative approach to determine the best method for protecting New Mexicans.

## ***DIVISION OVERVIEW***

**Consumer Protection:** CEPD is the main enforcement entity for prosecuting violations of the Unfair Trade Practices Act (NMSA 1978 § 57-12-1 et seq). Many CEPD litigation cases and investigations arise out of consumer complaints submitted to the Consumer and Family Advocacy Services Division of the Office.

**Environmental Protection:** CEPD helps protect New Mexico's unique environment through participating in the regulatory process and bringing actions to prevent the harm to and destruction of our environment and natural resources, when necessary.

**Homeowner Protection Program:** Whether it's through providing connection to free resources that can assist a consumer or providing advocacy for consumers with banks and other lending institutions, the Homeowner Protection Program's aim is to help homeowners save their homes from foreclosure.

**Charities:** The New Mexico Attorney General is charged with enforcing the Charitable Solicitations Act (NMSA 1978 § 57-22-1 et seq.). As part of these duties, CEPD maintains and services the online charity registration database, COROS. In addition to assisting charities in becoming compliant with registration and maintaining compliance, we have undertaken a "Charities Sweep" in which we are auditing every one of the more than 9,000 charities registered to ensure compliance with the Charitable Solicitations Act.

**Energy and Utilities:** The New Mexico Attorney General is charged with representing small business and residential consumers in front of the Public Regulation Commission. As part of that representation, CEPD takes a holistic approach aimed at ensuring New Mexicans have access to clean, affordable energy.

**Data Breach Notifications:** When companies experience a breach of consumer information, they are required to notify the Attorney General. CEPD monitors these breach notifications and pursues investigations of these breaches when warranted.

**Multistate Investigations and Litigations:** The Division partners with other states' attorneys general to investigate nationwide violations of federal or state laws. The Division is currently engaged with other states around issues involving anti-competitive behavior, consumer fraud, data breaches, charities, environmental issues and others.

# Consumer and Environment Protection

## Division cont'd

### KEY OUTCOMES

#### Vivint Solar

In March of 2018 CEPD filed a lawsuit against Vivint Solar, a Utah company selling residential purchase power agreements door-to-door in New Mexico. The complaint alleges violations of **New Mexico's consumer protection acts**, racketeering act and others. Besides unfair and unconscionable sales and marketing by the company, Vivint has filed **thousands of fixture filings on consumers' homes, essentially creating a lien on the property and interfering with consumers' ability to sell their home.**

#### Wells Fargo

In August CEPD filed a complaint against **Wells Fargo for violations of New Mexico's consumer protection acts.** Wells Fargo admitted to opening millions of accounts, without authorizations, in the names of its consumers between at least 2009 through September of 2016. It appears that thousands of New Mexican consumers had accounts opened in their names without **their knowledge or consent.** Wells Fargo's footprint in the state is large – it is the **State of New Mexico's fiscal agent and has the exclusive right to solicit banking business from students on NMSU campus.**

#### EPA "Glider Rule"

In July 2018, then-EPA Administrator Scott Pruitt issued a formal assurance to industry that EPA would not enforce rules **applying to manufacturers of "gliders,"** which are new semi-truck bodies to be utilized with used engines that emit pollutants at far higher levels than allowed for new engines. New Mexico and several other states immediately filed suit to challenge the action. On July 26, EPA withdrew the no-action assurance. The litigation thus quickly achieved the desired outcome.

#### Tiny Lab and Google

In September 2018 CEPD initiated a lawsuit against Tiny Lab, Twitter, MoPub,

Google, Admob, Aerserv, Inmobi, Applovin and Ironsource for illegally tracking children through online apps. Some of the information that appears to be being collected includes persistent identifiers like IP addresses and, in some instances, location. Additionally, the complaint **alleges Google violated New Mexico's consumer protection laws by falsely identifying apps as being child safe, when they were not.**

#### Significant Case (updates): Opioids

CEPD continues to participate in the nationwide mediation with other states and opioid manufacturers and distributors. Recently, CEPD filed the 2nd amended complaint, adding 11 new defendants. The division continues to pursue those global corporations that contributed to and **caused New Mexico's current Opioid epidemic.**

#### BLM Waste Prevention Rule (Venting and Flaring)

CEPD has been involved with five different cases (including an interlocutory appeal to the 10th Circuit) in defense of this Obama-era rule to reduce waste of natural gas by the oil and gas industry (and avoid the severe climate-changing impacts of methane in the atmosphere.) On February 22, 2018, we obtained a victory when the Northern District of California enjoined **BLM's efforts to suspend the rule.**

#### Department of Interior Valuation Rule for Oil, Coal, and Gas

CEPD continues to fight to increase royalty payments to the State. CEPD, for the State of New Mexico and along with California, filed a challenge to the **Department of Interior's September 6, 2017 final rule** repealing a rule which would ensure that states and federal governments obtain adequate royalties on taxpayer-owned minerals, and close a royalty loophole for federal coal that is sold

abroad. Briefing was completed in September 2018, and we await a decision from the court at any time.

#### Volkswagen

CEPD continues to fight to hold Volkswagen accountable for defrauding New Mexicans by installing emissions defeat devices in their vehicles, **falsely marketing them as "clean diesel".**

#### Dollar General

In 2017 CEPD brought suit against Dollar General for deceptively marketing and selling motor oil that was unsuitable and harmful to modern motors. Dollar General removed the action to an MDL in Missouri, where the case is currently awaiting remand.

#### Bristol-Myers Squibb

CEPD was successful in defending a challenge to its ability to bring a case against Bristol-Myers-Squibb for its deceptive and false marketing associated with its drug, Plavix. CEPD continues to pursue the litigation.



*Division Director Cholla Kfoury, Alanna Goodman, & AG Balderas*

# Consumer and Environment Protection Division cont'd

## KEY OUTCOMES cont'd

### Restitution

Besides bringing litigation on behalf of the state, CEPD manages recovery on behalf of or advocates for consumers, resulting in meaningful relief for them. In 2018, CEPD oversaw the distribution of more than \$200,000 going back to consumers.

The Homeowner Protection Program was successful in resolving nearly 100 consumer complaints, resulting in the recovery or protection of New Mexicans facing foreclosure, valued at more than \$3,000,000.

CEPD was able to award more than \$60,000 to New Mexico Legal Aid as a result of the conclusion of its case against B&B Investment Group and American Cash Loans.

### Settlements

#### Uber

In November 2017, Uber publically announced that it had experienced a data breach which exposed the data of more than 600,000 drivers nationwide to hackers. New Mexico participated in the multistate investigation and settlement, which resulted in industry leading **improvements in Uber's data security and**

a payment to the state of New Mexico of \$763,997.33.

#### JSS of Albuquerque

In 2016, the State filed against Jesus Cano and JSS of Albuquerque to remedy harm caused by a fraudulent real estate contract scam. Dozens of vulnerable consumers lost their life savings in the scheme. The court immediately issued a permanent injunction stopping further harm. After nearly two years of litigation, the case was successfully settled with entry of a judgment to prevent further harm to consumers and \$190,000 in restitution and \$225,000 in civil penalties for violations of the Unfair Practices Act, the Mortgage Loan Originator Licensing Act and the Real

#### Estate License Law

#### Takata

In 2017 CEPD filed a lawsuit against Takata and various auto manufacturers for installing deadly exploding airbags in vehicles. Takata filed bankruptcy, seeking **to extinguish the state's claim against** them. Through negotiations, New Mexico was able to settle its claims against Takata and its parent corporation. The exact amount to be recovered from this settlement depends on disbursements available from the federal bankruptcy

court. CEPD continues to litigate against the automobile manufacturers who knowingly installed dangerous Takata Airbags in vehicles, putting New Mexico drivers and their family members at risk.

### Other Achievements

#### Charities

In 2018 the Charities team within CEPD expanded their efforts to educate charities and the public about compliance with the Charitable Solicitations Act. By partnering with community organizations, CEPD assisted the Center for Nonprofit Excellence in compiling the New Mexico Nonprofit Principles and Practices Guide, which provides guidance for charities seeking to come into compliance with the Charitable Solicitation Act.

Through heightened efforts to achieve compliance, CEPD was successful in resolving the registration delinquencies of more than 700 charities, generating more than \$100,000 in late fees.

Additionally, through the Charities Sweep, CEPD staff have been successful in closing the books on more than 60 severely delinquent charities, many of whom have not operated, existed or solicited for several years.

**"New Mexico's natural beauty is unmatched by any state and I will continue to protect our pristine environment for generations to come," said Attorney General Balderas. "Our Consumer and Environmental Protection Division is hard at work 365 days a year, but this Earth Day you can join our efforts by committing to a water conservation plan, learning about fire prevention and preparedness, or switching to renewable energy or a green vehicle."**

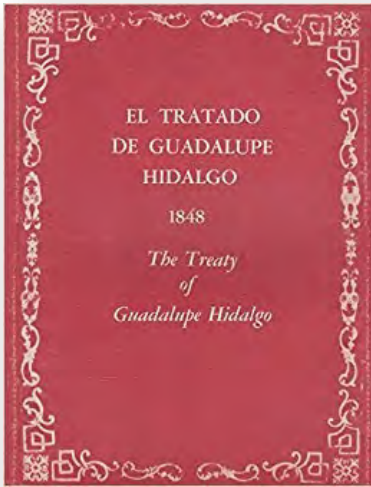
AG Balderas Celebrates Earth Day , 4/21/2118



*Consumer and Environment Protection Team*

# LAND GRANT DIVISION

## Tierra Aramilla Land Grant Case



In July of 2018, the Treaty of Guadalupe Hidalgo Division, on behalf of the Board of Trustees of the Land Grant-Merced de los Pueblos de Tierra Amarilla, filed a lawsuit against Al Frente de Lucha, Inc., a Colorado based organization. This matter relates to land which is part of the common lands of the Tierra Amarilla Land Grant. In 1988 and 1989, during a fourteen-month armed occupation of the land protesting ownership of the land by Vista del Brazos, residents of Tierra Amarilla filed a federal lawsuit for civil rights violations in connection with their claim of ownership of the land. In settlement of the federal lawsuit, Vista del Brazos conveyed the land to El Consejo de la Tierra Amarilla, Inc. which was organized by the residents of Tierra Amarilla in June 1989 to acquire the land. **The N MAGO's complaint alleges the land was illegally conveyed to Al Frente de Lucha, Inc. in July 2003 by El Consejo after the corporation was dissolved by persons who were not elected officers and directors of El Consejo.** The board of directors of El Consejo at no time authorized the deed to Al Frente. In the complaint, the N MAGO seeks to set aside the deed, recover the real property for the land grant, and asks for injunctive relief.



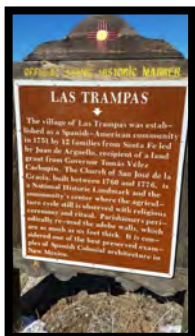
La Morada  
Anton Chico Land



Anton Chico Land Grant



Old Truchas Mission  
of Holy Rosary  
Built-1764  
Truchas, New Mexico



Las Trampas Official  
Scenic Historical  
Marker



Tome Land  
Grant



San Jose de Garcia  
Catholic Church

Photos courtesy of Brittney Martinez

# LITIGATION DIVISION



*Jennifer Saavedra, Litigation  
Division Director*

The **Litigation Division** provides professional and effective legal representation on behalf of the State of New Mexico, state agencies, and state officials acting in their official capacity in non-tort civil litigation. The division protects the citizens of New Mexico by pursuing Fraud Against Taxpayer lawsuits, enforcing the Tobacco **Master Settlement Agreement, protecting the State's interest in bankruptcy cases**, and by conducting administrative prosecutions of licensed professionals who violate the law. The division's core practice areas are:

- ◆ Civil Litigation,
- ◆ **Enforcement of the Fraud Against Taxpayer's Act (FATA),**
- ◆ Tobacco Enforcement,
- ◆ Bankruptcy,
- ◆ Administrative Prosecutions, and
- ◆ Service of Process

## ***NEW FOR 2018***

### Civil Litigation

Representation includes defending challenges to state statutes and regulations, as well as representation of judges and state officers sued in their official capacities in non-tort-related claims or when the authority of the courts is challenged.

In 2018, the division defended 37 new litigation cases and responded to over 40 petitions or writs involving judges and other state officials.

### Enforcement of the Fraud Against Taxpayers Act (FATA)

The division seeks redress for fraud perpetrated against the public fisc and New Mexico taxpayers. Under the qui tam provisions of FATA, the Office of the Attorney General (OAG) conducts confidential investigations of claims brought on behalf of the State by whistleblower relators. Regardless of whether the State assumes responsibility for prosecuting qui tam claims, the OAG remains actively involved in all qui tam proceeding. FATA provides for powerful remedies, including treble damages and substantial penalties.

**The division maintained a diverse docket of qui tam actions in 2018. At year's end, the OAG is actively involved at various phases of investigation or litigation in 22 FATA matters.** Most are being litigated in the New Mexico district courts, but a handful are multi-state actions filed in federal district courts around the country and other state jurisdictions.

Settlements valued at more than \$25 million are pending – including two settlements awaiting approval before the Court of Appeals and another awaiting adjudication in the 5th Judicial District. The division anticipates a productive 2019 year as these and other matters advance through litigation.

# Litigation Division cont'd

## KEY OUTCOMES

### Tobacco Enforcement

The Attorney General is charged with enforcement of the Master Settlement Agreement, a 1998 agreement between the largest cigarette manufacturers and 46 states, including New Mexico. Through its Tobacco Project, the Division protects the State's interests under the Agreement by litigating against those cigarette companies, which routinely attempt to evade their full payment obligations to New Mexico and other states. The cigarette companies attempted to force New Mexico into a multistate arbitration. New Mexico requested a single state arbitration. That dispute is now in the New Mexico Court of Appeals.

In addition, the Division enforces New Mexico's Tobacco Escrow Fund Act, which includes taking legal action against cigarette companies that fail to abide by their legal obligations; auditing required escrow payments made by certain cigarette companies for sales in the state; requiring compliance by the manufacturers with the statutory reporting requirements; and working closely with the Taxation and Revenue Department to assure that sales are lawful and escrow deposits are properly made.

New Mexico has collected over \$758 million for the State of New Mexico since the implementation of the Master Settlement Agreement. In 2018, in addition to its \$35,579,764.89 Master Settlement Agreement payment, New Mexico obtained an additional \$92,978.45 by agreeing to allow Citibank to invest the monies deposited by the Participating Manufacturers for the 2018 Master Settlement Agreement payment for the one-day delay between the date of deposit and the date of disbursement to the states, for a total Master Settlement Agreement payment to New Mexico of \$35,766,615.10. New Mexico also obtained an additional \$93,871.76 from the Original Participating Manufacturers to settle the 2015-2017 Significant Factor Determination.

#### 2018 Notable Litigation Cases

##### *White Peak*

The division secured a major court victory on behalf of millions of New Mexicans, protecting their access to thousands of acres of public lands in Northern New Mexico near White Peak. A wealthy private landowner filed suit to block the public from accessing White Peak through a network of historic roads crossing his property. The landowner's actions threatened to deprive New Mexicans of the use of their public lands and to deprive New Mexicans of their shared cultural and natural inheritance. At trial, the Attorney General's Office, represented by Assistant Attorney General Ari Biernoff and Special Assistant Attorney General Jesus Lopez, demonstrated the historic and public nature of eleven roads covering more than 70 miles. Judge Backus agreed with the Attorney General's Office that all eleven roads are public and may not be blocked by the land owner. The judge's ruling is an important victory for the people of New Mexico.

##### *Armstrong v. Parole Board*

Successfully defended the Parole Board's exclusive jurisdiction over parole revocation decisions.

##### *Duran et al. v. Martinez et al.*

Working with the New Mexico Corrections

Department to ensure compliance with the historic Duran decree while defending the department and the State's best interest.

##### *Miller v. Padilla*

Successfully defended a lawsuit challenging the constitutionality of New Mexico's election laws.

##### *Guerra v. Oliver*

Obtained an affirmance in the Tenth Circuit defending the constitutionality of the Secretary of State's process for handling petition signature challenges.

##### *State v. Visa & MasterCard*

Entered into a settlement compensating the State of New Mexico for overcharges of "interchange fees" in credit and debit card transactions.

#### 2018 Notable Tobacco Cases

##### *Grand River Enterprises*

Grand River Enterprises submitted a certification for listing of its cigarette brands on the New Mexico Tobacco Manufacturers Directory on November 7, 2016. Due to its history of distributing non-compliant cigarettes in New Mexico and in other states, the Attorney General's Office was gathering updated information on compliance or non-compliance with other states. Without waiting for a decision by the Attorney General,

Grand River Enterprises (GRE) filed a Complaint for Declaratory and Injunctive Relief and Petitions for Writs of Mandamus. New Mexico prevailed on all claims. The Honorable Gregory Shaffer found that the New Mexico Attorney General has the statutory authority to publish and maintain a "do-not-sell" list of cigarette brands that are currently not legally available for sale in New Mexico. GRE has appealed Judge Shaffer's decision. That case is currently pending.

##### Sandia Tobacco Manufacturers Bankruptcy

Sandia Tobacco Manufacturers, New Mexico's only in-state tobacco manufacturer, filed for Chapter 11 Bankruptcy on September 19, 2016. At the time it filed bankruptcy, Sandia owed approximately \$150,000.00 in escrow for units sold in New Mexico. Assistant Attorney General James Jacobsen has been handling New Mexico's interest in the Sandia bankruptcy case, in cooperation with Patricia Molteni, Counsel, National Association of Attorneys General Center for Tobacco and Public Health. Currently, Sandia Tobacco is in negotiations to sell its Sandia and Royal brands, and assign all escrow owed, to Xcaliber International, Ltd., LLC. That sale is pending.

# Litigation Division Cont'd

## KEY OUTCOMES

### Bankruptcy Section

As the Attorney General's bankruptcy counsel, the Division takes the lead in representing the State and its various agencies in major national bankruptcy actions. At the close of FY 2018, the Attorney General's Office was representing the State of New Mexico in 384 cases pending in the United States Bankruptcy Court, District of New Mexico. The Office of the Attorney General was also appearing in bankruptcy cases in Oklahoma and Texas. The Taxation and Revenue Department and the Oil Conservation Division, Energy, Minerals and Natural Resources Department were the major agencies represented.

On the local level, by inter-agency agreement, the division represents the Taxation and Revenue Department in matters pending before the New Mexico Bankruptcy Court. The Taxation and Revenue Department seeks to recover unpaid New Mexico taxes from individuals and companies working within New Mexico. Through the joint efforts of the Office of the Attorney General and the Taxation and Revenue Department, New Mexico recovered \$1,479,434.17 from debtors during FY 2018. The Oil Conservation Division is responsible for ensuring that oil and gas production activity does not damage the environment or New Mexico's waters. Working as partners, the Office of the Attorney General ensured that financially distressed oil companies, including Vanguard Operating and Linn Operating, reorganizing in Texas, were not able to evade their legal and moral obligations to the people of New Mexico to protect the environment. In November 2017 and **October 2018**, the Office of the Attorney General's bankruptcy attorney, James Jacobsen, presented at the National Association of Attorneys General's *Bankruptcy from a Governmental Perspective* national conference.

### Administrative Prosecutions

The division serves as administrative prosecutor to over 30 state boards and commissions that regulate licensed professions. A majority of these prosecutions are for violations of the Uniform Licensing Act or related laws. Sanctions range from fines to revocation of state-issued licenses. In 2018, there were 896 administrative cases pending, and the division conducted nearly 100 administrative hearings. Working with the Open Government Division and Regulation and Licensing Department the division developed standardized forms and set up regular meetings to ensure that licensed professionals who violate the law are held accountable.

### Service of Process

The division accepts summons, complaints, and other legal documents alleging civil causes of action against the state, a state agency, or a state official or employee acting in an official capacity. In 2018, the Litigation Division received and processed 901 cases.

*AAG Ari Biernoff, receiving  
an employee recognition award  
for excellence from AG  
Balderas*



*AG Balderas with  
Litigation Division  
Director Jennifer Saavedra*



# OPEN GOVERNMENT DIVISION



Sally Malave, AAG  
Open Government  
Director

The **Open Government Division** has three primary areas of responsibility. First, its 10 dedicated lawyers provide legal representation to nearly 80 boards, commissions and state agencies, including nearly three dozen professional licensing and environmental permitting boards. Second, the Division researches and drafts Attorney General Opinions and advisory letters in response to requests by state legislators, state officers, and district attorneys. Third, it promotes public transparency by reviewing and responding to complaints alleging violations of the Open Meetings Act (OMA) and Inspection of Public Records Act (IPRA) and by providing state-wide training to governmental bodies, media organizations, and the public regarding their rights and responsibilities under the Acts.

## **NEW FOR 2018**

- ◆ In 2018, attorneys in the division attended a total of 678 proceedings, including regular board meetings, disciplinary **hearings and rulemaking proceedings around the state to ensure compliance with their clients' enabling legislation and** the Open Meetings Act, as well as to provide counsel as needed. Of these meetings, 47 were held outside the Albuquerque/Santa Fe corridor, at a cost of approximately \$4,820.50 in travel-related expenses.
- ◆ **The division oversaw the promulgation of the Attorney General's Default Procedural Rule for Rulemaking, codified at 1.24.25 NMAC**, following the enactment of House Bill 58 in the 2017 legislative session, which made significant amendments to the State Rules Act, and assisted many clients with the new HB 58 rulemaking requirements. In a joint effort with the Litigation Division, and the Boards and Commissions Division of the Regulation Licensing Department, the Division also developed uniform processes and templates for administrative disciplinary matters in an effort to increase efficiencies.
- ◆ The division continued to experience a substantial litigation caseload in 2018, handling approximately 72 judicial appeals and similar court proceedings on behalf of state agencies, boards and commissions. Notably, Assistant Attorney General Marylou Poli worked with the New Mexico Body Art Practitioners Board to shutter several unlicensed tattoo and body art establishments, and successfully sought district court enforcement of several other board orders related to unlicensed practice in order to protect the health and safety of New Mexicans. Assistant Attorney General Lori Chavez successfully defended the Real Estate Commission in *Trubow and McBride v. NM Real Estate Commission*, and continues to guide the New Mexico Dental Health Care Board as it hears and deliberates on certain highly-contested disciplinary proceedings. Over the course of the year, Assistant Attorney General Dylan Lange capably handled multiple arbitrations and petitions to confirm arbitration awards for the Secretary of State. Ahead of the June 2018 Primary Election, he represented the Secretary of State in multiple nominating petition challenges filed in state district court, reached settlement in *Pearce v. SOS* in federal court, and had the 10th Circuit Court of Appeals **uphold the federal court's dismissal of plaintiff's claims in Rocky de la Fuente v. SOS.**



# Open Government Division cont'd

## *NEW FOR 2018 Cont'd*

- ◆ In response to requests for Attorney General opinions, the Division issued 8 advisory letters in 2018 on a variety of topics, including the permissibility of purchasing water rights for a LEDA project; the State Investment Council's Code of Conduct; and the state's role vis-à-vis the proposed interim nuclear waste storage facility in Lea County.

## *KEY OUTCOMES*

- ◆ The division supervised the production of 59 OMA/IPRA determinations, including several determinations involving multiple complaints against the University of New Mexico, which led to the publication of the 2018 *Transparency Report of the University of New Mexico*. To date, Assistant Attorneys General Joseph Dworak and John Kreienkamp have provided 8 statewide trainings on OMA/IPRA compliance, traveling to Aztec, Silver City, Hobbs, Las Vegas, Gallup, and Las Cruces, as well as Santa Fe. Almost 500 people have been reached at these events. Division attorneys also participated in other related trainings, including OMA and IPRA trainings for UNM officials. The Division also provided individual trainings to a variety of organizations and Division clients on OMA/IPRA, Governmental Conduct Act, State Rules Act, and other applicable state laws.
- ◆ The division houses the records custodian for the OAG, who so far has received and responded to 463 requests to inspect public records held by the OAG.
- ◆ The division received and approved 35 school bonds, totaling approximately \$314,466,000.00 and reviewed over 125 contracts, representing \$18,077,047.00 in public spending, for Governmental Conduct Act compliance and legal sufficiency. The Division also approved 3 Closing Agreements negotiated by the Taxation and Revenue Department.
- ◆ During the 2018 Legislative Session, Open Government received, routed and administered 191 requests for bill analysis primarily from the New Mexico Legislative Council Service.



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*New Mexico Attorney General Hector Balderas,  
Albuquerque Mayor Tim Keller, Stakeholders Urge  
Committee Members to Put American Families  
Ahead of Special Interests*

**“The oil and gas industry has expanded substantially in New Mexico and we are supportive of that, however in recent years the use of public lands also comes with a commitment and a level of accountability owed to every family in New Mexico. Increasingly, there has been an epidemic of wasteful taxpayer energy going out the door and more importantly a pollution that needs to be held accountable.”**

AG Balderas, Royalty Policy Committee, 06/05/18

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# CONSUMER AND FAMILY ADVOCACY SERVICES DIVISION



Jennie Lusk, AAG  
CFASD Director

The Consumer and Family Advocacy Services Division (CFASD) is the centralized intake center for The Office of the Attorney General . The division plays three key functions within the agency and the community:

- ◆ mediating on behalf of consumers in conflicts with businesses and various government entities;
- ◆ referring callers and constituents to appropriate internal personnel and elsewhere within government; and
- ◆ advocating on behalf of the civil rights of all New Mexicans.

## **NEW FOR 2018**

The division issued regular “scam alerts” to let the public know about the latest tricks being used to cheat unsuspecting consumers, posted the alerts on the NMAG website as well as circulating them via television, radio and print media. CFASD advocates became increasingly skilled, receiving regular internal training as well as formal training leading to certification in mediation and ADA compliance.

- ◆ The CFASD Disability Rights unit organized a major outreach event during Disabilities Awareness month in October, in which some 50 organizations distributed information on their services to approximately 400 persons with disabilities and their families. Outreach presentations on compliance with the Americans with Disabilities Act (ADA) and sexual assault and exploitation of persons with disabilities were included over the course of the day-long event in Albuquerque.
- ◆ The CFASD Automobile Mediation unit helped to mediate disputes with new and used automobile dealers over the course of the year, gaining consumers thousands of dollars in refunds or replacements of poorly functioning automobiles. The unit worked cooperatively with dealers as well as with consumers, smoothing the way to resolving legitimate complaints.
- ◆ CFASD began an educational loan forgiveness specialization in 2018, gaining expertise and contacts to resolve complaints between New Mexico borrowers and federal education loan servicers, and focusing in particular on teachers whose grant funds for degrees were unilaterally converted to loans.
- ◆ The CFASD Civil Rights unit focused on increasingly arbitrary implementation of federal laws and regulations throughout the year. Supported by CFASD legal research, Attorney General Balderas led a coalition of attorneys **general in protesting the federal “zero tolerance” child separation policy in June and was joined by 21 other states.** Other major multi-state litigation milestones supported by NMAG advocacy research included:
  - Data documenting the State’s interest in reuniting families separated on New Mexico’s southern border;
  - formal comment against changing immigration law definitions of “public charge” to penalize poorer applicants for citizenship;
  - demographic documentation of the impact of adding a citizenship question to the 2020 census;
  - support for transgender students’ ability to use school bathrooms with the gender of their identification;** and
  - documentation of the economic impact of reductions of New Mexico acreage in national monuments.



# CRIMINAL AFFAIRS

Under NMSA 1978 §8-5-2, the criminal jurisdiction of the Attorney General is to prosecute and defend all criminal related cases in the Supreme Court and Court of Appeals in which the State is a party. The Attorney General has authority to prosecute and defend any criminal action and proceedings when, in his judgment, the interest of the state requires such action or when requested by the Governor. The Attorney General also has statutory jurisdiction when any district attorney either refers and/or fails to prosecute any criminal matter and shares concurrent jurisdiction with district attorneys for some specific criminal offenses, including but not limited to, human trafficking and violations of the Governmental Conduct Act.



Criminal Affairs investigates and prosecutes matters ranging from public corruption to the most violent and heinous of crimes, to pursuing Medicaid Fraud and abuse and exploitation in New Mexico's care facilities, and represents the state in all criminal appeals, further upholding the Attorney General's top priority of protecting the children and families of New Mexico. The primary goal of Criminal Affairs is to aggressively and successfully secure criminal convictions, and to ensure that these convictions are upheld through the criminal appeals process.

*2018 Employee Recognition Ceremony  
AG Hector Balderas awards Chief Deputy  
Sharon Pino for her service*



*Division Director Anne Kelly,  
Division Director Ben Baker,  
& Chief Deputy Sharon Pino*

*Chief Deputy Pino and Congress Woman  
Deb Haaland at the "We Wear Red Event"  
Santa Fe Indian Center for the prevention of  
Violence Against Native American Woman*



# SPECIAL INVESTIGATIONS DIVISION



*Ben Baker,  
Special Investigations  
Division Director*

The Special Investigations Division (SID) works to provide a safe environment for New Mexico's most vulnerable populations, including children and the elderly. The Division is responsible for reviewing and investigating crimes that are referred to the Office of the Attorney General, which often results in the arrest and incarceration of dangerous and corrupt criminal offenders. Additionally, the Division regularly supports efforts to secure restitution for victims of financial crimes and fraud.

The division is comprised of separate units, each handling investigations in its own specialty area; these units include Special Investigations; Internet Crimes Against Children (ICAC); Human Trafficking (HT); Anti-Money Laundering Unit; Guardianship Unit, and the Security Administration Cooperative Disability Investigations (CDI) Unit.

## ***NEW FOR 2018***

- ◆ 2018 was an especially successful year for the Special Investigations Division (SID), which executed several significant law enforcement achievements. During the 2018 legislative session, OAG was granted funding to employ one special agent and one prosecutor to form the OAG, Guardianship Unit, focusing on crimes by guardians who are appointed to make decisions for people incapacitated and unable to manage their finances, property, health care or living arrangements.
- ◆ During the legislative session, OAG received funding to purchase an Internet Crimes Against Children Mobile Crime Lab, which gives the OAG, SID, ICAC and Human Trafficking Units the tools needed to better investigate crimes and assist victims of abuse across New Mexico.
- ◆ OAG SID entered into an MOU with the Social Security Administration (SSA), where the SSA funds two special agent positions to combat fraud by investigating statements and activities that raise suspicion of disability fraud by claimants, medical providers, interpreters, and other service providers. This ensures the integrity of SSA programs with zero tolerance for fraud and abuse. Since its inception in 1998 CDI has contributed to \$2.1 billion in projected savings in non-SSA programs including state-funded programs such as Medicaid.
- ◆ OAG SID made significant case related accomplishments, such as finalizing political corruption and voter fraud investigations in Northern New Mexico, which resulted in criminal indictments; completing an investigation which led to **charges against former State of New Mexico Taxation & Revenue Department's Cabinet Secretary, Demesia Padilla, for embezzlement and ethical violations.**
- ◆ OAG Human Trafficking Unit investigated a case involving a 7-year-old alleged to have been prostituted by her father in exchange for drugs.
- ◆ The OAG continues a large-scale investigation of sexual abuse by priests and clergy members, and other church officials and individuals alleged to have aided, abetted or conspired to conceal sexual abuse.

# Special Investigations cont'd

## KEY OUTCOMES

2018 Special Investigations Accomplishments:  
(Total for Special Investigations; Internet Crimes Against Children;  
Human Trafficking; Anti-Money Laundering; and Guardianship Units)

- ◆ 106 Case Referrals
- ◆ 749 Closed Cases
- ◆ 14 Law Enforcement Trainings
- ◆ 16 Law Enforcement Operations
- ◆ 15 Arrests
- ◆ 141 Search Warrants
- ◆ 1176 Cases Opened
- ◆ 420 Reviewed Cases



*Special Agent Diana Rosales-Ortiz, AG  
Balderas and Special Agent Chris Kohler*



*Internet Crimes Against Children (ICAC) Team*

Looking forward, the Special Investigations Division aims to continue to conduct comprehensive criminal investigations in a wide variety of specialty areas throughout the State of New Mexico. We will continue to leverage collaborative partnerships and resources to provide these services to victims in rural communities where they otherwise might not exist. In addition to the grant funding already mentioned, the great work of the OAG Investigative Team has led to several continued funding for the specialized work we do.

## *New and Continued Funding Awards*

Internet Crimes Against Children (ICAC) – the NM task force is engaged in proactive and reactive investigations and prosecutions of persons involved in child abuse and exploitation involving the Internet.

Internet Crimes Against Children: Forensic Capacity Hiring Program for Wounded Veterans – A wounded veteran is engaged in proactive and reactive investigations and prosecutions of persons involved in child abuse and exploitation involving the Internet.

Enhanced Collaborative Model Task Force to Combat Human Trafficking – the NM task force assists communities in implementing victim-centered and coordinated approaches to identifying victims of sex and labor trafficking, addressing the individualized needs of victims through services, and investigating and prosecuting sex and labor trafficking cases.

# Special Investigations cont'd

## SPECIAL INVESTIGATIONS UNIT

The Special Investigation Unit (SIU) conducts a wide swath of criminal investigations within the office ranging from violent crimes to violations of the Governmental Conduct Act.

### NEW FOR 2018

- ◆ In June 2018, SIU special agents concluded their investigation into Demesia Padilla, the Cabinet Secretary of the State of New Mexico Taxation & Revenue Department, after discovering that Ms. Padilla embezzled money from a former client and abused her position. Ms. Padilla has been charged with three felonies and five misdemeanors. (See pg. 9)
- ◆ In April 2018, SIU special agents investigated Laura Seeds, the wife of District 4 Española city councilor and 2018 mayoral candidate Robert Seeds, on counts of committing intimidation in a municipal election, coercion of voters and disturbing a polling place, consisting of two fourth-degree felonies and one petty misdemeanor. After indictment of Ms. Seeds for this matter, SIU began investigation into a second case against Ms. Seeds for allegations that she committed intimidation in municipal elections and attempted to coerce a voter. Ms. Seeds has been charged with two fourth degree felonies and one misdemeanor. Trial in these matters are scheduled in early 2019. (See pg. 9)
- ◆ In 2018, SIU special agents concluded investigation into Rio Arriba County Commissioner Barney Trujillo related to public contracting and campaign financing. In September 2018, OAG indicted Trujillo on three counts of unlawful interest in a public contract over \$50 and one count of failing to disclose a campaign contribution.
- ◆ SIU special agents conducted an investigation into Joseph Torres, a former Espanola Public School District lobbyist and his wife, Lianne Martinez, for racketeering, fraud and making false vouchers resulting in theft from the District through procurement contracts. The two were indicted in June 2018 on a total of 15 felonies.

### KEY OUTCOMES

- ◆ 65 Case Referrals
- ◆ 260 Closed Cases (\* includes prior year cases)
- ◆ 13 Search Warrants
- ◆ 594 Open Cases
- ◆ 240 Reviewed Cases



*Situational Awareness Training with MMA trainer Greg Jackson & Attorney General Hector Balderas*



## GUARDIANSHIP UNIT

This unit focuses on crimes by guardians who are appointed to make decisions for people incapacitated and unable to manage their finances, property, health care or living arrangements. During the 2017 legislative session, OAG was awarded funding to employ one special agent and one prosecutor to work guardianship related matters. During 2018, OAG filled these positions and once the unit was publicly announced OAG's Guardianship Unit has received several referrals.

### KEY OUTCOMES

- ◆ 1 Search Warrant
- ◆ 36 Open

# Special Investigations cont'd

## INTERNET CRIMES AGAINST CHILDREN UNIT (ICAC)



*Students from Christine Duncan Charter School showing their gratitude to Joey*

This unit investigates the production, distribution and possession of child pornography within the state of New Mexico. ICAC also leads the statewide effort and is the task force commander for all 87 state, local, federal, tribal and military affiliate law enforcement agencies.



*New ICAC Mobile Lab*

- ◆ On March 26, 2018, OAG was granted Special Agent Joey, an electronic scent detection K9 trained to detect all electronic storage devices. SA Joey was acquired through Neighborhood Electronic Detection K9.org, which is a non-profit organization receiving funding through anonymous donations. SA Joey has thus far been deployed on 40 Search Warrants assisting Federal, State and Local Law Enforcement Agencies throughout our state. SA Joey has been an integral part for the New Mexico Office of the Attorney General's Internet Crimes Against Children Task Force.

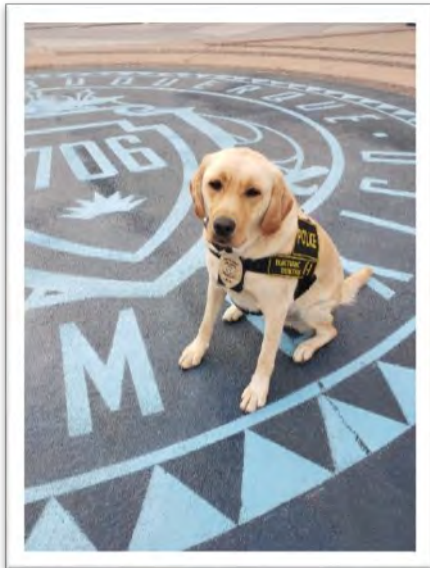
### NEW FOR 2018

- ◆ In January 2018, forensically the NMAGO's ICAC forensics team were able to defeat double encryption by utilizing passwords obtained from multiple cellular devices allowing for the data acquisition and findings of child exploitation images. Using the passwords, the suspect was found with over 10 terabyte's of child exploitation image files and a bedroom full of little girls' underwear and swimsuits.



# Special Investigations cont'd

## INTERNET CRIMES AGAINST CHILDREN UNIT (ICAC) cont'd



### NEW FOR 2018 Cont'd

- ◆ In 2018, following investigation by OAG agents, Francisco Saucedo, was charged with possession, manufacture and distribution of child pornography, voyeurism, CSP of a minor under 13, and failing to register as a sex offender. Saucedo plead guilty to all charges except the CSP of a minor and will spend a minimum of 15 years and a maximum of 30 years in prison for just these offenses. The CSP of a minor charge is pending trial.
- ◆ During the months March, April and May 2018, ICAC special agents participated with the ICAC Task Force in Operation Broken Heart V, serving 147 search warrants, arresting 19 alleged predators and rescuing two children.
- ◆ On November 15, 2018, Attorney General Hector Balderas unveiled a state-of-the-art ICAC Mobile Crime Lab, which will provide agents with the tools to bring forensic investigation of internet crimes against children and human trafficking to rural areas of New Mexico.

### KEY OUTCOMES

- ◆ 5 Arrests
- ◆ 48 Search Warrants
- ◆ 519 Cases Opened
- ◆ 74 Reviewed Cases
- ◆ 24 Case Referrals
- ◆ 464 Closed Cases
- ◆ 16 Outreach Presentations
- ◆ 1 Law Enforcement Operations
- ◆ 11 Law Enforcement Trainings
- ◆ 2138 Training Registrants



*State-of-the-Art ICAC Mobile Crime Lab  
Special Agent Owen Pena, Special Agent Joey, &  
Attorney General Hector Balderas*

\* Cases opened & closed include prior year cases that have carried over.

# Special Investigations cont'd

## HUMAN TRAFACKING UNIT (HTU)

This unit focuses on the investigation of sex and labor trafficking within New Mexico. This unit also leads as the statewide task force for the 48 state, local, federal and tribal affiliate law enforcement and regulatory agencies. The increase of outreach, awareness and education about human trafficking are important unit objectives met by training via a multidisciplinary approach.

### NEW FOR 2018

- ◆ In April 2018, OAG special agents received a school referral regarding their concerns of two children being victims of abuse and neglect by their parents. OAG investigated and determined that one of the children, a 7-year-old, was allegedly being trafficked for drugs. Parents James Stewart and Teri Sanchez are currently being held pending trial on various felony charges including human trafficking. (See pg.10 for outcome)
- ◆ In January 2018, OAG special agents investigated a suspect later identified as Fred Lewis, for targeting undocumented immigrant women, who did not have the means or resources to access adequate care or shelter. Lewis is alleged to have knowingly recruited and solicited a woman who was at a homeless shelter by threatening her with a knife and forcing her to have sex with other men for drugs. Lewis is awaiting trial.
- ◆ During July 31, 2018 thru August 10, 2018, the OAG hosted the Attorney General Hector Balderas' Back to School Human Trafficking Awareness Training, where our agency conducted several trainings reaching 351 school teachers and staff members employed by Albuquerque Public Schools, Albuquerque Charter Schools, Santa Fe Public Schools and Las Cruces Public Schools.
- ◆ In 2018, OAG continued working with tribal law enforcement, securing three (3) new MOU's.
- ◆ OAG HT Unit started conducting training for local truck stops, State Pupil's Office, Oil and Gas Industries as well as the Busing Industries to work with law enforcement in identifying and reporting potential human trafficking victims.

### KEY OUTCOMES

Sex Trafficking Cases opened (21)

- ◆ 14 Open Cases
- ◆ 70 Reviewed Cases
- ◆ 9 Closed Cases
- ◆ 13 Case Referrals

- ◆ 10 Arrests
- ◆ 34 Search Warrants
- ◆ 9 Law Enforcement Operations
- ◆ 37 Victims Interviewed
- ◆ 40 Law Enforcement/NGO Presentations
- ◆ 3,926 Registered Trainees

Labor Trafficking Cases (9)

- ◆ 3 Cases Opened
- ◆ 9 Reviewed Cases

*\*Cases opened & closed include prior year cases that have carried over.*



# Special Investigations cont'd

## *ANTI-MONEY LAUNDERING UNIT (AMLU)*

This unit investigates complex financial crime cases. They are staffed by subject matter experts who regularly fill gaps in specialty law enforcement resources, particularly in rural New Mexico.

### *NEW FOR 2018*

- ◆ In early 2018, OAG special agents concluded its investigation into James Lambros, who is alleged to have stolen over a million dollars from a 95-year-old female victim. On May 31, 2018, a grand Jury issued a 32 count indictment against James Lambros. (See pg. 10 for outcome)
- ◆ Special Agents continue to investigate an embezzlement/fraud case related to the Miss Teen New Mexico Scholarship Organization. The case is being finalized for charging.
- ◆ Special Agents continue to conduct a large-scale investigation into finances and the use of public funds at the University of New Mexico.
- ◆ Special Agents Antonio Vargas and Jennifer Nilsson-Lund achieved certification as certified fraud examiners through the Association of Certified Fraud Examiners.
- ◆ In October 2018, Special Agent Dolores Perea presented at the New Mexico Energy Crime and Security Conference on the subject of copper/equipment theft, attended by state and federal law enforcement agencies as well as oil company representatives.

### *KEY OUTCOMES*

- ◆ 45 Search warrants
- ◆ 17 Cases Opened
- ◆ 27 Reviewed Cases
- ◆ 4 case referrals
- ◆ 14 Closed Cases
- ◆ 3 Law Enforcement Trainings
- ◆ 6 Law Enforcement Operations



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### **Indictments Against Man Alleged to Have Exploited Two Albuquerque Seniors by Embezzling \$1+Million**

“Protecting New Mexico senior citizens and other vulnerable populations from exploitation is a top priority of the Office of the Attorney General and I’ve dedicated significant resources to preventing and combating this epidemic,” said Attorney General Hector Balderas. “while I cannot comment specifically on the facts of the pending case, I want New Mexicans to have a heightened sense of awareness around the dangers of mail fraud, financial theft, and the tools needed to protect themselves against this pervasive crime that frequently targets our seniors.”

Attorney General Hector Balderas, May 31, 2018

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# CRIMINAL APPEALS DIVISION



Anne Kelly, AAG  
Criminal Appeals  
Division Director

The Criminal Appeals Division of the OAG represents the State of New Mexico in all cases filed in the New Mexico appellate courts, as well as representing the wardens of various prisons throughout New Mexico in habeas corpus litigation filed by inmates. In addition, the division represents the wardens in federal habeas corpus litigation. The division also reviews DNA expungement requests filed by defendants and handles other post-conviction litigation on behalf of the State including requests for DNA testing.

## **NEW FOR 2018**

- ◆ The Criminal Appeals Division successfully defended 12 lawful first-degree murder convictions and one child abuse resulting in death conviction in the New Mexico Supreme Court.
- ◆ The division continued its efforts in 2018 to uphold valid district court orders denying bail to dangerous offenders. Of particular note, the division successfully argued on appeal that the **district courts' pretrial detention orders in State v. Jordan Nunez (accused of torturing and killing 13-year-old Jeremiah Valencia) and State v. Teri Lee Sanchez (accused of multiple counts of child abuse) should be affirmed.**

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AG Balderas Keeps Convicted Child Trafficker Behind Bars

*Supreme Court Denies Defendant's Petition for Review, Defendant's 49-year Sentence is Final*

"Individuals who prey on vulnerable children must be held accountable for their horrific acts," said Attorney General Hector Balderas. "We will continue to legally fight to protect innocent children in New Mexico."

The Office of the Attorney General obtained Sharoski Jackson's conviction on five felony counts including human trafficking, and promoting prostitution, and the defendant was sentenced to 49 years' imprisonment in January of 2015. David Carl, Press Secretary

AG Balderas , October 15, 2018

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## **KEY OUTCOMES**

### *Trainings Conducted in 2018:*

The attorneys in the Criminal Appeals Division routinely consult with and advise various assistant district attorneys around the State. The division conducts trainings on appellate law and new developments in appellate cases for the District Attorneys' Association and other groups as requested.

- ◆ Division Director Anne Kelly presented a two-hour New Mexico appellate update program at the Spring 2018 AODA conference;
- ◆ Staff Attorneys John Kloss, Marko Hananel, Emily Tyson-Jorgenson, and Eran Sharon presented programs at the September 2018 DWI Prosecution Training;
- ◆ Staff Attorney Marko Hananel presented a one-hour program on double jeopardy at the Fall 2018 AODA conference;
- ◆ Division Director Anne Kelly presented a one-hour United States Supreme Court update program at the Fall 2018 AODA conference;
- ◆ Division Director Anne Kelly presented a two-hour New Mexico appellate update program at the Fall 2018 AODA conference;
- ◆ Staff Attorney Walter Hart presented a one-hour program on witness statements of minors at the OAG 2018 Leadership for Justice Training;
- ◆ Staff Attorney Marko Hananel presented a one-hour program on double jeopardy at the OAG Leadership for Justice Training;
- ◆ Division Director Anne Kelly was a co-presenter at a one-and-a-half hour program on presenting oral arguments at the AOG Leadership for Justice Training.

# Criminal Appeals Division Cont'd

## KEY OUTCOMES Cont'd

### *State v. Muhammed Ameer, New Mexico Supreme Court*

The New Mexico Supreme Court held that the original New Mexico constitutional provision providing that **bail may be denied for “capital offenses” was essentially a nullity** due to the 2009 legislative repeal of the death penalty. The Court held that a **“capital” offense at the time the New Mexico Constitution was ratified** meant only a death penalty offense. Therefore, now the only way bail can be denied for an accused person in New Mexico is through the 2016 provision in the state constitution which requires the prosecuting authority to file a motion and prove by clear and convincing evidence that no release conditions will reasonably protect any other person or the community.

### *State v. Oscar Arvizo, New Mexico Supreme Court*

The New Mexico Supreme Court **reversed the Court of Appeals’ holding** that the defendant was not guilty of criminal sexual contact of a minor because the victim woke up and pushed him off before he was able to penetrate her. The Supreme Court disagreed that this demonstrated – as the Court of Appeals found – that the defendant did not use his position of authority to coerce his victim to submit. Rather, there was clear evidence that the defendant exercised undue influence over the victim and the lower **court’s emphasis on the victim’s** resistance and actions was misplaced.

### *State v. Stefan Chakerian, New Mexico Supreme Court*

In the DWI context, the Supreme Court addressed the meaning of the statutory

section that allows an arrestee to obtain an independent chemical test. The Court held that the police must provide an arrestee with the means to **contact a person of the arrestee’s** choosing but need not actually facilitate such a test.

### *State v. Elexus Groves, New Mexico Supreme Court*

The Supreme Court explained how a district court should determine if a prosecutor has met his or her burden of proof under the new constitutional amendment allowing for certain suspects to be held without bond. A **defendant’s past criminal conduct can** be used as a basis to infer future criminal conduct and a pattern of refusal to comply with directions of a court and police supports a finding that no release conditions can reasonably protect the community.

### *State v. Kelson Lewis, New Mexico Supreme Court*

The Supreme Court held that in a situation where a jury indicates it is deadlocked on a charge, it should proceed to consider a lesser charge only if it first returns a unanimous verdict of not guilty on the greater charge. This procedure protects the **State’s final resolution on the greater charge** and promotes the policy of not **interfering with the jury’s deliberative** process.

### *State v. Joshua Maestas, New Mexico Supreme Court*

The Supreme Court held, in a domestic violence case, that the forfeiture by wrongdoing exception to the Confrontation Clause need not involve **an overt threat of harm and “various**

forms of coercion, persuasion, and **control may satisfy the requirement.”** Here, where the defendant and his victim exchanged 588 phone calls over a two-month period and the defendant repeatedly told the victim to lie for him resulting in her filing an affidavit of non-prosecution, the victim could be declared unavailable and her former statements could be admitted against the defendant at his trial.

### *State v. Martinez/Casias, New Mexico Supreme Court*

The Supreme Court reversed the **district court’s dismissal of the robbery** and conspiracy indictment. The district court dismissed the indictment because the grand jury was presented with evidence in the form of subpoenas that were later ruled to be legally inadmissible. The Supreme Court **affirmed a “century of judicial precedents” that limits the district court’s ability to review the evidence on** which indictments rely.



*Anne Kelly, AG Balderas, &  
John Kloss at the NMAC  
Employee Recognition Ceremony*

# Criminal Appeals Division Cont'd

## KEY OUTCOMES

*State v. Nehemiah G.*  
*New Mexico Court of Appeals*  
Nehemiah G. shot and killed his parents and three young siblings. The Court of Appeals reversed the district court's determination that the State had not shown that Nehemiah was not amenable to treatment and its determination that he should therefore only receive a juvenile sentence. The OAG successfully argued that the district court made an error in law in not sufficiently considering the nature of **Nehemiah's crimes and in not crediting** the undisputed testimony that Nehemiah would not be rehabilitated before he turned 21. The Court remanded the case to the district court to hold a new amenability hearing to determine if Nehemiah should be sentenced as an adult for his crimes.

*State v. Sharoski Jackson,*  
*New Mexico Court of Appeals*  
Defendant was convicted of human trafficking, promoting prostitution, and accepting earnings from a prostitute among other crimes in a case prosecuted by the OAG. The defendant claimed that the human trafficking statute required that he

**"know" his victim was under 18.** The Court of Appeals disagreed and held that the statute only required that he commit the acts of trafficking in a knowing manner. The Court also noted the policy behind the statute to afford minors special protection. Jackson was denied cert by the New Mexico Supreme Court and will continue to serve his 49-year sentence.

*State v. Joseph Blea,*  
*New Mexico Court of Appeals*  
The defendant committed multiple crimes of rape and kidnapping in the 1980s and 1990s but his crimes went unsolved until a DNA sample taken from him at a domestic violence arrest matched DNA from the crime scenes. His DNA sample was collected under **Katie's Law** which requires certain felony suspects to provide a DNA sample upon arrest. The defendant claimed that this law was a violation of both federal and state constitutional law but the Court of Appeals disagreed. The Court followed federal law and held that the State has a right to identify arrestees through the minimally invasive means used for securing a DNA sample.

**Habeas Corpus and Post-conviction Litigation:**

*Joel Ira v. Paul Janecka*  
*New Mexico Supreme Court*  
Joel Ira was 16 years old when he was convicted of multiple counts of criminal sexual penetration against his young stepsister and his 91 ½ year adult sentence was upheld on appeal in 2002. In this habeas case, the Supreme Court held that his sentence was not contrary to recent United States Supreme Court precedent because he was not deprived of a meaningful opportunity to obtain release on parole.



*AAG's Nick Sydow, Anne Kelly, & Zac Jones presenting at the 2018 Leadership for Justice CLE Training*

## 2018 Criminal Appeals Accomplishments:

- ◆ Filed 239 briefs in the New Mexico Court of Appeals and Supreme Court
- ◆ **Filed 38 memoranda in opposition to the Court of Appeals' summary calendar**
- ◆ Conducted 14 oral arguments in the New Mexico Court of Appeals and Supreme Court
- ◆ Filed 38 petitions for writ of certiorari or responses thereto, and other petitions for extraordinary relief in the New Mexico Supreme Court
- ◆ Reviewed 24 DNA expungement requests from defendants
- ◆ Filed 36 other substantive motions, writs, and responses to writs in the appellate courts
- ◆ Filed 32 pretrial detention appeal responses in the appellate courts
- ◆ Conducted 38 hearings in state district court related to habeas corpus litigation
- ◆ Filed 50 responses or briefs in state district court
- ◆ Filed 18 answers, 3 other responses, and conducted 2 hearings in federal district court related to federal habeas corpus litigation

# VICTIM SERVICES UNIT



*Kathleen Carmona,  
Victim Services Unit Manager*

**The Victim Services Unit (VSU)** The Victim Services Unit (VSU) serves all of the Criminal Affairs Divisions and is staffed by two full-time victim advocates that are committed to offering resources and support to victims of crime and their families. The VSU works diligently to assist victims of crimes as they navigate the criminal legal process. The Office of the Attorney General recognizes the importance of **victims' rights and is committed to working proactively to ensure that those rights are upheld throughout the criminal legal process.** The goal of the Unit is to provide comprehensive services in a competent, sensitive, and professional manner. The Office of the Attorney General also recognizes the value of preventing victimization and decreasing criminal behaviors through a holistic approach that includes education, outreach, harm reduction, and access to services. The VSU also responds to mass casualty incidents throughout the state to assist local law enforcement and victim service providers in crisis situations. The VSU relies on a network of service providers across the state, to whom victims are referred for services that fall outside the scope of what the Office of the Attorney General can provide.

The Victim Services Unit also spearheads the outreach efforts for the Office of the Attorney General. Our advocates along with other OAG specialized staff conduct presentations in schools to educate students, parents, teachers and counselors on a variety of topics such as; cyber safety, cyberbullying, identifying healthy relationships, teen dating violence, pre-teen and teen suicide, sex trafficking, social media and financial literacy. In addition to school presentations, our advocates have provided awareness training to members of urban, rural and tribal communities as well as service providers, governmental and non-governmental advocates, and law enforcement.

## ***NEW FOR 2018***

Throughout 2018, the VSU provided assistance and notification to victims/survivors of violent crime, including information regarding medical and crisis intervention services and other case information. Furthermore, the VSU provided notification and assistance to victims and their families, during the often lengthy appellate process, including notification of appeal status and court accompaniment.

VSU continues efforts to expand services into other divisions within the agency to provide information and support to victims at the earliest stages of the process. For example, VSU has assisted the Internet Crimes Against Children (ICAC) Unit during search warrant executions in which children were present at the home at the time. VSU was critical in providing comfort and care to those children in their time of need on scene while working cohesively with Children Youth & Families (CYFD) and All Faiths. VSU has also assisted the Human Trafficking Unit in undercover operations to identify individuals who were being trafficked and provide them with resources. VSU advocates were able to provide support not only to the victims, but were also able to provide care, food and a safe environment for the children during operations.

VSU in conjunction with our Human Trafficking Task Force was recently awarded a VOCA grant to fund an advocate position and provide resources for survivors of human trafficking in southern New Mexico. Southern New Mexico is an underserved area with very few resources and accessibility for survivors of human trafficking. In most cases, survivors of human trafficking are placed in domestic violence shelters as an alternative. With the new advocate position, survivors will be able to obtain services throughout New Mexico.

# Victim Services Unit cont'd

## KEY OUTCOMES

- ◆ Received 270 intake calls from victims and/or constituents who were seeking information, referrals, or services;
- ◆ Mailed 205 notifications to victims related to cases in the New Mexico Court of Appeals;
- ◆ Attended 5 adult sex offender parole board hearings on behalf of victims and/or their families;
- ◆ **Assisted 250 victims and/or victims' family members in cases being prosecuted by the NMOAG;**
- ◆ Attended 4 oral arguments on behalf of victims and/or families;
- ◆ Conducted 5 presentations to multi-disciplinary teams, which consist of law enforcement, victim service providers, public educators, school counselors, tribal members and members of city council; and
- ◆ Conducted 25 outreach presentations to 3499 students, parents and community members.



*Special Agent Owen Pena, Special Agent Joey, & Deputy AG Sharon Pino at Pojoaque Valley Intermediate School Career Day, May 10, 2018*

- ◆ VSU has supported victims and family members during the trial, sentencing and appeal stages in several successful outcomes within the agency, such as:

State v. Nehemiah Griego,  
State v. Mark Webb  
State v. Enock Arvizo  
State v. Otalee Brown  
State v. Leanne Bennett  
State v. Andrew Romero  
State v. Anthony Groomas  
State v. Joel Ira  
State v. Xavier Nelson  
State v. Muhammed Ameer



# FINANCIAL CONTROL DIVISION



*Financial Control Division  
Chief Financial Officer*

Natalie Cordova

Natalie obtained her bachelor's degree from New Mexico State University in Accounting and Economics in 2004 and is an actively licensed Certified Public Accountant (CPA).

The CFO is responsible for implementing and maintaining proper internal controls over the Office of the Attorney General's financial transactions. The CFO directs the Financial Control Division (FCD) which oversees all financial transactions including general ledger, purchasing, budget and grant management. In FY 2018 FCD provided financial compliance with over \$4 million in federal awards, as well as compliance with state rules and regulations governing financial transactions.

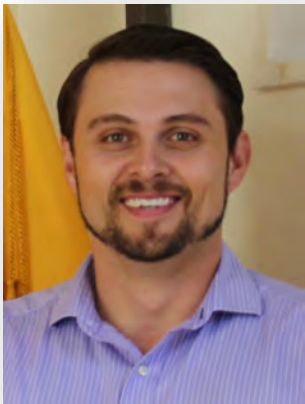


## *FCD Leadership Team*

### Fleet and Facilities Division

Karlo Cantu

- ◆ Provides service to entire organization regarding fleet utilization, building services and shared loss control functions
- ◆ Culture of customer service, efficiency and promotion of safety



*Fleet & Facilities  
Director*



*Teresa Storey,  
FCD Director*



*Nick Eckert,  
Grants Manager*



*Teresa Storey, AG Balderas, & Rachel Apodaca at  
the Annual Employee Recognition Ceremony*

# FINANCIAL CONTROL DIVISION

Total Fiscal Year 2020

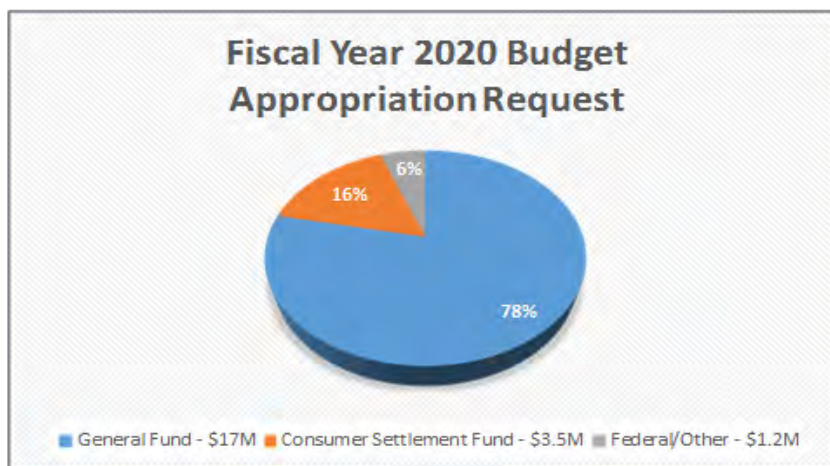
*(General Fund only, does not include Medicaid Fraud Control Division MFCD funding)*

Request Sources for Program P625

General Fund : approximately \$17 million

**Federal Funding: approximately \$1.2 million**

**Consumer Settlement Fund: \$3.5 million**



*The Office of the Attorney General partners with State and Federal bodies to furthers its mission of protecting New Mexicans.*

## **FCD OVERVIEW**

The New Mexico Office of the Attorney General had a successful FY18 through the oversight of several federal grant programs. In total, over \$4 million of federal money was utilized to support essential programs and staff which include:

- ◆ Internet Crimes Against Children (ICAC)
- ◆ Medicaid Fraud Control Unit (MFCU)
- ◆ Enhanced Collaborative Model (ECM) Human Trafficking Task Force
- ◆ Traffic Safety Resource Program
- ◆ Southwest Border Anti-Money Laundering Alliance (settlement funds, not a federal award)
- ◆ ICAC Forensic Capacity Hiring Program (HERO)
- ◆ Social Security Administration Cooperative Disability Investigations (CDI) Program
- ◆ NM Crime Victim Reparation Commission (CVRC)
- ◆ U.S. Department of Justice STOP School Violence Prevention and Mental Health Training Program
- ◆ National Identity Theft Victims Assistance Network (NITVAN)

**\*\*In the most recent fiscal year 2018, NMAG's external audit received an unmodified (clean) opinion, and received zero findings with its state and federal audit.**

# EXECUTIVE STAFF



*Matt Baca,  
Senior Counsel*

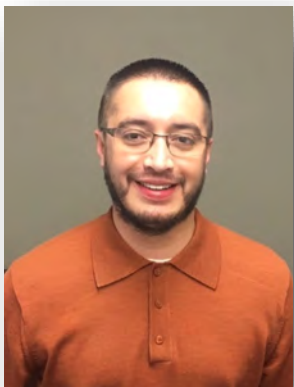


*Ed Griego,  
Special Agent for  
Intelligence and Dignitary  
Protection Unit*

Matt received his B.A. in Organizational Communication from Pepperdine University in 2004 and his Juris Doctorate from the University of New Mexico in 2012.



*Joshua Hawkes,  
Special Agent for  
intelligence and Dignitary  
Protection Unit*



*Richard Gonzales,  
Special Projects  
Coordinator*



*Victoria Bransford,  
Administrative Assistant*

# INFORMATION TECHNOLOGY DIVISION



Scott Stokes,  
Chief Information Officer (CIO)

The Information Technology (IT) Division safeguards and manages the Information Technology infrastructure and provides service to all employees of the Office of the Attorney General (OAG). The OAG IT Division goals are to:

- ◆ Support the mission and vision of the Office of the Attorney General;
- ◆ Protect New Mexicans;
- ◆ To lead innovatively through technology by proactively finding solutions and responding to the evolving technological needs of the agency.

Investments in information technology are driven principally by the desire to improve the way work is done; to improve decision-making; to adhere to various laws, regulations, standards and policies; and to help the agency manage its risks.

In 2018, the OAG devoted substantial resources to the area of Information Technology, updating hardware and software to allow the OAG to work at the forefront of technology. The Information Technology Division pursued the goals of efficiency, security and modernization of the Office's Information Systems.

## IT Leadership Team



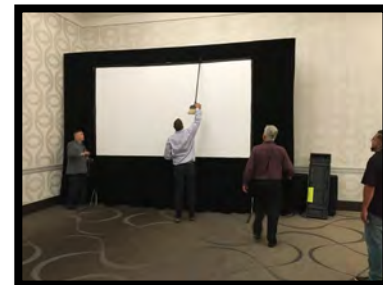
James Maddox,  
IT Project Manager



Danial Rodarte, Database  
Project Manager



IT designs and lunches a new user friendly website for NMAC



IT Prepares & sets up Audio Visual for Recognition Ceremony



Professional Excellence Awarded to James Maddox by AG Balderas

# TRAINING AND PROFESSIONAL DEVELOPMENT DIVISION



*Tamarra Howard,  
Training & Professional  
Development Director*

The Training and Professional Development Division is responsible for the development, implementation and monitoring of training programs within a diverse organization. The Division is responsible for building solid cross-functional relationships within the agency and:

- ◆ Facilitates and tracks continuing legal education (CLE);
- ◆ Provides leadership development education;
- ◆ Provides logistical support, course development, delivery, evaluation, process measurement, and cost management;
- ◆ Evaluates needs of the agency and plans training programs accordingly;
- ◆ Performs frequent local and nationwide research in order to find the most applicable training at little or no cost to the OAG;
- ◆ Serves as a faculty member for the National Attorneys General Training and Research Institute assisting with developing training goals to ensure the OAG is equipped with education that furthers its ability to support the OAG and its mission; and
- ◆ Conducts & oversees mandatory trainings including OSHA, Civil Rights and ADA.



*The Drug Take Back Program in Santa Fe was a success 51lbs collected as Special Agents Ted Martinez & Delores Perea demonstrate*

*Tamarra Howard, Ted Martinez, Delores Perea, Ihsan Ahmed, Brittney Martinez & Tania Maestas at the Drug take back in Santa Fe (right)*

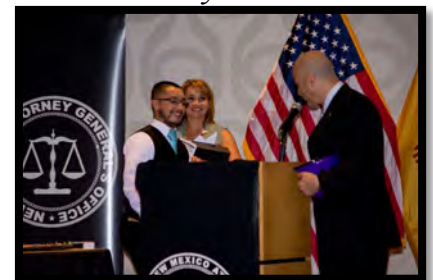
*Tamarra Howard & AG Balderas (right) acknowledge Brittney Martinez and Ritchie Gonzales at the Annual Employee Recognition Program*



*Tamarra Howard, Scott Stokes, Tania Maestas & Brittney Martinez coordinate Project Open in Las Vegas, NM April 2018*



*Brittney Martinez*



*Ritchie Gonzales*



*Tamarra Howard, TELPD Director*

# EXECUTIVE SERVICES DIVISION



*Michelle Garrett,  
Executive Services Director*

The Executive Services Division (ESD) focuses on improving and maintaining operational excellence by helping the agency to eliminate duplication, waste and inefficiencies. The division reports to the Chief Deputy Attorney General and acts independently to initiate, implement and document operational excellence activities and to coordinate, plan, document and fully manage the implementation of those activities. The division maintains versatility and responds positively to the periodic shifting of project focus and recognizes the importance of maintaining team flexibility which is vital for success at the Office of the Attorney General.

The primary responsibility of the Executive Services Division is to achieve a **comprehensive understanding of all the agency's operations including each division's connectivity and interdependency.** ESD works in collaboration with IT, Training and Staff Development and the functional divisions in order to be successful.

The division is heavily involved and focuses on operational excellence through the implementation of new processes, design, and opportunities. Most importantly, the division helps develop the blueprint for successful implementation that is broadly applied to various initiatives and new agency endeavors.



*Publication of the Agency's Annual Report and Inter-agency Accomplishments for 2018*



*2018 Employee Recognition & Service awards Ceremony*



*AG Balderas addressing the public at Barelvas senior center*



*Comcast's Internet Essentials Program*



*Operational Leadership Team*

# COMMUNICATIONS & HUMAN RESOURCE DIVISIONS



*David Carl,  
Press Secretary*

The **Communications Division** is connecting New Mexicans to their Attorney General's Office in the most transparent, informative and efficient way possible, while preserving the integrity of ongoing investigations and litigation within the office. The division - comprised of one employee - coordinates and cooperates with law enforcement agencies and other public agencies from across New Mexico, in an effort to better inform the public and prepare Public Information Officers from around the state for emergency situations. The division travels across the state to make New Mexicans aware of the services that the New Mexico Office of the Attorney General offers, and the actions taken by the Attorney General in an effort to better **serve and protect New Mexico families.**"



*Valerie Gallegos,  
Human Resource Director*

The **Human Resource Division** is focused on its employees, who are among the Office of the Attorney General's most valuable and valued resources.

In an atmosphere where we serve and protect New Mexicans, OAG employees are responsible for honorably carrying out the constitutional and statutory responsibilities of the Attorney General. We are proud of our employees, all of whom maintain the highest level of integrity as they perform their job duties.

We are committed to attracting and retaining the best and brightest in the workforce in order to support our mission of excellence.

At the Office of the Attorney General, we aspire to provide a positive work environment that respects all individuals and encourages excellent work performance and high morale. We provide comprehensive benefits that help employees achieve work-life balance and strive to offer programs and services that **promote the Office of the Attorney General's commitment to affirmative action, equal employment opportunity, diversity, and inclusion.**

# The New Mexico Office of the Attorney General



*AG Balderas with Students from Teeniors at the Comcast's Internet Essentials Program*

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"This innovative, multi-dimensional effort will combine public service announcements, free in-person training programs, and free educational resources including videos, brochures, and booklets that will also be made available online. "As New Mexico's chief law enforcement, I am urging New Mexicans to take advantage of these free resources to help protect themselves against online threats and scams," said Attorney General Hector Balderas. "New Mexicans, especially our senior citizens, are far too often victims of financial scams so I am thankful to Comcast, the City of Albuquerque and Teeniors for this partnership to protect New Mexico children and families."

AG Balderas, Albuquerque May 16, 2018

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For more information on the New Mexico Office of the Attorney General visit: [www.NMAG.gov](http://www.NMAG.gov)

Acknowledgments: *Teams and collaboration make it happen at New Mexico Office of the Attorney General—thank you to Jennie Lusk, CFASD director for editing; Scott Stokes, CIO of the IT Division for software printing expertise; Shawna Tillberg, Administrative Assistant for providing photos and to all the individuals who contributed content to this document.*

**Editor's Note:** *I hope you will find our Annual Report informative and useful. As you read this report and note the accomplishments and services enumerated herein, the delivery of which are carried out daily by team members whose skills and commitment make NMAG the great agency it is today. I am privileged and honored to be one of the many team members contributing to our success. If you have any questions or comments regarding this document, please contact:*

*Michelle Garrett  
Executive Services Director  
Office of the Attorney General  
201 Third Street NE,  
Albuquerque, NM 87102.*