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Press Release

FOR IMMEDIATE RELEASE
March 30, 2005, 10:50 a.m. CT

CONTACT:
Regan Anson , 402-471-2067



Attorney General Bruning Announces Dismissal of Nebraska Investment Council Case

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(Lincoln, Neb.) Attorney General Jon Bruning today announced that the remaining portion of the Myers v. Nebraska Investment Council (NIC) case has been dismissed, resolving the case in its entirety.

District Court Judge Paul D. Merritt Jr. dismissed the remaining three claims that challenged the constitutionality of specific statutes and the validity of the investment, finding that the case was moot since the state was no longer involved in the investment.

Attorney General Bruning said, "We were confident from the beginning that the Nebraska Investment Council acted appropriately and are happy that the court agreed."

The lawsuit was initially filed in the Lancaster County District Court on April 30, 2003. In the suit, Larry Myers alleged that the NIC, individual board members of the NIC and the state investment officer violated state law when an investment manager invested state retirement funds in a limited partnership that in turn purchased options and purchased securities on margin.

The investment, an enhanced S&P 500 index strategy, consistently produced returns in excess of the S&P 500 index. Myers, however, alleged the investment was speculative and violated state law.

Judge Merritt dismissed nine of the 12 claims alleged by Myers in July 2004, including most of the defendants named in the lawsuit, i.e. individual board members of the NIC, the management company, the limited partnership and the insurance companies.

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FOR IMMEDIATE RELEASE
March 30, 2005, 11:00 a.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Appeals Another Excessively Lenient Drunk Driving Sentence

(Lincoln, Neb.) Attorney General Jon Bruning today announced that his office will appeal the excessively lenient drunk driving sentence of Matthew Wichser of Omaha.

Wichser, 26, was sentenced to two years probation by Douglas County District Court Judge J. Michael Coffey after pleading guilty to driving under the influence causing serious bodily injury, a Class IIIA felony punishable by up to five years in prison and/or \$10,000 in fines. Wichser had two previous drunk driving convictions on his record.

Wichser's blood alcohol content was two and a half times the legal limit when he crashed into 49-year-old Randy Konfrst who suffered serious debilitating injuries. Wichser left the scene of the August 2004 accident but was stopped by witnesses.

Attorney General Bruning said, "A sentence of probation in this case is totally unacceptable, given the fact that this was the defendant's third drunk driving conviction. Not only has Mr. Wichser shown repeated disregard for the law, he severely injured an innocent bystander and caused a family unimaginable pain and suffering."

FOR IMMEDIATE RELEASE
March 30, 2005, 11:15 a.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Announces Guilty Verdict in Seward Murder Trial

(Lincoln, Neb.) Attorney General Jon Bruning today announced that a Seward County jury has found Lora L. McKinney, 32, guilty of first-degree murder in the shooting death of 56-year-old Harold Kuenning.

Kuenning was found shot to death at his rural Milford cabin on Jan. 6, 1998. Prosecutors believe McKinney killed Kuenning because he refused to give her money to buy crack cocaine and challenged McKinney's ability to parent.

Attorney General Bruning said, "This was a difficult and time consuming case for everyone involved. Without the dedication and collaboration of the Nebraska State Patrol, the lead investigative agency, and all other law enforcement entities, this case could have remained unsolved. I hope the family of Harold Keunning will find solace in knowing that justice has been served."

McKinney's sentencing is scheduled for 2:30 p.m CT Tuesday, April 19.

Assistant Attorneys General Marie Clarke and Corey O'Brien, together with former Seward County Attorney James Ruby, prosecuted the case.

FOR IMMEDIATE RELEASE
March 29, 2005, 1:00 p.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Announces Settlement with Blockbuster Over "No Late Fee" Program Advertising

(Lincoln, Neb.) Attorney General Jon Bruning today announced that he and Attorneys General from 48 other states, plus the District of Columbia, reached an agreement with Blockbuster Inc. to settle allegations that it misled consumers in the advertising of its "No Late Fee" program.

The Attorneys General alleged that the advertising campaign was misleading because it failed to clearly and conspicuously disclose that if a consumer kept a rented video or game more than seven days after its return due date they would be charged the selling price of the video. Additionally, Blockbuster did not disclose that consumers who still wanted to return the video would be charged a "restocking" fee of \$1.25 or higher at some franchise stores. The Attorneys General also alleged that there was insufficient disclosure that the program was offered only at participating stores and that some customers of nonparticipating franchise stores thought they would not have to pay late fees.

Attorney General Bruning said, "This case is important because it reminds advertisers that they cannot use a catchy slogan or phrase if it misleads consumers. Slogans may violate the law if they do not fully and accurately describe the complete terms and conditions attached to the offer."

Under the terms of the settlement, Blockbuster has agreed that in future advertising for the "No Late Fee" program it will:

- Not represent directly or by implication in any of its advertising that there are no late fees or only limited late fees unless it is accompanied by a clear and conspicuous disclosure of the existence of any charge;
- Advise of any limitation on the stores participating in the offer;
- Clearly and conspicuously display their policy for return of rental product and applicable charges if the product is not returned; and,
- Post various notices in-store to inform customers of the terms and conditions of the "No Late Fee" program.

Blockbuster also agreed to provide a full refund or credit to any customer of a corporate store or a franchise store that participated in the "No Late Fee" program. Customers who believe they are entitled to a refund can get a refund form at a corporate-owned or participating franchise store.

Customers who rented from a non-participating franchise store that did not have signs indicating it was not participating in the "No Late Fee" program who allege a lack of understanding and were charged a late fee beyond the initial rental fee may ask for a coupon request form at the store. Customers can send the form to Blockbuster to receive rental coupons equal to the number of rented movies on which charges were assessed. Eligible customers are those who rented products after Dec. 31, 2004 and prior to March 29, 2005. Refund coupons apply only to late fees on items in the initial rental transaction after Dec. 31, 2004. Requests must be made by April 28, 2005 or, if after that, within seven days of first discovering that late fees were being charged.

The restitution period ends Sept. 29, 2005.



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JON BRUNING
ATTORNEY GENERAL

Attorney General Jon Bruning
Guest Column: March 24, 2005
Contact: Regan Anson, 402-471-2067

Government Grants, Fact or Fiction?

There's an old saying that if something sounds too good to be true, it probably is. It's a good phrase to keep in mind, especially when it comes to protecting yourself from consumer fraud.

Since the first of the year, my office has handled more than 16 complaints from Nebraskans who have received notification via telephone, mail or e-mail that they have been awarded a federal grant or "Freedom Grant" to use as they see fit. Luckily, many of the individuals who filed complaints with our office asked themselves an important question, why would I get something for nothing? Because of their suspicion they avoided being bilked out of their hard-earned cash. Unfortunately, many others have not been as lucky.

Here's how this particular scam works. An individual identifies himself or herself as a representative of the United States government or of a group selected to assist in the distribution of grant money. Consumers are then asked for their bank account information to credit a "one-time processing fee" and to later deposit the grant money. The "processing fees" in question are usually around \$250 for an \$8,000 grant, but both fees and grants can run much higher. When suspicious consumers ask how they qualified for this particular grant they are told it's because they have good credit.

It's important that consumers remember that applying for a grant of any sort is a complicated and time consuming process. The U.S. government does award grants to assist specific projects, charities, non-profit groups and educational institutions. Money is seldom given to an individual and then only after actually applying for the grant.

Remember some of the cardinal rules of consumer protection. Never give out your bank account information to someone you do not know. It could lead to unauthorized withdrawals or identity theft. And never pay money up-front for any award or prize. Processing fees and taxes are just words designed to take your money.

For additional information regarding grant offers or to file a complaint, contact our Consumer Protection Division at (402) 471-2682 or toll-free at (800) 727-6432. En Espanol, 402-471-3891 o llamada gratuita, 888-850-7555. You can also visit us online at www.ago.state.ne.us.

FOR IMMEDIATE RELEASE
March 24, 2005, 11:45 a.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Files Criminal Charges in Cass County Embezzlement Case

(Lincoln, Neb.) Attorney General Jon Bruning today announced that his office has filed criminal charges against the former treasurer of a Cass County rescue squad.

Steve Ostransky, 35, faces four counts of forgery and one count of theft over \$1,500. Each count is a Class III felony punishable by up to 20 years in prison and/or \$25,000 in fines.

Ostransky is accused of taking \$71,000 from the Greenwood Volunteer Rescue Squad while serving as treasurer. He resigned his position as a Cass County deputy sheriff during the state's investigation into the missing funds.

Attorney General Bruning said, "No one is above the law. My office will continue to aggressively pursue criminal charges against individuals who abuse the public trust."

Ostransky's arraignment in Cass County District Court has been set for 3:00 p.m. Monday, April 18.

FOR IMMEDIATE RELEASE
March 18, 2005, 10:30 a.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Announces State's Victory in Gales Death Penalty Case

(Lincoln, Neb.) Attorney General Jon Bruning today announced that the Nebraska Supreme Court affirmed the conviction and death sentences of Arthur Lee Gales Jr. Attorney General Bruning argued the case, which was on mandatory direct appeal to the Court, in February.

This is the first case in which the new death penalty sentencing process enacted by the Legislature in LB 1 in the 2002 special session has been applied by a Nebraska trial court.

Attorney General Bruning said, "The Court's affirmation of Gale's death sentences confirms our belief that the new sentencing process is both constitutional and appropriate. The ruling will provide significant guidance in all future capital cases being tried in Nebraska."

Gales received two death sentences for the Nov. 12, 2000 rape and strangulation of 13-year-old Latara Chandler and the drowning of her 7-year-old brother, Tramar, in their Omaha home. He was also convicted of attempted first-degree murder for the near-fatal beating of the children's mother, Judy Chandler.

Gales' sentencing hearing was prosecuted by Don Kleine, chief of the Nebraska Department of Justice's Criminal Bureau. Gales' appeal was briefed by Solicitor General J. Kirk Brown and Assistant Attorney General Kimberly Klein.

A copy of the Court's decision is available online at
<http://court.nol.org/opinions/2005/march/mar18/mar18d.html>

FOR IMMEDIATE RELEASE
March 17, 2005, 3:10 p.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Announces \$36 Million National Settlement for Users of Antidepressant Drug Remeron

(Lincoln, Neb.) Attorney General Jon Bruning today announced that Nebraska consumers may be entitled to a portion of a \$36 million national settlement if they purchased the prescription antidepressant drug Remeron or its generic equivalent, mirtazapine, between June 15, 2001 and Jan. 25, 2005.

The settlement stems from an antitrust case filed by Attorneys General in 50 states and territories against drug maker Organon USA Inc. and its parent company Akzo Nobel N.V. for improperly monopolizing the U.S. market for the drugs. The settlement is subject to court approval before it can become final.

Attorney General Bruning said, "The defendants in this case abused the regulatory scheme to stifle competition and prevent consumers from having access to low-cost, generic equivalents of this drug. Obtaining this settlement represented a way for Nebraska to help lower prescription drug costs for consumers."

The states' lawsuit alleged that Organon unlawfully extended its monopoly by improperly listing a new "combination therapy" patent with the U.S. Food and Drug Administration. The complaint also alleged that Organon delayed listing the patent with the FDA in another effort to delay the availability of lower-cost generic substitutes, which resulted in higher prices to those who paid for the drug. At its peak, Remeron was the Organon's top-selling drug with annual sales in excess of \$400 million.

As part of a nationwide consumer notification program, the Attorneys General today launched a campaign to notify consumers of the settlement and claims process through advertising in publications such as Readers Digest, Parade and USA Today. As part of that same effort, the states also have enlisted pharmacists and psychiatrists for notification assistance.

Nebraska is among the states that will receive money for damages incurred by certain government entities, such as Medicaid, that paid for Remeron or its generic equivalent. Recovery is also available for third-party payors, such as health insurance plans.

The settlement, if ultimately approved by the court, will resolve both claims brought by state attorneys general, as well as a private class action brought on behalf of a class of end payors. Complete Claim Solutions, Inc. of West Palm Beach, Fla., is assisting the states as the claims administrator for the settlement.

Consumers interested in obtaining claim forms or more information about the settlement can call toll-free 1-866-401-6807 or visit the settlement Web site at www.remeronsettlement.com. Eligible consumers must file claim forms with the administrator postmarked no later than June 13, 2005, in order to be eligible for a possible refund. The address is Remeron Antitrust Settlement, c/o Complete Claim Solutions, Inc., P.O. Box 24769, West Palm Beach, Florida 33416. The same deadline applies to

consumers completing the online form.

Affected consumers who do not wish to remain part of the settlement class must exclude themselves in writing on or before April 27, 2005. Information on "opting-out" of the settlement also is available at the settlement Web site or by calling the toll-free number.

Consumers can also obtain additional information by contacting the Attorney General's Consumer Protection Division at 800-727-6432, 402-471-2682 or visit www.ago.state.ne.us. En Espanol, 402-471-3891 o llamada gratuita, 888-850-7555.



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JON BRUNING
ATTORNEY GENERAL

FOR IMMEDIATE RELEASE
March 11, 2005, 12:30 p.m. CT

CONTACT:
Regan Anson, 402-471-2067

Attorney General Bruning Announces Win in California Alternative High School Case

(Lincoln, Neb.) Attorney General Jon Bruning today announced that Douglas County District Court Judge Patrick Mullen has ruled in favor of the State of Nebraska in the California Alternative High School (CAHS) case.

Attorney General Bruning said, "This is great news for the Hispanic Nebraskans who were scammed out of their hard-earned money for a 'diploma' that holds no practical value. I will continue to do everything in my power to help protect Nebraskans from this and other types of fraud."

Judge Mullen found that under the Uniform Deceptive Trade Practices Act, CAHS engaged in deceptive trade practices through false representation and unconscionable acts in connection with consumer transactions focused on Nebraska's Hispanic population. The judge also found no credible evidence that the 'diploma' the company awarded to students would enable them to gain admittance to accredited colleges and universities for a course of study that will lead to a college degree.

The ruling permanently bars CAHS from operating any course of study using the word 'high school' in Nebraska unless it complies with state education laws. It also prohibits the company from using any written or oral communication that implies that upon completion of a course of study with CAHS a person could gain admittance to an accredited college or university. Under the ruling CAHS is also prohibited from using any version of the word 'diploma' to describe what a person would receive upon completion of a course of study.

A restitution hearing for individuals affected by CAHS' deceptive trade practices will be scheduled at a later date. A copy of the judge's order is attached.

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Editor's Note: An audio clip featuring comments from the Attorney General is now available online at www.ago.state.ne.us.

COPY

IN THE DISTRICT COURT OF DOUGLAS COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.)
 JON BRUNING, Attorney General,)
)
 Relator,)
)
 vs.)
)
 CALIFORNIA ALTERNATIVE HIGH)
 SCHOOL, a California corporation, and)
 DANIEL A.D. GOSSAI, Individually,)
 ERNESTO GOMEZ, a.k.a.)
 ATILIO ERNESTO GOMEZ RAMOS,)
 Individually, and DELLA M. WELCH,)
 Individually,)
 Respondents.)

Case No. 1033-374

ORDER OF PERMANENT INJUNCTION

This matter came before the court on a request for a permanent injunction filed by the Relator on December 29, 2003. Jon Bruning, acting in his official capacity as the Attorney General for the State of Nebraska, filed a complaint against the Respondents alleging various violations of the Nebraska Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. § 87-301 et seq. (Reissue 1999), and the Consumer Protection Act Neb. Rev. Stat. § 59-1601 et seq. (Reissue 2004).

The Relator's Complaint alleges that Respondents solicited predominately Spanish-speaking individuals, misrepresenting either explicitly or by implication to those individuals that by attending classes offered by Respondent California Alternative High School (hereinafter "CAHS") once a week for three hours for a ten-week period they would earn a high school diploma. The complaint further alleged that at the end of the ten-week period, Respondents routinely held a cap and gown ceremony complete with keynote speakers, creating confusion and the false impression that students were in fact receiving an authentic high school diploma. Further, Relator alleged that Respondents misrepresented that their educational program would give students

access to college courses leading to a college degree. Relator's Complaint also alleged that students relied to their detriment on false promises made by the Respondents and invested their time and limited funds in studies that failed to yield a valid high school diploma and access to college degree programs.

Pursuant to Neb. Rev. Stat. §87-303.05 (Reissue 1999), Relator filed a motion for Temporary Injunction on December 29, 2003, and said motion was heard before this court on January 7, 2004. An Order for a temporary injunction was entered on January 7, 2004.

Relator filed a Motion to Dismiss without Prejudice as to Respondent Della Welch. An order dismissing Respondent Welch was entered on January 29, 2004.

A hearing on Relator's request for a permanent injunction was initially heard by the Court on March 15, 2004 and then continued on April 26, 2004, November 18, 2004 and concluded on January 20, 2005. Respondent Gossai represented himself, as well as the interests of California Alternative High School. Respondent Gomez was present and testified extensively although he was not represented. Having considered all competent evidence adduced at these proceedings, the court does hereby make the following findings:

FINDINGS OF FACT

1. Respondent Daniel AD Gossai is the principal of California Alternative High School
(Respondent's Answer, Introduction para. 1, page 1; Direct, January 20, 2005);
2. Respondent California Alternative High School is a California corporation
(Answer, para. 2, page 2);
3. Respondent Gomez was an agent of California Alternative High School
(Respondent Gossai's Answer, Introduction para. 1, page 1);
4. California Alternative High School is not an accredited school within the State of Nebraska (Trial Exhibit 36), nor is it licensed to do business in the State of Nebraska (Gossai examination, January 20, 2005, 72:23);
5. The Nebraska Department of Education which is authorized to regulate high school educational programs that result in the receipt of a high school diploma has concluded that an alternative high school education is neither recognized nor

authorized by state law (Christensen direct-examination, March 15, 2004, 11:25; 12:1-2);

6. The Nebraska Department of Education which is authorized to regulate high school educational programs that result in the receipt of a high school diploma has concluded that adult alternative education purporting to lead to a high school diploma or its equivalent is neither recognized nor authorized by state law (Christensen cross-examination, March 15, 2004, 25:18-23; Christensen cross-examination, January 20, 2005, 51:10-11);
7. The Nebraska Department of Education which is authorized to regulate high school educational programs that result in the receipt of a high school diploma has concluded that the award of an alternative high school diploma is neither recognized nor authorized by state law (Christensen direct-examination, March 15, 2004, 11: 21-24);
8. In Nebraska, if a person does not graduate from an accredited high school and receive a high school diploma at that time, their only options to obtain a high school diploma are to either: (1) complete an approved General Equivalency Degree (GED) program; or (2) complete the high school course work and seek recognition from the local school board resulting in the award of a diploma granted from the local school district (Christensen direct-examination, March 15, 2004, 12:3-11);
9. Respondent Gossai was informed by the Nebraska Department of Education of the requirements for obtaining a high school diploma in Nebraska for both students and adults (Trial Exhibit 35);
10. The California Alternative High School curriculum, which consists of a single 54-page workbook (Trial Exhibit 11; Gomez redirect-examination, April 26, 2004, 91: 24-25; 92:1-2), does not meet the level of knowledge that a student would learn in a high school educational setting leading to a high school diploma (Christensen direct-examination, 13:7-11);(Batres direct-examination, March 15, 2004, 64:13-15);
11. Respondents' promoted California Alternative High School through oral presentations (Gray direct-examination; Gomez direct-examination, April 26, 2004, 65:8-25), through flyers (Trial Exhibit 7), through Hispanic newspapers (Gomez direct examination, 65:24-25) and brochures (Trial Exhibit 8);
12. Respondents represented in their communications, as described paragraph 11 above, as well as through their classes and materials, and at the graduation ceremony that students of CAHS would earn, or had earned, their high school diploma (Gray direct-examination, March 15, 2004, 32: 9-14; 33:2-8; 34:12-15); (Aragon direct-examination, March 15, 2004, 56:13-15; 21-22); (Batres direct-

examination, March 15, 2004, 63:4-13; 64:5-9); (Diploma, Trial Exhibit 10); (Graduation Program, Trial Exhibit 9);

13. Through their promotions, communications, and advertisements, Respondents solicited Nebraska's Spanish-speaking population; a population with little or no knowledge of the educational requirements for obtaining a high school diploma or its equivalent, and a population lacking a clear understanding of the English language, which exacerbated the confusion as to what the CAHS program offered and what the students were receiving (Gossai's Answer, Introduction para. 2, page 2; Gossai's testimony, January 20, 2005, 66:13-14); (Exhibit 8); (Gomez direct-examination, April 26, 2004, 65:24-25); (Gray direct-examination, March 15, 2004, 32: 9-14); (Aragon direct-examination, March 15, 2004, 59:23-25; 60:1); (Batres direct-examination, March 15, 2004, 64:5-9);
14. Each student paid either \$573 or \$615 to attend the 30 hour, ten-week CAHS course which was required to be paid in full prior to the graduation ceremony (Gomez direct-examination, April 26, 2004, 68:23-25; 69:1-8);
15. Students who participated in the CAHS program and graduated from the course believed that they were receiving their high school diploma (Aragon direct-examination, March 15, 2004, 56:13-15, 21-22); (Batres direct-examination, March 15, 2004, 63:4-13; 64:5-9); (Gomez direct-examination, April 26, 2004, 57:3-6);
16. Respondents held a graduation ceremony upon completion of the 10-week course. Guests were given a graduation program and students wore graduation caps and gowns (Gomez direct-examination, April 24, 2004, 78: 9-11;); Trial Exhibit 9, Gomez direct-examination, April 24, 2004, 78:15-17; 85:20);
17. During this graduation ceremony, Respondent Gossai presented each graduate with a diploma and also instructed the students to move the tassel from the right side of their cap to the left (Gomez direct-examination, April 24, 2004, 85:4-11), (Gossai testimony, January 20, 2005, 75:3-4,15-19; 76:4);
18. Respondents represented to the students that their CAHS diploma would gain them access or admission to colleges and universities including Creighton University and Bellevue University (Gray direct-examination, March 15, 2004, 33:5); (Aragon direct-examination, March 15, 2004, 57:16-17; 59: 23-25; 60:1); (Batres direct-examination, March 15, 2004, 63:9-12; 64:5-9); (Ponce direct-examination, April 26, 2004, page 33:16-22; 34:9-13); (Gomez direct-examination, April 26, 2004, 56:6-12);
19. Bellevue University does not accept the CAHS "diploma" for admission into a course of study that results in a college degree (Ponce direct-examination, April 26, 2004, 37:4-10);

20. Creighton University does not accept the CAHS "diploma" for admission into a course of study that results in a college degree (Bishop direct-examination, March 15, 2004, 47:3-12);
21. Although Respondent Gossai testified that graduates of CAHS have been admitted to colleges and universities, there was no foundation or evidence provided to substantiate this testimony, nor to establish that these were accredited schools, that students were actually admitted or were admitted based solely upon the "diploma" awarded by CAHS; therefore, the Court finds there is no credible evidence that the CAHS "diploma" awarded to Nebraska students will enable such students to gain admittance to accredited colleges and universities for a course of study that will lead to a college degree in the State of Nebraska (Gossai testimony, January 20, 2005, 62:22-25; 63:6);
22. At a press conference held on December 17, 2004, Respondent Gossai stated that the California Alternative High School classes would continue and "no one was going to block him" (Gomez direct-examination, April 24, 2004, 89:24-25); Gossai testified that neither the state of Nebraska nor any other state can stop him. (Gossai direct, 63:16-17);
23. In 2004, California and Arizona entered temporary injunctions against Respondents California Alternative High School and Gossai (Gossai examination, January 20, 2005, 78:17-22; 79:2-6); and
24. Respondent Gossai has begun forming a new alternative high school called the American Alternative High School (AAHS). Respondent continues to advertise that students will receive a high school diploma and that the AAHS diploma can gain them admittance into an accredited college or university (Trial Exhibits 37 & 38).

CONCLUSIONS OF LAW

1. Relator has authority to bring a request for an issuance of a permanent injunction under Neb. Rev. Stat. §59-1608(1) (Reissue 2004) to restrain and prevent any person from doing any act prohibited by the Consumer Protection Act, Neb. Rev. Stat. §§59-1601 through 59-1622 (Reissue 2004).
2. Relator has authority to bring a request for an issuance of a permanent injunction pursuant to the provisions of Neb. Rev. Stat. §87-303.05 to prevent any person from engaging in any deceptive trade practice or unconscionable act as defined in the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. §87-302 or §87-303.05 (Reissue 1999).
3. This court has subject matter jurisdiction to issue a permanent injunction pursuant to Neb. Rev. Stat. §87-303.05 (Reissue 1999) and Neb. Rev. Stat. §59-1608(1) (2004).

4. Respondents are defined as persons under the Uniform Deceptive Trade Practices Act, Neb. Rev. Stat. §87-301(5) (Reissue 1999) and under the Consumer Protection Act, Neb. Rev. Stat. §59-1601(1) (Reissue2004).
5. Respondents Gomez, Gossai and California Alternative High School have all had sufficient contacts with the State of Nebraska relevant to the cause of action thus giving the court personal jurisdiction pursuant to Neb. Rev. Stat. §25-536 (Reissue 1995).
6. By falsely representing that through completion of the CAHS 30 hour course of study, its graduates could gain admission to accredited colleges and universities to obtain a college degree, including Creighton University and Bellevue University, Respondents have engaged in a deceptive trade practice, namely representing that goods or services have characteristics, benefits or qualities that they do not have, in violation of Neb. Rev. Stat §87-302(5)(Reissue 1999).
7. In Nebraska, the only method for obtaining a high school diploma is by completing the necessary statutory requirements for high school graduation pursuant to Neb. Rev. Stat. §79-279 (Reissue 2003) or by completing the General Equivalency Degree (GED) requirements under Neb. Rev. Stat. §79-730 (Reissue 2003).
8. By using the term "diploma" and/or the phrase "high school diploma" in their marketing and in their materials, students believed they were receiving their high school diploma; therefore, Respondents have caused, and continue to cause, the likelihood of confusion or misunderstanding as to affiliation, connection or association with, or certification by, another in violation of Neb. Rev. Stat. § 87-302(a)(3) (Reissue 1999).
9. By conducting a cap and gown ceremony at the conclusion of the ten-week course of study complete with speakers, conferring diplomas upon the students, and misrepresenting that CAHS graduates could gain admission to colleges and universities, specifically Creighton University and Bellevue University. Respondents have engaged in, and continue to engage in, unconscionable acts or practices in connection with consumer transactions, in violation of Neb. Rev. Stat. § 87-303.01 (Reissue 1999).
10. By focusing its misrepresentations on Nebraska's Hispanic population, which is largely unfamiliar with the educational requirements in Nebraska, Respondents have engaged in, and continue to engage in, unconscionable acts or practices in connection with consumer transactions, in violation of Neb. Rev. Stat. § 87-303.01 (Reissue 1999).
11. By misrepresenting that through completion of the CAHS 30 hour course of study, its graduates could gain admission to accredited colleges and universities

for a course of study that leads to a college degree, the Respondents engaged in, and continue to engage in, unfair and deceptive acts or practices in the conduct of trade or commerce, in violation of Neb. Rev. Stat. § 59-1602 (Reissue 1998).

12. Based on a preponderance of the evidence, Relator is entitled to a permanent injunction having established that Respondents have engaged in or are engaging in a deceptive trade practice or unconscionable act listed in §87-302 and that respondents have committed a deceptive act or practice in the conduct of any trade or commerce prohibited by §59-1602.

ORDER

Based upon the foregoing Findings of Fact and Conclusions of Law, IT IS HEREBY ORDERED, ADJUDGED AND DECREED BY THE COURT AS FOLLOWS:

1. Respondents, California Alternative High School, Daniel A.D. Gossai, and Ernesto Gomez, are hereby permanently enjoined from operating the California Alternative High School or any other school or course of study in Nebraska which uses the words "high school" in its title, unless it meets the legal requirements set forth in Neb. Rev. Stat. §79-279 (Reissue 2003) or the General Equivalency Degree (GED) requirements under Neb. Rev. Stat. §79-730 (Reissue 2003);

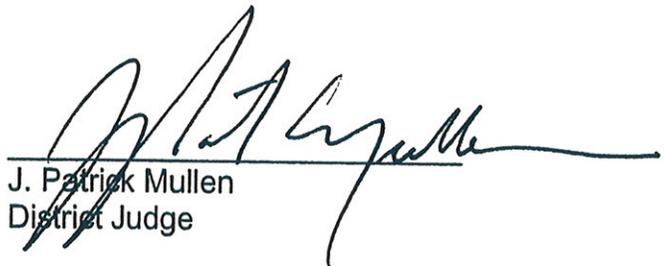
2. Said respondents are further enjoined from using the following phrases, to wit: "high school diploma", "adult high school diploma", "alternative high school diploma", "adult alternative high school diploma", "alternative diploma", "adult alternative diploma" or "diploma" to describe what a person will receive upon completion of a course of study offered in Nebraska. The aforementioned phrases shall not be used in any materials, curriculum, advertisement or medium of communication whatsoever unless the course of study meets the legal requirements set forth in Neb. Rev. Stat. §79-279 (Reissue 2003) or meets the General Equivalency Degree (GED) requirements under Neb. Rev. Stat. §79-730 (Reissue 2003);

3. Said respondents are further enjoined from using any written or oral communication, or any pattern of conduct, in the State of Nebraska, that would expressly or impliedly suggest to people, or cause people to believe, that upon completion of a school, course of study or educational program, a student will be able to gain admittance into colleges or universities in the State of Nebraska, unless the school, course of study or educational program meets the legal requirements of Neb.Rev.Stat.§79-279 (Reissue 2003) or the General Equivalency Degree (GED) requirements under Neb. Rev. Stat. §79-730 (Reissue 2003); and

4. Pursuant to this court's ruling on April 26, 2004, a hearing to adduce facts regarding an award of restitution to those students who enrolled in a CAHS program will be heard before this court on a future date that is mutually agreeable to the parties pursuant to Neb. Rev. Stat. §59-1608(2) and Neb. Rev. Stat. §87-303.05(1).

Dated: March 9, 2005

BY THE COURT:



J. Patrick Mullen
District Judge



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JON BRUNING
ATTORNEY GENERAL

FOR IMMEDIATE RELEASE
March 11, 2005, 4:00 p.m. CT

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Attorney General Bruning Announces Guilty Verdict in Koch Child Abuse Case

(Lincoln, Neb.) Attorney General Jon Bruning today announced that Steven G. Koch of Coleridge, Neb., has been found guilty of Class IIIA felony child abuse by a jury in Cedar County.

Koch, 34, was previously convicted of child abuse and assault, both involving a 4-year-old girl. Dakota County District Court Judge Maurice Redmond granted Koch a new trial based on "error at law."

The Attorney General's Office later sought and obtained Redmond's recusal from the case based on an appearance of bias stemming from inappropriate comments Redmond made to prosecutors that "...female child victims often injure themselves by poking objects into their vaginal area or by self-manipulation..."

Attorney General Bruning said, "I'm thrilled to know that there will finally be some justice for the little girl in this case. As Attorney General, I'm committed to protecting Nebraska's children and prosecuting those who commit crimes of violence against them."

Koch faces up to five years in prison and/or \$10,000 in fines. Sentencing has been set for 8:30 a.m. CT Tuesday, May 10.

The case was handled by Assistant Attorney General George Love.

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