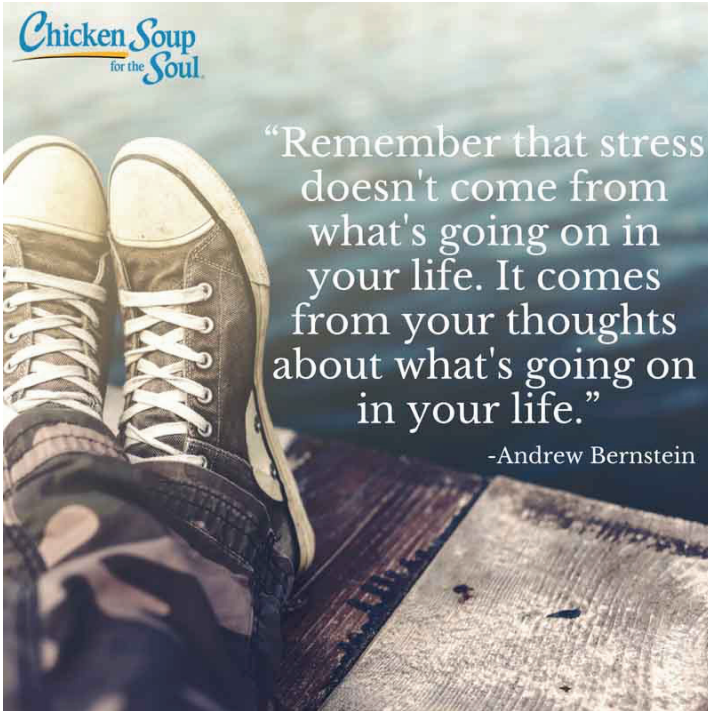


Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 1 of 41



- 1- Chicken Soup for the Soul
- 1- Treeline Tree Service Ad
- 1- Recycling Trailer
- 1- Dairy Queen Help Wanted
- 2- Know the Feeding Value of Ditch Hay
- 2- Vold Consignment Auction Ad
- 3- Death Notice: Jean Hanson
- 3- U.S. Highway 81 Set to Open to Full Traffic South of Watertown
- 3- Groton Care School Supply Drive
- 4- Russian woman and South Dakotan connected by mysterious business
- 7- Today in Weather History
- 8- Today's Forecast
- 9- Yesterday's Weather
- 9- National Weather map
- 9- Today's Weather Almanac
- 10- Daily Devotional
- 11- 2018 Groton Community Events
- 12- News from the Associated Press

Open: Recycling Trailer in Groton
The recycling trailer is located at 10 East Railroad Ave. It takes cardboard, papers and aluminum cans.

An advertisement for Sperry Stump Removal featuring a yellow starburst graphic. Text includes: "Sperry Stump Removal", "Over 30 Years of Combined Experience!", "Tyler: 605/216-8431", "TJ: 605/380-7915", and "TreeLine Tree Service". Small images show a stump being removed and a worker in a white protective suit.



Help Wanted
Dairy Queen in Groton has openings for part-time team members – day hours during the school year and can be year round, if desired. Flexible scheduling. Stop in to apply. 11 East Hwy 12, Groton, SD.

Know the Feeding Value of Ditch Hay

BROOKINGS, S.D. - Using ditch hay to feed cattle is a common practice across the U.S. It provides livestock producers with a source of readily available forage which can be very useful particularly during feed shortages.

"Under ideal conditions, it would be advisable to analyze the bales at least for crude protein and total digestible nutrients (TDN) and balance diets accordingly," said Alvaro Garcia, SDSU Extension agriculture and natural resources program director & professor.

However, he added there is quite a large variability in nutrient content and using average nutrient composition values can oftentimes result in unbalanced diets and reduced cattle performance.

The reason for this variability however doesn't seem to be as much the plant species composition, but rather the time of harvest. During 2015, NDSU Extension analyzed 182 samples of harvested ditch hay from across the state. The results showed that most of the ditch hay consisted of cool-season grasses, predominantly smooth brome grass.

There were differences in nutrient composition that were attributed mostly to variability in the stage of maturity at cutting.

"The best compromise between tonnage and quality seems to be when ditch hay is harvested precisely during early July," Garcia said.

Safety first

When determining whether to harvest ditch hay, it is very important to thoroughly inspect the area to make sure that the ditch is tractor-safe, and will not result in a dangerous rollover. Also, review the area for litter that may have accumulated such as glass bottles, aluminum cans, plastic, etc.

It is important to know whether the roadsides have been sprayed for weeds.

"Some herbicides are not cleared to be used on forage that is to be fed to livestock," Garcia explained. "And, some broadleaf herbicides sprayed on ditch hay fed to cattle are eliminated intact in the manure. Which could mean that if manure from animals fed ditch hay sprayed with these herbicides is applied to the fields, there is a good chance the herbicide will hurt yields or even the whole subsequent broadleaf crop."

Current suggestions are to skip at least two growing seasons before planting broadleaf crops to acreage that was fertilized with manure from these animals.

There have not been health issues reported in cattle fed hay treated with herbicide.

For questions on adding ditch hay to a feed ration, contact SDSU Extension staff. A complete directory can be found at iGrow.org under the Field Staff icon.

CONSIGNMENT AUCTION

Sat. Aug. 18, 2018 10:00 am

Location: Trucks-N-Tractors, 14069 434th Ave., Webster, SD 57274

Now taking Consignments - Watch Website & Next Week's Forum for Sale Bill. Tractors, Combines/Heads, Payloaders/Skidsteers, Semis/Trailers, Vehicles/ATVs, Planting/Haying/Spraying/Augers, Construction Equipment, Fencing.

To consign your equipment, call our office at 605-448-0048 or Bill Jensen 605-848-0943

Don Wolter 605-881-6789

VOLD AUCTIONEERS & REALTY

voldrealty.com voldauctions@ag4bid.com

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 3 of 41

Death Notice: Jean Hanson

Jean Hanson, 85, of Aberdeen passed away Sunday, August 5, 2018 at Sanford Medical Center in Fargo after injuries sustained in an automobile accident. Services are pending with Paetznick-Garness Funeral Chapel, Groton.

U.S. Highway 81 Set to Open to Full Traffic South of Watertown

WATERTOWN, S.D. – The South Dakota Department of Transportation says the contractor will be finishing phase II work at the Highway 81 and 20th Avenue south intersection and be fully open to traffic by Thursday, Aug. 9.

Motorists are asked to watch for construction traffic as remaining clean-up work, removal of the traffic diversions and erosion control will be completed next week. The remaining work will be done under traffic and will be outside the roadway.

U.S. Highway 81 has been reconstructed at the intersection of 20th Avenue South and included grading of a single lane roundabout, concrete surfacing, asphalt surface treatment, permanent signing, permanent striping and roadway lighting.

BX Civil and Construction, Inc. is the prime contractor on this \$1.88 million project.

For complete road construction information, visit www.safetravelusa.com/sd or dial 511.

**SCHOOL
SUPPLIES DRIVE**



**GROTON CARE AND REHABILITATION CENTER
HAS BACK TO SCHOOL SPIRIT! STARTING
AUGUST 1ST THRU AUGUST 20TH WE WILL BE
COLLECTING SCHOOL SUPPLIES AT THE
FACILITY TO GIVE TO THE GROTON AREA
SCHOOL DISTRICT.**



Russian woman and South Dakotan connected by mysterious business

By: Bart Pfankuch, South Dakota News Watch

For reasons known only to him, embattled political operative Paul Erickson started a new business in South Dakota in June.

By spending just \$150 and filling out some online paperwork, Erickson formed Medora Consulting LLC, a company with no stated purpose or partners.

The LLC, or limited liability company, was not Erickson's first foray into starting companies through the LLC process, and certainly not the most explosive.

Erickson, 56, started Medora LLC just one month before his romantic and political relationship with indicted Russian woman Maria Butina became international news. Last week Butina, 29, was arrested and charged with being a foreign agent who conspired against the United States. The arrest has shone a light on Erickson, his connections to Butina and his role as a highly influential political operative.

Erickson contractually bound himself to Butina on February 9, 2016, when he filed paperwork to create a South Dakota company called Bridges LLC with only he and Butina as principals in the business. State records do not say what the business was to be used for, other than a vague reference to consulting, and note it would be operated from Erickson's apartment on Oxbow Avenue in Sioux Falls.

Bridges LLC is registered in South Dakota as a limited liability company, a form of corporate organization that allows a business person or group to legally create a company with little paperwork, scant information disclosure and at low cost in order to limit their financial liability in the case of a lawsuit. LLCs are legal in all states and are an increasingly popular way to establish a business cheaply and at breakneck pace, sometimes in less than a day with just a computer and a credit card.

But LLCs have become a common component of criminal conspiracies, providing a way to hold or move money while keeping the names and motives of those involved away from public scrutiny. Experts say LLCs have been used to hide finances, intentions and identities in cases involving money laundering, sex trafficking, illegal campaign finance operations, improper foreign investment and securities fraud.

Erickson, a South Dakota resident who is a longtime conservative political operative, is embroiled in an international scandal due to his relationship with Butina. Press accounts show that Erickson led Butina on several speaking engagements in South Dakota over the past few years to push her pro-gun agenda, which authorities now say was likely a cover for her covert activities.

Erickson is widely believed to be "U.S. Person 1," who is referenced numerous times in federal charging papers as having an intimate relationship with Butina.

The Washington Post reported that just prior to her indictment, Butina and "U.S. Person 1" had ended their lease in Washington, D.C., packed up boxes and rented a truck to head back to South Dakota.

Erickson has not been charged with a crime and did not return a message left on his voicemail seeking comment for this article.

The LLC that Erickson created with Butina became delinquent with the state in March. However, on June 15 of this year, Erickson created Medora Consulting LLC. He is also the registered agent of Investing with Dignity LLC, created in 2010.

Because LLC statutes in South Dakota do not require the registered agent to state a purpose for the business, no one knows why Medora Consulting or Investing with Dignity were formed, what purpose they served or who outside of Erickson may be involved.

Erickson told the McClatchy news service in 2017 that Bridges LLC was formed to receive money to help put Butina through college at American University in Washington. Butina is not listed on the filings for the other two LLCs registered by Erickson.

To date, authorities have not said if they believe Bridges LLC was involved in any illegal activity. Erickson and Butina are signatories on the initial filings for Bridges LLC and both submitted electronic signatures in the 2017 annual report for the LLC.

By state statute, LLC records are not required to contain information beyond the name of the LLC, the name of the registered agent, its form of management and the address from which it will operate. The public and government officials in South Dakota have no easy way of knowing who else is a partner in the company, what it does, how it operates, if money was received or disbursed, or if a company is being

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 5 of 41

used for illegal purposes.

When Erickson signed and submitted documents to form Bridges LLC and included Butina as the "organizer," the person who conceived of the LLC, he bound himself legally to a woman now charged in federal court with attempting to infiltrate and manipulate some of the nation's highest officials and organizations.

Butina is now held without bail in a Washington, D.C. jail; she is considered a flight risk due to her strong connections to powerful people in her home country.

"You don't know who really owns it. There could be third parties that are not named in order to shield the real owners, the ultimate beneficial owner." Ross Delston, financial services sector attorney

LLCs popular in South Dakota

Secretary of State Shantel Krebs said that in fiscal year 2017 — the period from July 1, 2016 to June 30, 2017 — there were 34,683 LLCs registered in the state. Of those, 29,020 were domestic LLCs, meaning they are operated by people within South Dakota. That year, the state had 5,663 foreign LLCs, meaning they are operated by an out-of-state person or group (foreign does not indicate international ownership, Krebs pointed out.)

In fiscal year 2018 — the time frame of June 30, 2017 to July 1, 2018 — South Dakota had 44,023 LLCs registered, an increase of 27 percent over the previous fiscal year. Of the LLCs on file in fiscal 2018, 37,122 were domestic and 6,901 were foreign, Krebs said.

The filing numbers can be skewed a bit because some LLC operators allow their companies to go delinquent for a time and some will reestablish an LLC that has gone delinquent, Krebs noted. In fiscal 2017, there were 5,106 new domestic filings and 752 new foreign filings. In fiscal 2018, she said, there were 6,015 new domestic filings and 874 new foreign filings.

According to the state, LLCs combine the favorable tax treatment of a partnership with the limited liability protections of a corporation. LLCs also allow for highly flexible internal management structures and do not require creation of a formal board of directors. The operator of an LLC must keep the company's finances completely separate from their personal finances. Lawsuits can be filed against the LLC itself without affecting the finances of the members of the LLC.

Common examples of LLCs are those formed by real estate managers, farmers, and a wide range of small businesses ranging from furniture repair and self-storage to restaurants and home service providers.

It costs \$150 in state fees to start a domestic LLC and \$750 to create a foreign LLC, according to state statute. The registered agent is required to file an annual report on each LLC and pay a \$50 renewal fee. The annual report contains no financial information and simply affirms the name and address of the registered agent.

LLC paperwork can be filed by mail or via an online system designed to make filing faster and easier, Krebs said. In addition to the registered agent, an LLC can include an infinite number of members who are part of the company though there is no requirement that any members be listed in the paperwork, Krebs said.

That ability to hide the motive and membership of an LLC from public view are elements that make LLCs ripe for abuse by people with illegal intent, according to Ross Delston, a Washington, D.C. attorney with 40 years of experience in the financial services sector.

"You don't know who really owns it," Delston said. "There could be third parties that are not named in order to shield the real owners, the ultimate beneficial owner."

Delston is frequently called upon as an expert witness in civil cases involving financial impropriety including money laundering and fraud. In such cases, Delston said it is not uncommon for an LLC to be set up by foreign interests or by lawyers who serve as registered agents for people who want to hide their identity. LLCs are a common part of many criminal conspiracies, Delston said.

"They're ubiquitous," he said. "LLCs are often used in cases involving allegations or convictions of money laundering. They're used to buy real estate, they're used to hold assets, they're used to avoid paying taxes inside and outside the country."

Delston said an LLC owner who was trying to hide financial transactions or the identity of partners would be wise to set up an LLC in their home state in order to gain the trust of banks that might receive deposits on behalf of the LLC. Banks are leery of unknown or untrusted depositors or recipients of money,

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 6 of 41

Delston said.

"Banks want to know the purpose of an account, how it would be used and what is the expected transaction activity," he said. "Banks are required to conduct customer due diligence and have a baseline of what to expect so if in the future they see suspicious activity they know to report it."

An LLC owner with something to hide could also benefit from having an LLC with paperwork that includes a generic intention of how it is being used.

"The goal of someone trying to hide something is to be boring," he said. "If you're a local businessperson, what better way to be boring than to have a locally based corporation? And consulting can mean anything."

All of the LLCs registered by Erickson have used his apartment in a complex in the 4900 block of Oxbow Avenue in Sioux Falls as the operating address.

The initial filing for Bridges LLC indicate that a \$200 filing fee – which included a \$50 additional fee for expedited processing — was paid in February 2016 by Sioux Falls attorney Eric Kerkvliet of the firm Lynn, Jackson, Shultz & Lebrun. Reached by phone last week, Kerkvliet refused to comment on his role in setting up the LLC and then hung up. Krebs said it is not uncommon for a lawyer or other entity to remit payment for LLC fees.

Delaware cases lead to scrutiny

Scrutiny of LLCs rose in 2017 and again this year after two major criminal cases exposed the use of LLCs in potential wrongdoing.

The first high-profile case centered on the indictments of President Donald Trump's former campaign officials Paul Manafort and Rick Gates, who authorities say used LLCs and other corporate constructions to avoid U.S. tax liabilities on tens of millions of dollars in payments for lobbying and consulting from the government of the Ukraine. Both men have pleaded not guilty.

Several of the accounts that received payments were LLCs registered in Delaware, according to court filings.

South Dakota may have seen a recent rise in LLC filings, but the state is far behind Delaware when it comes to their use.

Delaware, population about 960,000, is home to roughly 870,000 registered LLCs, some of which have been proven to hide financial impropriety and illegal acts, said Nick Wasileski, a financial watchdog who heads the Delaware Coalition for Open Government.

Wasileski said investigative work by himself, newspapers and authorities has uncovered money laundering, securities fraud, drug smuggling and child sex trafficking operations tied to Delaware LLCs. According to reports in The News Journal in Dover, past cases featuring Delaware LLCs have involved high-profile crimes and suspects such as a Chilean airline that bribed union bosses, Russian arms dealer Viktor Bout, Mexican drug lord Joaquin "El Chapo" Guzman and former lobbyist Jack Abramoff.

The other bellwether case in Delaware involved an LLC used by operators of the website Backpage, a classified advertising service featuring sexual content and offerings that was seized and shut down by federal authorities in April. Company officials face charges and some have pleaded guilty to federal charges.

"There seems to be a pattern that attracts bad actors to use LLCs," Wasileski said. "It's the secrecy and non-disclosure of information that makes it rampant for wrongdoing."

The Backpage case has led to increased calls for reform and more reporting requirements for LLCs in the state, Delaware House member John Kowalko said.

Kowalko, a Democrat who is a former official for a machinist union, has tried for years to initiate reforms in Delaware, but his bills have never made it out of committee. The opposition arises due to the high level of funding that Delaware receives from LLC filings, Kowalko said. The News Journal reported in 2017 that a quarter of Delaware's annual state revenues come from filing fees paid by corporations.

Last year, Kowalko tried to block formation of LLCs by people who were on federal government terrorism watch lists, and that measure was also quickly defeated.

Now, Kowalko is hopeful the new cases involved LLCs will give him fodder to pass reforms. "Without the proper safeguards, we are really threatening the security of the United States and the security of the corporate structure of the United States if we don't ferret out the money-launderers and wrongdoers," he said.

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 7 of 41

Today in Weather History

August 8, 2010: Thunderstorms produced damaging winds and flash flooding from heavy rain along and near the Missouri River in southeast South Dakota during the late afternoon. Bon Homme and Yankton Counties were among the hardest hit areas. Avon in Bon Homme County, thunderstorm winds caused widespread damage to trees and power lines. The tree damage included large trees uprooted or blown down, and falling trees destroyed at least two houses. The damage to power lines caused a power outage over the town which lasted about 5 hours. The winds also destroyed a large shed and damaged a camper parked in the shed. In Tyndall, thunderstorm winds of 70 mph caused tree damage, including large trees blown down. The winds also blew down power lines, damaged several small sheds, and tore shingles off roofs. Thunderstorm winds also ripped through Yankton County. Near Napa, winds overturned several campers and caused widespread tree damage, including large trees blown down at a Lewis and Clark Lake campground.

1874: Swarms of Rocky Mountain locust invaded Denver, Colorado. Millions were seen cruising through the air. The insects were apparently picked up by a thunderstorm gust front and carried into the city. The grasshoppers ravaged crops in surrounding counties for the last month.

1878 - The temperature at Denver, CO, soars to an all-time record high of 105 degrees. (The Weather Channel)

1881 - A cloudburst and flash flood occurred at Central Springs, CO, and Idaho Springs, CO. (David Ludlum)

1882 - An August snowstorm was reported by a ship on Lake Michigan. A thick cloud reportedly burst on the decks covering them with snow and slush six inches deep. Snow showers were observed at shore points that day. (David Ludlum) (The Weather Channel)

1983 - The temperature at Big Horn Basin, WY, reached 115 degrees to establish a state record. (The Weather Channel)

1987 - Thunderstorm rains in eastern Nebraska sent the Wahoo River and Ithica River above flood stage. Thunderstorm rains in western Iowa sent the Nishnabotna River over flood stage. Up to seven inches of rain deluged the Council Bluffs area Friday evening and Saturday morning. Thunderstorms produced 4.4 inches of rain in three hours Friday evening, along with golf ball size hail. (The National Weather Summary) (Storm Data)

1988 - Thunderstorms developing along a slow moving cold front produced severe weather from central Kansas to southern Wisconsin late in the day. Thunderstorms in Iowa produced hail three inches in diameter at Vinton, and produced wind gusts to 75 mph at Donohue and near Mount Pleasant. (The National Weather Summary) (Storm Data)

1989 - A total of ninety-nine cities in the central and eastern U.S. reported record low temperatures for the date, including Alpena MI with a reading of 40 degrees. Mount Mitchell NC was the cold spot in the nation with a morning low of 35 degrees. Early evening thunderstorms around Las Vegas NV produced wind gusts to 116 mph. The high winds damaged or destroyed about eighty- two aircraft at Henderson Sky Harbor Airport and McCarran International Airport, causing fourteen million dollars damage. (Storm Data) (The National Weather Summary)

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 8 of 41

Today



Hot

High: 95 °F

Tonight



Mostly Clear

Low: 59 °F

Thursday



Hot

High: 92 °F

Thursday
Night



Mostly Clear

Low: 59 °F

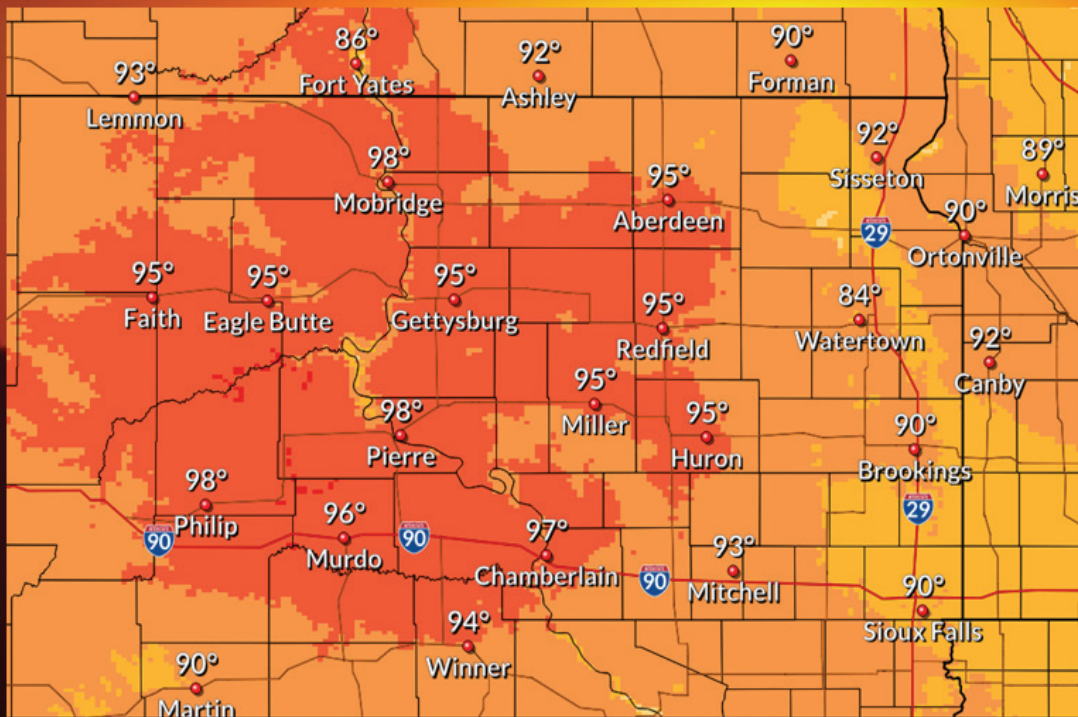
Friday



Hot

High: 95 °F

Hot & Dry Today



Similar Conditions Next Few Days



weather.gov/Aberdeen



National Weather Service Aberdeen



@NWSAberdeen

Updated: 8/8/2018 5:06 AM Central

Hot and dry conditions will continue today (and for the next several days) with partly cloudy skies and a light west breeze. Temperatures will dip back down into the low 60s tonight at least.

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 9 of 41

Yesterday's Weather

High Outside Temp: 87.6 F at 3:42 PM

Heat Index:

Low Outside Temp: 58.3 F at 6:42 AM

High Gust: 16.0 Mph at 6:34 PM

Precip: 0.00

Today's Info

Record High: 108° in 1936

Record Low: 42° in 1939

Average High: 83°F

Average Low: 58°F

Average Precip in Aug: 0.55

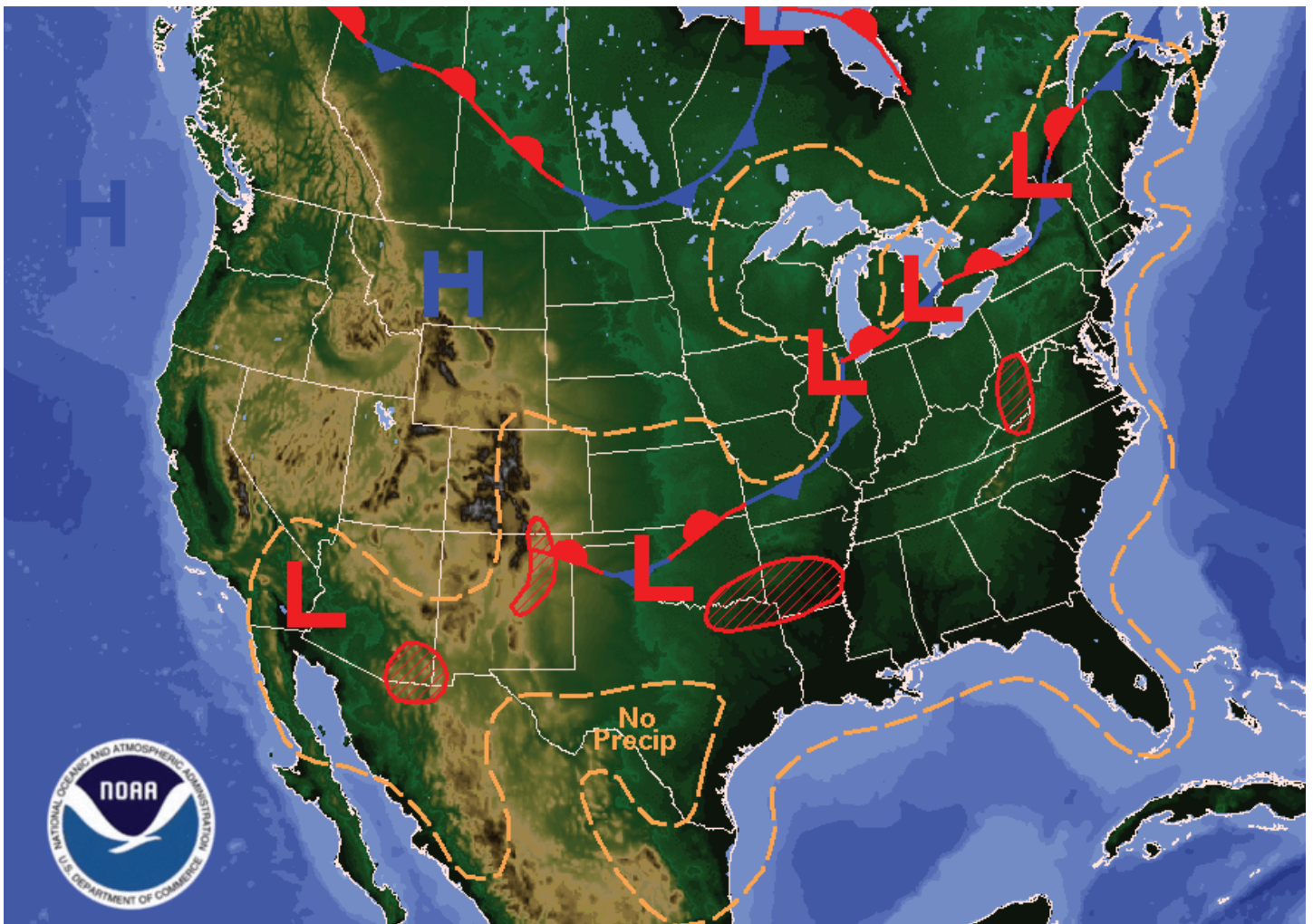
Precip to date in Aug: 0.25

Average Precip to date: 14.41

Precip Year to Date: 10.14

Sunset Tonight: 8:52 p.m.

Sunrise Tomorrow: 6:27 a.m.



Day 1 National Forecast Chart

Valid Wed, Aug 08, 2018, issued 5:11 AM EDT
DOC/NOAA/NWS/NCEP/Weather Prediction Center
Prepared by McReynolds with WPC/SPC/NHC forecasts

Rain	Flash Flooding Possible (hatched)
Rain and T'Storms	Severe T'Storms Possible (hatched)
Rain and Snow	Freezing Rain Possible (hatched)
Snow	Heavy Snow Possible (hatched)

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 10 of 41



TIME TO GET GOING

We've all heard phrases like, Wow, that company is going places, or That person is going to the top of the ladder, or I wonder where they are going. Everyone seems to be going someplace to do something. But, what matters most is where they are going and what they are going to do when they get there.

Christians have responded to Christ's come and when we have, we are commanded to go! with the specific responsibility to make disciples.

The Psalmist was very direct when he addressed this come and then go. He described it in these terms: Those who go out weeping, carrying seed to sow, will return with songs of joy, carrying sheaves with them.

When we go we are to sow. God gave us the seed which is His Word for a purpose: We are not to store it in sacks in a warehouse, but to plant it in the hearts of those who are still seeking Him. Our hearts may become heavy, and tears may fill our eyes. But, there is the assurance that our tears will be changed into songs of joy because His Word is true and will not return to Him void or without results. We are to sow the seed He gives us and allow Him the honor of the harvest - whatever that may be. Because it is His seed, we may never understand or know what the harvest will be. Though the work may be difficult and the results uncertain, the Lord is with us, and wherever He leads us, will bless what we do for Him.

The assurance of God's blessing is a word of encouragement He offers us to be sowers of His seed. We are not to sit idly by and wait for the results. We are to go and sow and pray and leave the harvest to Him. And, there will be a harvest if we are faithful sowers. He promises that we will return from the field singing songs of joy bringing His sheaves with us.

Prayer: Help us, Father, to follow Your command - Your orders - to be faithful sowers of the seed and trust You for the results. In Jesus Name, Amen.

Scripture for Today: Psalm 126:6 Those who go out weeping, carrying seed to sow, will return with songs of joy, carrying sheaves with them.

2018 Groton SD Community Events

- Groton Lion's Club Bingo- Wednesday Nights 6:30pm at the Groton Legion (Year Round)
- 11/18/2017-3/31/2018 Groton Lion's Club Wheel of Meat- Saturday Nights 7pm at the Groton Legion (Fall/Winter Months)
- 1/27/2019 Carnival of Silver Skates 2pm & 6:30pm
- 4/13/2019 Easter Egg Hunt (Saturday a week before Easter Weekend)
- 5/4/2019 Spring City-Wide Rummage Sales (1st Saturday in May)
- 5/27/2019 Groton American Legion Post #39 Memorial Day Program at the Cemetery, Lunch to follow at the American Legion (Memorial Day)
- 6/14/2018 Transit Fundraiser (Middle Thursday in June)
- 6/15/2018 SDSU Golf at Olive Grove
- 6/16/2018 Triathlon (Saturday before Father's Day)
- 7/4/2018 Firecracker Golf Tourney (4th of July)
- 7/22/2018 Summer Fest (4th Sunday in July)
- 9/8/2018 Fall City-Wide Rummage Sales (1st Saturday after Labor Day)
- 10/6/2018 Pumpkin Fest (Saturday before Columbus Day)
- 10/12/2018 Band Festival (2nd Friday in October)
- 10/31/2018 Trunk or Treat (Halloween)
- 11/10/2018 Groton American Legion Post #39 Turkey Shoot (Saturday closest to Veteran's Day)
- 12/01/2018 Olive Grove Golf Course 2018 Holiday Party

- Best Ball Golf Tourney
- SDSU Golf Tourney
- Sunflower Golf Tourney
- Santa Claus Day
- Fireman's Stag
- Tour of Homes
- Crazy Dayz/Open Houses
- School Events

News from the Associated Press

SD Lottery

By The Associated Press

PIERRE, S.D. (AP) _ These South Dakota lotteries were drawn Tuesday:

Mega Millions

02-13-15-21-62, Mega Ball: 2, Megaplier: 5

(two, thirteen, fifteen, twenty-one, sixty-two; Mega Ball: two; Megaplier: five)

Estimated jackpot: \$55 million

Powerball

Estimated jackpot: \$223 million

Showman faces second lawsuit from South Dakota rally stunt

STURGIS, S.D. (AP) — The grand marshal of this year's Sturgis Motorcycle Rally is facing another lawsuit stemming from a 2016 incident in which a motorcycle stunt went wrong.

Showman Roland Sands allegedly drove a motorcycle off a Kid Rock concert stage and into the crowd during the 2016 Sturgis Motorcycle Rally in South Dakota, according to a lawsuit filed last year and a second filed last week.

Kathleen Hanline-Lewis of Las Vegas sued Sands on Friday, the same day he began serving as grand marshal for this year's rally that runs through Aug. 12. Hanline-Lewis alleges that she was seriously injured Aug. 7, 2016, when the motorcycle landed directly on her, the Rapid City Journal reported. Sands was performing the stunt during a break between concerts at the Buffalo Chip Campground.

The announcer in a bystander's video of the demonstration tells the audience after calling Sands onto the stage that, "This bike has no front brake."

Hanline-Lewis is also suing the campground and the motorcycle's manufacturer, Polaris Industries, which was doing business as Indian Motorcycle Co. She seeks unspecified money damages. Court documents don't offer details about Hanline-Lewis' injuries.

Sands' attorney, Heather Bogard, declined to comment to The Associated Press, citing pending litigation.

Royce Rath of Alaska also sued Sands last year, alleging the motorcycle hit him after flying off the stage. Rath claims he suffered severe physical and mental anguish and permanent disability. Rath also sued the campground and Indian Motorcycles.

But a federal judge dismissed the campground and the manufacturer as defendants in June after Sands filed a sworn statement saying the "motorcycle was modified by someone other than a representative, employee or agent of Polaris."

His lawsuit against Sands is pending.

Information from: Rapid City Journal, <http://www.rapidcityjournal.com>

Mother accused of child abuse after infant's death

SIOUX FALLS, S.D. (AP) — A South Dakota woman accused of child abuse after her 4-month-old daughter was found dead has been given a \$25,000 cash-only bond.

The Argus Leader reports that 22-year-old Angelia Mikeayla-Gabriel Berg, of Sioux Falls, is facing charges of abuse or cruelty to a minor and causing a child to be present where meth is used. Authorities say Berg and her boyfriend were taken into custody after Berg allegedly admitted to drinking tequila all night and meth was discovered on her boyfriend.

Judge Sara Pokela on Monday set bond under the conditions that Berg abstain from alcohol and not have contact with anyone under the age of 18.

An autopsy didn't determine the cause of the infant's death. Police spokesman Sam Clemens says officials are waiting on additional tests.

Information from: Argus Leader, <http://www.argusleader.com>

SD governor calls special session over online sales tax law

PIERRE, S.D. (AP) — Gov. Dennis Daugaard is calling a special legislative session to speed up implementation of a U.S. Supreme Court ruling allowing states to force online shoppers to pay sales tax, the governor's office said Tuesday.

The special session will be Sept. 12 at the state Capitol. The move comes after the June high court ruling in South Dakota's favor that opened the door for consumers to see sales tax on more online purchases from out-of-state companies.

"South Dakota led the fight for tax fairness, which culminated with our historic win before the U.S. Supreme Court in June," Daugaard said in the Tuesday statement. "Thanks to that victory, other states are implementing tax changes as soon as Oct. 1, and I will be proposing legislation to allow South Dakota to join them."

The state Department of Revenue is preparing draft legislation in consultation with the Attorney General's office that will be available for review before the special session.

Daugaard said prior to announcing the special session that one topic for lawmakers to consider would be removing a barrier to enforcing South Dakota's requirement that many out-of-state internet retailers collect sales taxes. South Dakota currently can't collect because of an injunction in place under state law until state-level legal proceedings end.

Daugaard has said he would seek to give the courts flexibility to remove the injunction. Another topic of the special session will be creating a license for websites such as eBay that provide marketplaces for other merchants to collect sales taxes for the retailers that use their platforms.

But the governor has said the special session won't address a provision in state law that requires a 2016 sales tax hike for teacher pay be scaled back if the state is able to collect tax on the online purchases.

Golf legends Nicklaus, North to tee it up in Sioux Falls

SIOUX FALLS, S.D. (AP) — Golf legends Jack Nicklaus and Andy North will be teeing it up in Sioux Falls next month.

Nicklaus, North and two others who have yet to be named are scheduled to take part in a nine-hole exhibition match on Saturday, Sept. 22.

Nicklaus won a record 18 majors. North won two U.S. Opens.

The EMC Legends Series event is linked to the Sanford International, the PGA Champions Tour event in Sioux Falls that weekend. The tournament at the Minnehaha Country Club has a \$1.8 million purse.

Excessive lawsuit filed against Sioux Falls police

SIOUX FALLS, S.D. (AP) — A woman has filed a lawsuit claiming Sioux Falls police used excessive force when they arrested her, causing an arm fracture and a separated shoulder.

Police were investigating a hang-up 911 call on Nichole Boggs' block in August 2016. The lawsuit claims officers entered her apartment without a warrant to investigate and arrested her for obstruction and resisting. At one point during the arrest one officer fell to the ground and Boggs was taken down by another officer, causing her injuries.

The Argus Leader says Boggs was later acquitted of the charges against her. Boggs claims her civil rights were violated by the officers' use of force as well as her right to be "safe and secure in her home."

An attorney for Sioux Falls police was not immediately available.

Information from: Argus Leader, <http://www.argusleader.com>

Defending FCS champ NDSU atop STATS preseason media poll

FARGO, N.D. (AP) — Defending national champion North Dakota State is atop the STATS Football Championship Subdivision preseason media poll.

The Bison received 151 of the 157 first-place votes.

James Madison is No. 2. NDSU beat the Dukes in last year's FCS title game.

The rest of the top five is South Dakota State, Sam Houston State and Kennesaw State.

Traffic up from last year at Sturgis Motorcycle Rally

STURGIS, S.D. (AP) — Traffic is up at this year's Sturgis Motorcycle Rally.

The annual event in South Dakota's Black Hills draws hundreds of thousands of people from around the world. This year's rally began its 10-day run Friday.

The state Transportation Department says that during the first three days of the rally, traffic was up 3 percent from last year. The traffic count on Saturday was up 11 percent.

Cross-examination focuses on Manafort protege's own crimes

By ERIC TUCKER, MATTHEW BARAKAT and CHAD DAY, Associated Press

ALEXANDRIA, Va. (AP) — The questioning of Paul Manafort's protege was predictably confrontational and personal: about his own crimes, about an extramarital affair and about a guilty plea with prosecutors that may spare him severe punishment.

Rick Gates, who faced a bruising cross-examination, returns to the witness stand Wednesday for additional questioning from a Manafort lawyer who accused the government's star witness of being immersed in "so many lies" that he can't even remember them all and who demanded to know how a jury could possibly trust him.

Lawyers for Manafort, the former Trump campaign chairman, are determined to impugn the credibility of Gates. Defense attorney Kevin Downing began his cross-examination of Gates, Manafort's longtime deputy and fellow Trump campaign aide, by confronting him on his own lies to special counsel Robert Mueller's investigators, getting him to admit to an affair and pressing him about hundreds of thousands of dollars he admitted to embezzling from his former boss.

The aggressive questioning was aimed at shifting blame from Manafort onto Gates, who pleaded guilty in Mueller's investigation and agreed to cooperate with investigators by testifying in the financial fraud trial.

"After all the lies you've told and the fraud you've committed, you expect this jury to believe you?" Downing asked incredulously.

Gates said he did, but the defense lawyer wasn't satisfied. He scoffed at the idea that Gates had repented for his actions, noting that prosecutors have said they won't oppose his bid for probation and getting him to acknowledge he had not repaid the money he had taken from Manafort.

After Gates described his theft as "unauthorized transactions" instead of embezzlement, Downing pressed him to use the latter term — and Gates ultimately relented, saying, "It was embezzlement from Mr. Manafort."

Prosecutors had braced for the tough questioning by getting Gates to come clean about his own crimes. He told jurors how he disguised millions of dollars in foreign income as loans in order to lower Manafort's tax bill. Gates recounted how he and Manafort used more than a dozen offshore shell companies and bank accounts in Cyprus to funnel the money, all while concealing the accounts and the income from the IRS.

But the grilling got more intense, and personal, Tuesday afternoon when Downing pressed Gates about a "secret life" he said was funded by embezzlement, including an extramarital affair that Gates himself

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 15 of 41

acknowledged. Gates also said he may have submitted personal expenses for reimbursement by Trump's inaugural committee, which he helped operate.

After Gates struggled to recall precisely what he had told Mueller's team, Downing asked if he had been confronted with "so many lies" that he can't keep his story straight.

Gates implicated himself in broad criminal conduct on the stand, an apparent strategic decision by prosecutors to take some of the steam out of defense questioning. He told jurors he embezzled from Manafort by filing false expense reports. He also said he committed credit card and mortgage fraud, falsified a letter for a colleague involved in an investment deal and made false statements in a deposition at Manafort's direction.

Prosecutors summoned Gates to give jurors the first-hand account of a co-conspirator they say helped Manafort carry out an elaborate offshore tax-evasion and bank fraud scheme. Gates testified that he and Manafort knew they were committing crimes for years, saying they had stashed money in foreign bank accounts and falsified bank loan documents.

"In Cyprus, they were documented as loans. In reality, it was basically money moving between accounts," Gates said.

Manafort and Gates were the first two people indicted in Mueller's investigation into potential ties between Russia and the Trump campaign. Gates pleaded guilty months later and agreed to cooperate in Mueller's investigation of Manafort, the only American charged by the special counsel to opt for trial instead of a guilty plea.

The case has little to do with either man's work for the Trump campaign and there's been no discussion during the trial about whether the Trump election effort coordinated with Russia — the central question Mueller's team has tried to answer. But Trump has shown interest in the proceedings, tweeting support for Manafort.

On Tuesday, Gates did connect one part of the bank fraud charges against Manafort to his role in the Trump campaign.

He said Manafort asked for tickets to Trump's inauguration so he could give them to a banker involved in approving a loan at the center of his financial fraud trial. Gates also said Manafort floated banker Stephen Calk's name for consideration as Secretary of the Army, a post he ultimately did not get. The email exchange occurred after Manafort left the Trump campaign but while Gates was active on the Trump inauguration committee.

Gates described to jurors how he repeatedly submitted fake financial documents at Manafort's behest as his former boss became concerned he was paying too much in taxes and, later, that his funds were drying up.

"WTF," Manafort wrote to Gates in one email shown to the jury. "How could I be blindsided like this. You told me you were on top of this. We need to discuss options. This is a disaster."

In other testimony, Gates recounted how he converted a PDF of a profit-and-loss statement to a Microsoft Word document so he could doctor it to inflate the business' income. Gates also fabricated a forgiveness letter for what he said was already a fake loan between Manafort's consulting company and a Cypriot entity he controlled.

Prosecutor Greg Andres pointed out he had created a "loan forgiveness letter between Mr. Manafort and Mr. Manafort."

"Yes," Gates agreed.

During the testimony, Manafort did not stare Gates down as he did Monday. When the trial broke for lunch, Manafort looked back at his wife, sitting in the front row, smiled and winked at her, followed by a quick shake of his head, seeming to indicate he was unfazed by the morning's testimony.

Associated Press writer Stephen Braun contributed to this report.

This story deletes a misquoted "not happy" from a Manafort email.

Ohio and Kansas races too close to call; Trump's picks lead

By **STEVE PEOPLES** and **JULIE CARR SMYTH**, Associated Press

WESTERVILLE, Ohio (AP) — Two high-stakes elections that tested President Donald Trump's clout and cost both parties millions of dollars were too close to call early Wednesday. Trump claimed victory in one nevertheless.

In battleground Ohio, the president took credit for Republican Troy Balderson's performance, calling it "a great victory," even though the contest could be headed to a recount. Democrats could also celebrate their showing in a district that has gone Republican for decades.

"We're not stopping now," Democrat Danny O'Connor told cheering supporters. He'll reprise his campaign against Balderson from now through November's general election.

In deep-red Kansas' Republican gubernatorial primary, the candidate Trump backed on the eve of the election, Secretary of State Kris Kobach, was neck and neck with current Republican Gov. Jeff Colyer.

The day's races in five states, like many before them, tested the persistence of Trump's fiery supporters and the momentum of the Democratic Party's anti-Trump resistance.

The results were helping determine the political landscape — and Trump's standing within his own party — as the GOP defends its House and Senate majorities this fall.

In Kansas, Republicans were fighting among themselves in an unusual battle for governor in which the president sided with the incumbent's challenger.

Should the polarizing Kobach win the primary, some Republican operatives fear he could lose the governorship to Democrats this fall. The race could become further disrupted if Kansas City-area businessman Greg Orman makes it onto the November ballot. He submitted petitions Monday with more than 10,000 signatures for what could become the most serious independent run for Kansas governor in decades.

Trump made his preference clear for Kobach.

"He is a fantastic guy who loves his State and our Country - he will be a GREAT Governor and has my full & total Endorsement! Strong on Crime, Border & Military," the president tweeted on the eve of the election.

Republicans were hoping for Democratic discord in Kansas' 3rd Congressional District, a suburban Kansas City district where several candidates were fighting for the chance to take on Republican Rep. Kevin Yoder in November.

The five-way Democratic primary featured labor lawyer Brent Welder, who campaigned recently with self-described democratic socialists Vermont Sen. Bernie Sanders and ascending political star, Alexandria Ocasio-Cortez, a New York congressional candidate.

Also in the race: Native American attorney Sharice Davids and former school teacher Tom Niermann.

In Ohio, the script for the special election was somewhat familiar: An experienced Trump loyalist, Balderson, was fighting a strong challenge from O'Connor, a fresh-faced Democrat, in a congressional district held by the Republican Party for more than three decades. As voters were going to the polls, Trump said Balderson would make a "great congressman."

The winner takes the seat previously held by Pat Tiberi, a nine-term incumbent who resigned to take a job with an Ohio business group.

Balderson and O'Connor will reprise their race in the general election in just three months. There were at least 3,367 provisional ballots left to be reviewed. That's enough for O'Connor to potentially pick up enough to force a recount.

The Associated Press does not declare winners in races subject to an automatic recount.

In a special election season that featured nearly a dozen congressional contests, Democrats claimed just a handful of wins, but they may have cause for optimism this fall. In virtually every special election test dating back to the spring of 2017, Democratic candidates performed significantly better than their party in those same places two years earlier.

Trump won Ohio's 12th Congressional District, for example, by more than 11 points in 2016; on Tuesday night, Balderson and O'Connor were separated by less than 1 point.

There are 79 House races this fall considered more competitive than the Ohio district — at least looking at

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 17 of 41

Trump's 2016 performance — according to data compiled by the Democrats' national campaign committee. Despite the deadlocked race, the specific Ohio returns suggest considerably higher Democratic enthusiasm less than 100 days before the midterms.

O'Connor's total of nearly 100,000 votes far exceeded what the district's former Republican congressman Pat Tiberi's Democratic opponent got in 2014. Balderson's total — just more than 101,500 votes — is barely two-thirds of Tiberi's 2014 mark of about 150,000.

The two will face off again in November to see who holds the seat in 2019 and 2020.

"Over the next three months, I'm going to do everything I can to keep America great again, so that when we come back here in November — get ready, we gotta come back here in November — I have earned your vote for a second time," Balderson told supporters.

It's unclear how much Trump's support helped or hurt Balderson. Described by campaign operatives as a "Whole Foods" district, the largely suburban region features a more affluent and educated voter base than the typical Trump stronghold.

Ohio Gov. John Kasich, a leading voice in the GOP's shrinking anti-Trump wing, once represented the district in Congress.

At times, the race centered on Trump's tax cuts as much as the candidates.

O'Connor and his Democratic allies railed against the tax plan, casting it as a giveaway for the rich that exacerbates federal deficits and threatens Medicare and Social Security. Balderson and his Republican allies have backed away from the tax plan in recent weeks, training their fire instead on top House Democrat Nancy Pelosi.

O'Connor dominated Balderson on the local airwaves. His campaign spent \$2.25 million on advertising compared to Balderson's \$507,000, according to campaign tallies of ad spending. The Republican campaign arm and its allied super PAC were forced to pick up the slack, spending more than \$4 million between them.

In Michigan, former state Rep. Rashida Tlaib is poised to become the first Muslim woman in Congress. She won the Democratic nomination to run unopposed in November.

And in suburban Seattle, three Democrats vied in a jungle primary for the seat held by another retiring Republican, Rep. Dave Reichert.

The field was set in two Senate contests as well.

In Missouri, Democratic Sen. Claire McCaskill claimed her party's nomination, while state Attorney General Josh Hawley will represent the GOP.

And in Michigan, Democratic Sen. Debbie Stabenow will take on military veteran and business executive John James, who won the Republican nomination. He would join Tim Scott of South Carolina as the only black Republican senators if he wins in November.

Hours before polls opened, Trump again weighed in on Twitter, casting James as "a potential Republican star."

Peoples reported from Washington. Associated Press writers John Hanna in Topeka, Kansas, and Angie Wang in Westerville, Ohio, contributed.

Sign up for "Politics in Focus," a weekly newsletter showcasing the AP's best political reporting from around the country leading up to the midterm elections: <https://bit.ly/2ICEr3D>

Battling 18 blazes, California may face worst fire season

LAKEPORT, Calif. (AP) — The largest wildfire ever recorded in California needed just 11 days to blacken an area nearly the size of Los Angeles — and it's only one of many enormous blazes that could make this the worst fire season in state history.

Some 14,000 firefighters from as far away as Florida and even New Zealand are struggling to curb 18 fires in the midst of a sweltering summer that has seen wind-whipped flames carve their way through national forest land and rural areas, threaten urban areas and incinerate neighborhoods.

"For whatever reason, fires are burning much more intensely, much more quickly than they were before,"

said Mark A. Hartwig, president of the California Fire Chiefs Association.

Some of the largest fires have erupted just within the past few weeks as the state has seen record-setting temperatures — and the historically worst months of wildfire season are still to come.

In Northern California, the record-setting Mendocino Complex — twin fires being fought as a single conflagration — gained ground Tuesday but more slowly because its own smoke covered the area and lowered the temperature, according to the California Department of Forestry.

The flames, which had burned 457 square miles (1,184 square kilometers), were raging in mostly remote areas and no deaths or serious injuries were reported but 75 homes were destroyed.

The blaze, which broke out July 27, initially spread fast because of what officials said was a perfect combination of weather, rugged topography and abundant brush and timber turned to tinder by years of drought.

Resources also were thin at first because thousands of firefighters already were battling a fire hundreds of miles north. That fire, which spread into the city of Redding, killed six people and destroyed more than 1,000 homes. The so-called Carr Fire was less than half contained.

California is seeing earlier, longer and more destructive wildfire seasons because of drought, warmer weather attributed to climate change, and the building of homes deeper into the forests.

In becoming the biggest fire in California history, the Mendocino Complex fire broke a record set just eight months ago. A blaze in Southern California in December killed two people, burned 440 square miles (1,140 square kilometers) and destroyed more than 1,000 buildings.

California's firefighting costs have more than tripled from \$242 million in the 2013 fiscal year to \$773 million in the 2018 fiscal year that ended June 30, according to Cal Fire.

"We're in uncharted territory," Gov. Jerry Brown warned last week. "Since civilization emerged 10,000 years ago, we haven't had this kind of heat condition, and it's going to continue getting worse. That's the way it is."

Associated Press writers Don Thompson in Sacramento, California, and Lorin Eleni Gill and Olga Rodriguez in San Francisco also contributed to this report.

Follow AP's wildfire coverage here: <https://apnews.com/tag/Wildfires>

Indonesia quake deaths top 130, aid effort intensifies

By ANDI JATMIKO, Associated Press

BANGSAL, Indonesia (AP) — Aid began reaching isolated areas of the Indonesian island struggling after an earthquake killed at least 131 people as rescuers intensified efforts Wednesday to find those buried in the rubble.

Volunteers and rescue personnel erected more temporary shelters for the tens of thousands left homeless on Lombok by the magnitude 7.0 quake on Sunday evening.

Water, which has been in short supply due to a prolonged dry spell on the island, as well as food and medical supplies were being distributed from trucks. The military said five planes carrying food, medicine, blankets, field tents and water tankers left Jakarta for the island early Wednesday.

Still, government assistance was barely a trickle in the west Lombok village of Kekait where Zulas Triani, an elementary school teacher who was sharing a tent with 30 others, said they had received only a basket with three noodle packets, five eggs and a small ration of water.

"My house was flattened. We are all frustrated to live like this — in a tent without certainty. Where should we go if we have no house anymore, nowhere to live?" said the mother of 15- and 9-year-old girls.

"I don't know how to rebuild on my own. We're all relying on the government to help. I do hope the government can help," she said.

The national disaster agency's spokesman, Sutopo Purwo Nugroho, said 131 people were confirmed dead, up from 105 announced Tuesday.

He said reports of other deaths still needed to be verified, and the toll is expected to increase.

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 19 of 41

Nearly 1,500 people have been hospitalized with serious injuries and more than 156,000 have been displaced due to the extensive damage to thousands of homes. Thousands of people have been sleeping in makeshift shelters or out in the open.

At a collapsed mosque in Bangsal district, emergency workers in orange uniforms removed a woman's body from the ruins on Wednesday morning. A green and yellow dome rested on the pile of rubble, the only part of the structure still intact.

Authorities said all the tourists who wanted to be evacuated from three outlying vacation islands due to power blackouts and damage to hotels had left by boat, some 5,000 people in all.

The quake was the second in a week to hit Lombok. A magnitude 6.4 earthquake on July 29 killed 16 people and cracked and weakened many structures, amplifying the damage that occurred in Sunday's quake.

Like its famous neighbor Bali, Lombok is known for beaches, mountains and a lush interior. Hotels and other buildings in both locations are not allowed to exceed the height of coconut trees.

Indonesia is prone to earthquakes because of its location on the "Ring of Fire," an arc of volcanoes and fault lines in the Pacific Basin. In December 2004, a massive magnitude 9.1 earthquake off Sumatra triggered a tsunami that killed 230,000 people in a dozen countries.

Associated Press writers Niniek Karmini and Todd Pitman contributed from Kekait, Indonesia, and Ali Kotarumalos contributed from Jakarta, Indonesia.

This story has been corrected show number of hospitalized with injuries is nearly 1,500, not nearly 2,500.

Experts: Iran could answer US sanctions with cyberattacks

By DEB RIECHMANN, Associated Press

WASHINGTON (AP) — The U.S. is bracing for cyberattacks Iran could launch in retaliation for the re-imposition of sanctions this week by President Donald Trump, cybersecurity and intelligence experts say.

Concern over that cyber threat has been rising since May, when Trump pulled out of the 2015 nuclear deal, under which the U.S. and other world powers eased economic sanctions in exchange for curbs on Iran's nuclear program. The experts say the threat would intensify following Washington's move Tuesday to re-impose economic restrictions on Tehran.

"While we have no specific threats, we have seen an increase in chatter related to Iranian threat activity over the past several weeks," said Priscilla Moriuchi, director of strategic threat development at Recorded Future, a global real-time cyber threat intelligence company. The Massachusetts-based company predicted back in May that the U.S. withdrawal from the nuclear agreement would provoke a cyber response from the Iranian government within two to four months.

U.S. intelligence agencies have singled out Iran as one of the main foreign cyber threats facing America, along with Russia, China and North Korea. A wave of attacks that U.S. authorities blamed on Iran between 2012 and 2014 targeted banks and caused tens of millions of dollars in damage. They also targeted but failed to penetrate critical infrastructure.

Iran denies using its cyber capabilities for offensive purposes, and accuses the U.S. of targeting Iran. Several years ago, the top-secret Stuxnet computer virus destroyed centrifuges involved in Iran's contested nuclear program. Stuxnet, which is widely believed to be an American and Israeli creation, caused thousands of centrifuges at Iran's Natanz nuclear facility to spin themselves to destruction at the height of the West's fears over Iran's program.

"The United States has been the most aggressive country in the world in offensive cyber activity and publicly boasted about attacking targets across the world," said Alireza Miryousefi, spokesman for Iran's diplomatic mission at the United Nations, contending that Iran's cyber capabilities are "exclusively for defensive purposes."

Gen. Qassem Soleimani, who heads the elite Quds Force of Iran's hard-line paramilitary Revolutionary Guard, has sounded more ominous, warning late last month about Iran's capabilities in "asymmetric war,"

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 20 of 41

a veiled reference to nontraditional warfare that could include cyber attacks.

The Trump administration says it re-imposed sanctions on Iran to prevent its aggression — denying it the funds it needs to finance terrorism, its missile program and forces in conflicts in Yemen and Syria.

The sanctions restarted Tuesday target U.S. dollar financial transactions, Iran's automotive sector and the purchase of commercial planes and metals, including gold. Even stronger sanctions targeting Iran's oil sector and central bank are to be re-imposed in early November. European leaders have expressed deep regret about the U.S. actions. They hit Iran at a time when its unemployment is rising, the country's currency has collapsed and demonstrators are taking to the streets to protest social issues and labor unrest.

Norm Roule, former Iran manager for the office of the Director of National Intelligence, said he thinks Tehran will muster its cyber forces in response.

"I think there is a good chance Iran will use cyber, probably not an attack that is so destructive that it would fragment its remaining relationship with Europe, but I just don't think the Iranians will think there is much cost to doing this," Roule said. "And it's a good way to show their capacity to inflict economic cost against the United States."

"Iran's cyber activities against the world have been the most consequential, costly and aggressive in the history of the internet, more so than Russia. ... The Iranians are destructive cyber operators," Roule said, adding that Iranian hackers have, at times, impersonated Israeli and Western cyber security firm websites to harvest log-in information.

The office of Director of National Intelligence Dan Coats declined to comment Tuesday on the likelihood that Iran will answer the sanctions with cyber operations against the U.S. When the U.S. pulled out of the nuclear deal, the FBI issued a warning saying that hackers in Iran "could potentially use a range of computer network operations — from scanning networks for potential vulnerabilities to data-deletion attacks — against U.S.-based networks in response to the U.S. government's withdrawal" from the nuclear pact.

Accenture Security, a global consulting, managing and technology company, also warned Tuesday that the new sanctions would "likely to push that country to intensify state-sponsored cyber threat activities," particularly if Iran fails to keep its European counterparts committed to the nuclear pact.

Josh Ray, the firm's managing director for cyber defense, said it hasn't seen any evidence that Iran has launched any new cyber operations, but he said Iran has the capability to do it and has historically operated in a retaliatory manner.

"This still remains a highly capable, espionage-related type threat," Ray said. "Organizations need to take this threat seriously. They need to understand how their business could potentially be impacted."

Recorded Future's Moriuchi anticipated that businesses most at risk were those victimized in Iranian cyberattacks between 2012 and 2014 — they include banks and financial services, government departments, critical infrastructure providers, and oil and energy.

Those cyberattacks cost nearly 50 financial institutions tens of millions of dollars. The repeated attacks disabled bank websites and kept hundreds of thousands of customers from accessing their online accounts. U.S. prosecutors indicted several Iranians, alleging they worked at the behest of the Iranian government.

One defendant allegedly targeted the computer systems of the Bowman Dam in Rye, New York. No access was gained, but prosecutors said the breach underscored the potential vulnerabilities of the nation's critical infrastructure.

In March, the Justice Department also announced charges against nine Iranians accused of working at the behest of the Islamic Revolutionary Guard Corps to steal large quantities of academic data from hundreds of universities in the United States and abroad as well as email accounts belonging to employees of government agencies and private companies.

Associated Press writer Edith M. Lederer at the United Nations contributed to this report.

Trump's trade battle with China hits home in Arkansas town

By ANDREW DeMILLO, Associated Press

ARKADELPHIA, Ark. (AP) — A Chinese company's announcement two years ago that it would spend more than \$1 billion and hire hundreds of workers for a paper mill on the outskirts of this rural college town was seen as a much-needed shot in the arm for the region's economy.

A web video promoting Arkadelphia — "It's a great place to call home!" — continues to tout the Sun Paper project and its potential to generate jobs and boost development. But optimism has been giving way to concern in recent months amid President Donald Trump's escalating trade dispute with China.

The threat of a full-blown trade war has delayed the project further and prompted the state's governor to send his top economic development official to China to make sure it stays on track. It also has caused other Chinese companies considering investing in Arkansas to put their plans on hold.

"It's like a dark cloud hanging over the future of the project," Stephen Bell, the president and chief executive officer of the Arkadelphia Area Chamber of Commerce. "Right now, the clouds are off on the horizon. But I think no one knows where the trade situation is going right now."

The uncertainty in Arkansas, where voters overwhelmingly supported Trump in the 2016 president election, highlights how U.S. states are trying to ease the sting of the president's threatened trade war by appealing directly to Chinese companies.

Those companies invested \$29 billion in the U.S. last year, virtually all of which was related to corporate mergers and acquisitions, according to the research firm Rhodium Group. While that was down from a record \$46 billion in 2016, those investments remain crucial for local economies.

Trump's trade dispute has squeezed U.S. states and communities in at least two ways: It has slowed direct investment, as in Arkansas, and the retaliatory tariffs imposed by other countries have made it harder for local farmers and manufacturers to sell abroad.

Political leaders from both parties have objected. Governors from Nevada, Colorado, Massachusetts and North Carolina, for example, protested tariffs on imported solar-energy components, saying it would cost tens of thousands of U.S. jobs. Trump went forward with those tariffs, anyway.

In Arkansas alone, retaliatory tariffs from China, the European Union, Mexico and Canada threaten \$339 million in exports, according to the U.S. Chamber of Commerce.

The tariffs Trump imposed on China were estimated to add \$150 million to the original \$1.8 billion price tag of the Sun Paper plant in Arkadelphia, prompting the company to delay its plans.

State and local officials have been trying to reassure Sun Paper, with Gov. Asa Hutchinson sending his top economic development adviser to China. The governor, a Republican, says the Trump administration has assured him it will work with them on tariff exemptions for the facility.

State and local officials say they remain optimistic about the paper mill, but the governor says the trade fight isn't good for luring new industry.

"It's obvious that with uncertainty, businesses hesitate to invest in new projects. That's whether you're a United States businessman or whether you're a China investor," the governor said.

Arkadelphia, about an hour's drive southwest of Little Rock, and the state have a lot riding on the plant, which — if built — will produce liner board for cardboard boxes.

A state university and Baptist college have been the main economic drivers in the town of less than 11,000 people, which is still recovering from a devastating tornado that wiped out much of the downtown 20 years ago.

The population has dipped over the past decade despite the presence of the two colleges, and federal labor statistics show the county's unemployment rate remains slightly above the state average. Clark County voters approved a half-cent sales tax increase in 2007 to raise money for luring new businesses, a step that appeared to pay off when Sun Paper announced its plans.

The paper mill would be one of the largest economic deals in the state's history, so the state and local governments are working hard to salvage it and the investments in it they've already made.

They are providing \$10 million in incentives to buy 900 acres about five miles south of Arkadelphia and adding a rail spur to service the plant. The state also is providing \$12.5 million to prepare the site and buy

equipment, and up to \$3 million to train the workforce.

Officials expect the mill to employ 2,000 people during its construction and create an additional 1,000 jobs in the timber industry. The facility, once up and running, is expected to receive as many as 500 truckloads of timber per day.

"Anything like a new pulp mill is seen as good news. We need more markets," said Pete Prutzman, president of Kingwood Forestry Services in Arkadelphia, which manages hundreds of thousands of acres of timberland.

Supporters of the Sun Paper project say the mill is the type of deal Trump should like, with a foreign company investing in the U.S. and hiring hundreds of American workers.

It's one of several Chinese-backed deals Arkansas has landed in recent years, but efforts to woo more to the state have been jeopardized by the trade fight. The state's top economic development official said other Chinese companies considering projects in Arkansas have remained on the sideline as the trade battle rages.

"It came up in every conversation I had," said Mike Preston, the head of the state's economic development commission. "The prospects especially who were looking to do investments in the U.S. have kind of said, 'Well, we appreciate your visit and we're interested, but we need to wait and see how this all shakes out before we move forward with doing our investment.'"

Sun Paper said it remains committed to the Arkadelphia project, but said it would have moved much faster without the trade friction.

The uncertainty has added to the skepticism some locals say they already had about the plans. Bill Abernathy, a reforestation adviser who works in neighboring Bluff City, said the promise of that many jobs and that big of an investment always seemed too good to be true.

"I'll believe it when I see steel coming up," he said.

Associated Press researcher Yu Bing in Beijing and economics writer Paul Wiseman in Washington, D.C., contributed to this report.

Follow Andrew DeMillo on Twitter at www.twitter.com/ademillo

Man due in court; child remains found at New Mexico compound

By MORGAN LEE and MARY HUDETZ, Associated Press

AMALIA, N.M. (AP) — For months, neighbors had been concerned about a squalid compound built along a remote New Mexico plain, saying they had brought their concerns to authorities long before sheriff's officials first found 11 hungry children, and then the remains of a small boy on the lot.

Two men and three women also had been living at the compound, and were arrested following a raid Friday that came as officials sought to find a missing Georgia boy with severe medical issues. Medical examiners still must confirm whether the body found at the property in a second search Monday is that of Abdul-ghani Wahhaj, who was 3 in December when police say his father took him from his mother in Jonesboro, Georgia.

The boy's father, Siraj Ibn Wahhaj, was among those arrested in the compound raid that has since resulted in the series of startling revelations on the outskirts of Amalia, a tiny town near the Colorado state line marked by scattered homes and sagebrush. Authorities said they found the father armed with multiple firearms, including an assault rifle, while a Georgia arrest warrant for him said

Siraj Ibn Wahhaj was scheduled to appear in court Wednesday on a warrant from Georgia that seeks his extradition to face a charge of abducting his son from that state last December. The warrant says he had expressed wanting to perform an exorcism on his son.

The group had arrived in Amalia in December, with enough money to buy groceries and construction supplies, according to Tyler Anderson, a 41-year-old auto mechanic who lives nearby.

He said Tuesday he had helped the newcomers install solar panels after they arrived. But he eventually

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 23 of 41

stopped visiting.

He had met both of the men in the group, but never the women, who authorities say are the mothers of the 11 children, ages 1 to 15.

He doesn't recall seeing the Georgia boy who was missing. But he does remember that some of the smaller children from the compound turned up to play with children at neighboring properties at first.

"We just figured they were doing what we were doing, getting a piece of land and getting off the grid," said Anderson, who moved to New Mexico from Seattle with his wife seven years ago.

As the months passed, however, they stopped seeing the smaller children playing in the area. They also stopped hearing guns fired off at a shooting range on the property, he said.

Jason Badger, who owned the property where the compound was built, said he and his wife had pressed authorities to remove the group after becoming concerned about the children. The group had built the compound on their acreage instead of a neighboring tract owned by Lucas Morton, one of the men arrested during the raid.

"I started to try and kick them off about three months ago and everything I tried to do kept getting knocked down," said Badger said.

Court records show a judge dismissed an eviction notice filed by Badger against Morton in June. The records didn't provide further details on the judge's decision.

After the raid, Anderson went over and looked at the property for the first time in months.

"I was flabbergasted from what it had turned into from the last time I saw it," he said.

Authorities said the compound shielded by old tires, wooden pallets and an earthen wall studded with broken glass had been littered with "odorous trash."

The 11 children found living at the encampment — described as a small trailer embedded in the ground — had been without clean water and appeared to have not eaten in days, according to Taos County Sheriff Jerry Hogrefe.

At a news conference in Taos, Hogrefe described FBI surveillance efforts in recent months that included photographs of the compound and interviews. He said the images were shared with the mother of Abdulghani but she did not spot her son, and that photographs also never indicated the boy's father was at the compound.

"I had no probable cause to get a search warrant to go onto this property," the sheriff said.

He said FBI officials were invited to the news conference but declined to attend. An FBI spokesman didn't immediately return a call seeking comment.

Hogrefe said the "breaking point" in seeking a search warrant came when Georgia authorities received a message that may have originated within the compound that children were starving inside.

It wasn't clear who sent the message or how it was communicated. Georgia detectives forwarded it to the Taos County Sheriff's Office.

Authorities returned to search the compound after interviews on Friday and Saturday led them to believe the boy might still be on the property.

"We discovered the remains yesterday on Abdul's fourth birthday," Hogrefe said, appearing to fight back tears.

Aleks Kostich, managing attorney in the Taos County public defender's office, said the office was gathering information and assigning attorneys to the defendants. He declined to comment on their behalf, citing the early stage of the case.

However, he questioned the "legal sufficiency" of the criminal complaints filed against the men and women, saying they were vague.

"I'm not sure how much investigating has been done," he said. "I'm not sure how much law enforcement knows and how long they've known it for."

AP writers Kate Brumback in Jonesboro, Georgia, contributed to this report. Hudetz reported from Albuquerque.

Supreme Court nominee takes hard line on federal regulations

By SUDHIN THANAWALA, Associated Press

SAN FRANCISCO (AP) — Supreme Court nominee Brett Kavanaugh worries about federal agencies running amok.

He has argued that judges have given federal agencies leeway to push policies that go well beyond what Congress allowed. That view has endeared him to conservatives, who believe unelected bureaucrats are foisting radical regulations on Americans with little accountability.

Liberals fear Kavanaugh would block business restrictions that are needed to tackle climate change, improve workplace safety and protect consumers.

In a dissent last year as a judge on the U.S. Court of Appeals for the District of Columbia Circuit, Kavanaugh cited Supreme Court decisions in claiming that agencies can regulate “major social or economic activities” only if Congress clearly allows them to do so. Placing controls on cigarettes, banning physician-assisted suicide and imposing rules on greenhouse gas emitters are examples of such major action, he said.

Kavanaugh’s approach to what conservatives call the “administrative state” hasn’t received the kind of attention given to marquee issues such as abortion and presidential powers since he was nominated by President Donald Trump to replace Justice Anthony Kennedy. But it’s an area where, if he’s confirmed, his presence on the court could mark a significant shift. If Kavanaugh aligns with other conservative justices in cases dealing with regulatory agencies, their opinions could ultimately affect a wide swath of American life.

Under a widely followed judicial philosophy, courts generally step aside and give agencies broad leeway when a law is unclear. Kavanaugh, though, advised judges in a 2016 Harvard Law Review article to instead “seek the best reading of the statute” to see whether the regulation fits with it.

He said this would “help prevent a runaway executive branch that exploits ambiguities in governing statutes to pursue its broad policy aims, even in situations where Congress has not enacted legislation embodying those policies.”

Kavanaugh’s concern is that agencies are assuming powers that belong to Congress and the judiciary, said Ashley Baker, director of public policy for the Committee for Justice, a conservative legal and policy advocacy organization.

She said Kavanaugh’s nomination was a “big step in the right direction” of establishing the authority of courts to interpret federal laws instead of giving agencies a blank check when laws are ambiguous.

Kavanaugh — often in dissent — has rejected a wide variety of federal regulations and sought to rein in agencies, according to an Associated Press review of his 12 years on the D.C. appeals court, along with other writings and speeches. He also has displayed skepticism of independent federal agencies that are not answerable to the president.

He wrote in dissent in January that he would have found that the structure of the Consumer Financial Protection Bureau — the agency charged with protecting consumers against debt collectors and banks — was unconstitutional because it was headed by one person, not a board or commission, and the president did not have the authority to fire its head. The full D.C. Circuit upheld the structure of the bureau that Congress created in the wake of the 2008 financial crisis, reasoning that a degree of independence would prevent problems that handicapped past regulators.

Kavanaugh has objected to Environmental Protection Agency regulations on greenhouse gases; the Federal Communications Commission’s net neutrality rule requiring an equal playing field on the internet; and IRS requirements for paid tax preparers. All went beyond what Congress allowed by law, he said.

In 2014, Kavanaugh dissented from the majority opinion upholding a safety citation by the Labor Department against SeaWorld following the drowning of a trainer by a killer whale during a 2010 show in Orlando, Florida. Kavanaugh said many sports and entertainment shows are dangerous, but the Labor Department has not “traditionally been thought of as the proper body to decide whether to ban fighting in hockey, to prohibit the punt return in football, to regulate the distance between the mound and home plate in baseball, to separate the lions from the tamers at the circus, or the like.”

The ruling reflects Kavanaugh’s “deep and visceral opposition to the notion that the institutions created

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 25 of 41

by Congress should be able to protect workers, clean air, clean water, consumers — everyday Americans,” said Daniel Goldberg, legal director of the Alliance For Justice, a liberal judicial advocacy group that opposes Kavanaugh’s confirmation.

Kavanaugh is critical of a standard known as the Chevron doctrine, established by a 1984 Supreme Court ruling. Under Chevron, courts mostly defer to experts at the federal agencies when deciding whether regulations are consistent with law. The idea is that Congress often writes ambiguous laws, so agencies have to craft regulations to fill in the details.

Kavanaugh said his time working for the administration of George W. Bush showed him the perils of the doctrine.

“From my more than five years of experience at the White House, I can confidently say that Chevron encourages the Executive Branch (whichever party controls it) to be extremely aggressive in seeking to squeeze its policy goals into ill-fitting statutory authorizations and restraints,” he wrote in the Harvard Law Review article.

Bernadette Meyler, a Stanford University law professor who has studied Kavanaugh’s regulatory decisions, said his view devalues agencies’ expertise and demands a level of clarity and specificity that lawmakers can’t provide.

“Trying to cut back on regulatory agencies reduces the extent to which expertise is really relevant in decision-making,” she said.

To be sure, Kavanaugh has also upheld regulations and forced agencies to implement rules required by Congress.

He joined the majority in a ruling that upheld a ban on e-cigarette use on planes and wrote a unanimous opinion that rejected a challenge to stricter controls on a type of pollutant produced mostly by cars and power plants.

In a July 2013 ruling, Kavanaugh in a 2-1 decision sided with environmental groups who objected to the EPA’s decision to defer regulation of carbon dioxide from sources other than fossil fuels. Kavanaugh said the Clean Air Act did not allow the EPA to put off those regulations.

“Judge Kavanaugh is a fair and impartial jurist whose evenhanded approach has led him to rule for both administrative agencies and those whom challenge agency actions,” Kerri Kupec, a White House spokeswoman, said in a statement.

Kavanaugh’s record shows an evenhanded approach to regulations that could also work against administrations that seek to jettison rules, said Jonathan Adler, director of the Center for Business Law & Regulation at Case Western Reserve University School of Law.

“We’ve already seen some agencies in the current administration hit some speed bumps in court when they’ve tried to deregulate in a quick and dirty way,” he said. “My read of his record is that he would not be sympathetic to what those agencies are trying to do.”

More reporting on the Supreme Court and Kavanaugh can be found at <http://apne.ws/IHcZXad>

Maduro alleges 2 opposition leaders linked to drone attack

By SCOTT SMITH, Associated Press

CARACAS, Venezuela (AP) — President Nicolas Maduro has accused two opposition legislators of having roles in the drone attack that Venezuelan officials have called an assassination attempt on the leader, and his allies are moving against the accused.

The head of Venezuela’s pro-government constitutional assembly said he would have the body take up a proposal Wednesday to strip the lawmakers of their immunity from prosecution.

During a national television broadcast Tuesday night, Maduro said statements from some of the six suspects already arrested in the weekend attack pointed to key financiers and others, including Julio Borges, one of the country’s most prominent opposition leaders who is a lawmaker but is living in exile in Colombia.

“Several of the declarations indicated Julio Borges. The investigations point to him,” Maduro said, though

he provided no details on Borges' alleged role.

Borges did not immediately comment on Maduro's accusation.

The president also named opposition lawmaker Juan Requesens, who was seen in a video widely circulating on social media being arrested by Venezuela's political police force.

Critics of Maduro's socialist government had said immediately after the attack that they feared the unpopular leader would use the incident as an excuse to round up opposition politicians as he seeks to dampen spreading discontent over Venezuela's devastating economic collapse.

In the attack, two drones armed with explosives detonated near Maduro as he spoke outdoors during a military celebration Saturday evening. Images on live television showed Maduro and his wife looking up at the sky at one blast and then hundreds of soldiers scrambling.

Prosecutors have arrested six people who face charges of treason, attempted murder and terrorism.

As elected lawmakers, Borges and Requesens enjoy immunity from prosecution under Venezuelan law. But Diosdado Cabello, the powerful socialist party leader and president of the National Constitutional Assembly, said in a tweet that he planned to introduce legislation stripping lawmakers of this protection.

The events come as Venezuela's economy continues to hemorrhage and thousands flee to neighboring nations seeking food and medical care. Maduro has grown increasingly isolated, with the United States and other foreign powers slapping economic sanctions on a growing list of high-ranking Venezuelan officials and criticizing his government as an autocratic regime.

The International Monetary Fund projects inflation could top 1 million percent by year's end.

Maduro spoke for two hours from the Miraflores Presidential Palace in a presentation using polished videos showing suspects and images of the drones exploding. One video included a purported confession by one handcuffed suspect, whose face was blurred out as explained the plot.

Maduro also held up military hats worn by soldiers with holes in them from debris the explosion. Several soldiers seated in the audience had white bandages on their heads, apparently injured in the assassination attempt.

The president also displayed wanted posters with names and pictures of other suspects who he said are living in the United States and Colombia.

Maduro said he would provide evidence to officials in both countries and ask for their cooperation handing over suspects who helped orchestrate and finance the attack.

"I want to explain to the government of the United States and the government of Colombia in detail all the evidence that leads us to accomplices and direct responsible living in the state of Florida," Maduro said. "I trust in the good faith of Donald Trump."

Advocates condemn psych techniques used to keep kids online

By **LINDSEY TANNER** and **MATT O'BRIEN**, Associated Press

CHICAGO (AP) — Children's advocates want the American Psychological Association to condemn the tech industry's practice of using persuasive psychological techniques to keep kids glued to their screens.

The advocates, citing research that links excessive use of social media and video games with depression and academic troubles, say it's unethical for psychologists to be involved in tactics that risk harming kids' well-being. Skeptics say the research is inconclusive, and they note that psychologists have been involved in other industries' marketing and advertising for decades.

The group seeking intervention includes 60 U.S. psychologists, researchers, children's advocates and the Children's Screen Time Action Network, a project of the Boston-based Campaign for a Commercial-Free Childhood. The network was publishing a letter Wednesday to the American Psychological Association, coinciding with the association's annual meeting in San Francisco.

"There are powerful psychology principles and technology that are being used against kids in ways that are not in their best interests," said Josh Golin, executive director of the Campaign for a Commercial-Free Childhood.

That technology uses computers to help figure out what motivates people and influence their online

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 27 of 41

behavior. It's built on age-old tenets of behavioral psychology that marketers and advertisers have long used to get people to buy their products. The difference is smartphones are ubiquitous and unlike human marketers, they don't get tired, said B.J. Fogg, a behavioral scientist at Stanford University who has been called the technology's pioneer.

Fogg said he has aimed to use persuasive tech to enhance people's lives. But he also said he has long warned that it has a "dark side," including potential loss of privacy and the potential for encouraging behavior that isn't in users' best interests.

The letter to the psychology association cites a recent study that found that teen girls who spend a lot of time on digital devices, including on social media, are at risk for depression and suicidal behaviors. That study couldn't show whether depressed girls might be more prone to using social media than other teens.

The letter also notes evidence that some teen boys overuse video games "at the expense of obtaining real-world competencies," including college educations and jobs.

"Families don't understand why their kids are so strongly attracted and pulled to these devices," said Richard Freed, a Walnut Creek, California, psychologist who signed the letter. He said the World Health Organization's decision in June to declare excessive video gaming an addiction shows that the problem is real.

Under Fogg's model, technology can change a person's behavior by tapping into hard-wired motivations, simplifying the activity and getting people to perform it with a "well-timed" trigger. That could mean an app prompting a person to go running or it could be an alert persuading someone to spend more time on social media based on their innate desire to win acceptance and avoid social rejection.

It's not just the big tech firms. BuzzFeed reported Tuesday, based on a confidential company memo, that founders of a startup recently acquired by Facebook boasted of using a "psychological trick" — custom social media profiles and mysterious calls to action — to get high schoolers to download a polling app. Facebook later shut down the app.

In job postings, big tech companies have sought psychologists and people with psychology training for research into user experiences. Microsoft's Xbox user research division is led by psychologists. Amazon looks for hires who "geek out over user research, psychology, ethnography." Google's preferred qualification for some positions includes a doctorate in experimental psychology.

"We strive to learn and understand our users' needs, behaviors, and emotions to yield insights that inform product strategy and guide the design of the experiences we create," says one Google job posting online this week.

Facebook and Google didn't return requests for comment Tuesday on whether they use psychological persuasion techniques to build digital products for children. Microsoft, Apple and Amazon declined to comment.

This year, those companies have promoted better digital well-being amid rising concerns about kids' digital distractions.

The Internet Association, an industry trade group, said its member companies endeavor to create safe and positive online experiences.

"This is an important conversation, and the internet industry remains committed to developing and sharing best practices, partnering and collaborating with experts, and developing resources and programs that will ensure positive online experiences," the association's Noah Theran said in the statement.

Apple is introducing new tools meant to make its iPhone less addictive after two major shareholders earlier this year called on the company to curb smartphone addiction among children. Facebook, YouTube and Microsoft have introduced similar tools.

The American Psychological Association has no policy on using psychological research to develop persuasive digital technology.

But in a statement responding to the advocates' letter, association CEO Arthur Evans Jr. said the group "is concerned about the increasing amount of time children are spending on digital devices."

He said the association is examining psychology's role in technology development, and that an association committee will discuss the letter and whether to recommend any action.

O'Brien reported from Boston. Follow AP Medical Writer Lindsey Tanner on Twitter @LindseyTanner. Her work can be found here .

The Associated Press Health & Science Department receives support from the Howard Hughes Medical Institute's Department of Science Education. The AP is solely responsible for all content.

Venezuela president ties opposition leader to drone attack

By SCOTT SMITH, Associated Press

CARACAS, Venezuela (AP) — President Nicolas Maduro went on television Tuesday night to accuse one of Venezuela's most prominent opposition leaders of being linked to a weekend attack with drones that the government called an attempt to assassinate Maduro.

Maduro said statements from some of the six suspects already arrested pointed to involvement by Julio Borges, an opposition leader living in exile in Colombia.

"Several of the declarations indicated Julio Borges. The investigations point to him," Maduro said, though he provided no details on Borges' alleged role.

Borges did not immediately comment on Maduro's accusation.

Critics of Maduro's socialist government had said immediately following Saturday evening's attack that they feared the unpopular leader would use the incident as an excuse to round up opposition politicians as he seeks to dampen spreading discontent over Venezuela's devastating economic collapse.

In the attack, two drones armed with explosives detonated near Maduro as he spoke outdoors during a military celebration. Images on live television showed Maduro and his wife looking up at the sky at one blast and then hundreds of soldiers scrambling.

Prosecutors have arrested six people who face charges of treason, attempted murder and terrorism.

The president also named opposition lawmaker Juan Requesens, seen in a video widely circulating on social media being arrested by Venezuela's political police force.

As elected lawmakers, Borges and Requesens enjoy immunity from prosecution under Venezuelan law. But Diosdado Cabello, the powerful socialist party leader and president of the National Constitutional Assembly, said in a tweet Tuesday that he plans to introduce legislation stripping lawmakers of this protection.

Maduro spoke for two hours from the Miraflores Presidential Palace in a presentation using polished videos showing suspects and images of the drones exploding. One video included a purported confession by one handcuffed suspect, whose face was blurred out as explained the plot.

Maduro also held up military hats worn by soldiers with holes in them from debris the explosion. Several soldiers seated in the audience had white bandages on their heads, apparently injured in the assassination attempt.

Maduro said he would provide evidence to officials in the United States and Colombia and ask for their cooperation handing over suspects who helped orchestrate and finance the attack.

"I want to explain to the government of the United States and the government of Colombia in detail all the evidence that leads us to accomplices and direct responsible living in the state of Florida," Maduro said. "I trust in the good faith of Donald Trump."

Manafort lawyer: 'So many lies' Gates can't keep up

By ERIC TUCKER, MATTHEW BARAKAT and CHAD DAY, Associated Press

ALEXANDRIA, Va. (AP) — In blistering and aggressive questioning aimed at undermining the credibility of the government's star witness, a defense lawyer accused the protege of former Trump campaign chairman Paul Manafort of being immersed in "so many lies" he can't remember them all and demanded to know how a jury could possibly trust him.

Defense lawyer Kevin Downing began his cross-examination of longtime Manafort deputy Rick Gates

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 29 of 41

by confronting him on his own lies to special counsel Robert Mueller's investigators, an extramarital affair and hundreds of thousands of dollars he admitted to embezzling from his former boss.

Downing also ventured into territory the two sides in Manafort's fraud trial have mostly avoided: discussion of Donald Trump's presidential campaign. The charges are not related to Manafort's work with the Trump campaign.

The questioning was aimed at shifting blame from Manafort onto Gates, a fellow Trump campaign aide who pleaded guilty in Mueller's investigation and agreed to cooperate with investigators by testifying in the financial fraud trial.

"After all the lies you've told and the fraud you've committed, you expect this jury to believe you?" Downing asked incredulously.

Gates said he did, but the defense lawyer wasn't satisfied. He scoffed at the idea that Gates had repented for his actions, noting that prosecutors have said they won't oppose his bid for probation and getting him to acknowledge he had not repaid the money he had taken from Manafort.

After Gates described his theft as "unauthorized transactions" instead of embezzlement, Downing prodded him to use the latter term — and Gates ultimately relented, saying, "It was embezzlement from Mr. Manafort."

Prosecutors had braced for the tough questioning by getting Gates to come clean about his own crimes. He told jurors how he disguised millions of dollars in foreign income as loans in order to lower Manafort's tax bill. Gates recounted how he and Manafort used more than a dozen offshore shell companies and bank accounts in Cyprus to funnel the money, all while concealing the accounts and the income from the IRS.

But the grilling got more intense, and personal, Tuesday afternoon when Downing pressed Gates about a "secret life" he said was funded by embezzlement, including an extramarital affair that Gates himself acknowledged. Gates also said he may have submitted personal expenses for reimbursement by Trump's inaugural committee, which he helped operate.

After Gates struggled to recall precisely what he had told Mueller's team, Downing asked if he had been confronted with "so many lies" that he can't keep his story straight.

Downing at one point asked whether Mueller's investigators had interviewed Gates about his role in the campaign, prompting an objection from prosecutors and a sidebar conference with U.S. District Judge T.S. Ellis III. The defense moved on. Both sides have agreed to limit discussion of the campaign to avoid prejudicing the jury, though they did permit testimony about the overlap of a bank loan with Manafort's role in the Trump election effort.

Gates implicated himself in broad criminal conduct on the stand, an apparent strategic decision by prosecutors to take some of the steam out of defense questioning. He told jurors he embezzled from Manafort by filing false expense reports. He also said he committed credit card and mortgage fraud, falsified a letter for a colleague involved in an investment deal and made false statements in a deposition at Manafort's direction.

Prosecutors summoned Gates to give jurors the first-hand account of a co-conspirator they say helped Manafort carry out an elaborate offshore tax-evasion and bank fraud scheme. Gates testified that he and Manafort knew they were committing crimes for years, saying they had stashed money in foreign bank accounts and falsified bank loan documents.

"In Cyprus, they were documented as loans. In reality, it was basically money moving between accounts," Gates said.

Manafort and Gates were the first two people indicted in Mueller's investigation into potential ties between Russia and the Trump campaign. Gates pleaded guilty months later and agreed to cooperate in Mueller's investigation of Manafort, the only American charged by the special counsel to opt for trial instead of a guilty plea.

The case has little to do with either man's work for the Trump campaign and there's been no discussion during the trial about whether the Trump election effort coordinated with Russia — the central question Mueller's team has tried to answer. But Trump has shown interest in the proceedings, tweeting support for Manafort.

On Tuesday, Gates did connect one part of the bank fraud charges against Manafort to his role in the Trump campaign.

He said Manafort asked for tickets to Trump's inauguration so he could give them to a banker involved in approving a loan at the center of his financial fraud trial. Gates also said Manafort floated banker Stephen Calk's name for consideration as Secretary of the Army, a post he ultimately did not get. The email exchange occurred after Manafort left the Trump campaign but while Gates was active on the Trump inauguration committee.

Gates described to jurors how he repeatedly submitted fake financial documents at Manafort's behest as his former boss became concerned he was paying too much in taxes and, later, that his funds were drying up.

"WTF," Manafort wrote to Gates in one 2015 email shown to the jury. "How could I be blindsided like this. You told me you were on top of this. We need to discuss options. This is a disaster."

In other testimony, Gates recounted how he converted a PDF of a profit-and-loss statement to a Microsoft Word document so he could doctor it to inflate the business' income. Gates also fabricated a forgiveness letter for what he said was already a fake loan between Manafort's consulting company and a Cypriot entity he controlled.

Prosecutor Greg Andres pointed out he had created a "loan forgiveness letter between Mr. Manafort and Mr. Manafort."

"Yes," Gates agreed.

During the testimony, Manafort did not stare Gates down as he did Monday. When the trial broke for lunch, Manafort looked back at his wife, sitting in the front row, smiled and winked at her, followed by a quick shake of his head, seeming to indicate he was unfazed by the morning's testimony.

Associated Press writer Stephen Braun contributed to this report.

Boy's remains found at New Mexico desert compound

By MORGAN LEE and MARY HUDETZ, Associated Press

AMALIA, N.M. (AP) — The investigation into a group of starving children found in a desert compound in New Mexico took another dark turn Tuesday, when authorities said they found the remains of a young boy at the squalid property.

It's not yet certain the remains are of Abdul-ghani Wahhaj, who would have turned 4 on Monday.

But Taos County Sheriff Jerry Hogrefe indicated the body appeared to be that of a boy similar in age to Abdul-ghani, who suffers from seizures and was reported missing in December after his father said he was taking him to a park in Jonesboro, Georgia, south of Atlanta.

The father, Siraj Ibn Wahhaj, had told his wife he wanted to perform an exorcism on the child, authorities said.

"We discovered the remains yesterday on Abdul's fourth birthday," Hogrefe said, appearing to fight back tears.

The search for Abdul-ghani led authorities Friday to the compound shielded by old tires, wooden pallets and an earthen wall studded with broken glass. It's located on the outskirts of Amalia, a tiny, remote town near the Colorado border marked by scattered homes, sagebrush and open plains.

Investigators said they found the heavily armed Wahhaj along with four other adults and 11 hungry children living in filthy conditions.

All the adults were arrested on suspicion of child abuse. Wahhaj is also being detained on a Georgia warrant that seeks his extradition to face a charge of abducting his son. He was expected to appear in court Wednesday.

Authorities returned to search the compound after interviews on Friday and Saturday led them to believe the boy might still be on the property.

"We had a good idea of a target location to look for the child," Hogrefe said.

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 31 of 41

The Georgia arrest warrant said the boy suffers from severe medical issues including a defect caused by lack of oxygen and blood flow around the time of birth. His mother said he can't walk and requires constant attention.

At a news conference in Taos, Hogrefe described FBI surveillance efforts in recent months that included photographs of the compound and interviews. He said the images were shared with the mother of Abdulghani but she did not spot her son.

"I had no probable cause to get a search warrant to go onto this property," the sheriff said.

He said FBI officials were invited to the news conference but declined to attend. An FBI spokesman didn't immediately return a call seeking comment.

Hogrefe said the "breaking point" in seeking a search warrant came when Georgia authorities received a message that may have originated within the compound that children were starving inside.

It wasn't clear who sent the message or how it was communicated. Georgia detectives forwarded it to the Taos County Sheriff's Office.

Children ages 1 to 15 were rescued from the compound that had been under investigation for months. The sheriff said it appeared the children hadn't eaten for days.

Property owner Jason Badger said he and his wife had pressed authorities to remove the group that he said had built the compound on his acreage instead of a neighboring tract owned by Lucas Morton, one of the men arrested during the raid.

"I started to try and kick them off about three months ago and everything I tried to do kept getting knocked down," Badger said.

Court records show a judge dismissed an eviction notice filed by Badger against Morton in June. The records didn't provide further details on the judge's decision.

Tyler Anderson, who lives near the compound, believes the group had moved to the area to live off the grid, just as he had done.

Anderson said he had helped the newcomers install solar panels after they arrived in December. But he eventually stopped visiting the compound. He said the children at first played at neighboring properties but stopped in recent months.

The women, believed to be mothers of some of the children, have been identified as 35-year-old Jany Leveille, 38-year-old Hujrah Wahhaj, and 35-year-old Subhannah Wahhaj.

Jail booking photos show them wearing traditional Muslim veils or hijabs.

Aleks Kostich, managing attorney in the Taos County public defender's office, said the office was gathering information and assigning attorneys to the defendants. He declined to comment on their behalf, citing the early stage of the case.

However, he questioned the "legal sufficiency" of the criminal complaints filed against the men and women, saying they were vague.

"I'm not sure how much investigating has been done," he said. "I'm not sure how much law enforcement knows and how long they've known it for."

AP writer Kate Brumback in Jonesboro, Georgia, contributed to this report.

Trump going ahead with taxes on \$16B in Chinese imports

By PAUL WISEMAN, AP Economics Writer

WASHINGTON (AP) — The Trump administration announced Tuesday that it will go ahead with imposing 25 percent tariffs on an additional \$16 billion in Chinese imports.

Customs officials will begin collecting the border tax Aug. 23, the Office of the U.S. Trade Representative said. The list is heavy on industrial products such as steam turbines and iron girders.

Tuesday's announcement was not a surprise. In April, the administration had announced plans to slap tariffs on 1,333 Chinese product lines worth \$50 billion a year. After receiving public feedback, it cut 515

products from the list in June and added 284. On July 6, the U.S. began taxing the 818 goods, worth \$34 billion, remaining from the April list.

In the meantime, it sought public comment on the new items. On Tuesday, the administration said it had decided to go ahead with tariffs on 279 of the 284 items added in June; they're worth about \$16 billion a year.

China has been retaliating in kind.

And the conflict is likely to escalate: The administration is preparing tariffs of up to 25 percent on an additional \$200 billion in Chinese products. And President Donald Trump has threatened to impose tariffs on virtually everything China sells to the United States. Chinese imports of goods and services into the United States last year amounted to nearly \$524 billion.

The world's two biggest economies are locked in a trade dispute over Washington's charges that China uses predatory tactics in a drive to supplant U.S. technological supremacy. The alleged tactics include cyber-theft and a requirement that American companies hand over trade secrets in exchange for access to the Chinese market.

Indonesia struggles to recover quake's dead, help the living

By TODD PITMAN, Associated Press

TANJUNG, Indonesia (AP) — The rescue team had done everything it could to locate the body of the man, who had been killed instantly when a massive earthquake collapsed his home Sunday night on the Indonesian island of Lombok.

They used hacksaws to cut a square into concrete wall. They used crowbars and dogs and a power drill. But by Tuesday afternoon, with the unmistakable stench of rotting flesh in the air, they were sweating and at their wits' end. The body of 60-year-old Abdul Malik, one of at least 105 people killed in the 7.0-magnitude quake, would have to stay under the rubble for a third day.

"It's taking far too long," said 50-year-old Masini, the victim's brother-in-law who watched more than a dozen helmeted emergency workers in orange jumpsuits drill into a thick layer of concrete.

The tragic scene underscored the challenges Indonesia faces after this natural disaster. The quake shattered homes and lives on this island, displacing more than 84,000 people, according to disaster agency spokesman Sutopo Purwo Nugroho.

At least 4,600 foreign and Indonesian tourists also have been evacuated from three smaller islands off Lombok's coast so far, Nugroho said. The islets are renowned for their crystal clear waters that draw snorkelers and divers from all over the world.

But with not enough boats to evacuate tourists quickly and too few planes to fly them out of Lombok, many visitors were forced to wait for hours or camp on beaches and the floor of the international airport in Mataram.

On the winding roads running north from the airport, which lead to destroyed villages shadowed by tall palm trees, the disaster's impact was evident. Villagers fearing aftershocks could be seen camped by the thousands under makeshift blue tarpaulins held together with bamboo and sticks. Some held up simple cardboard signs begging for aid as ambulances and other vehicles raced by.

"We need food and water," said one. "Please donate," said another.

The international charity Oxfam said drinking water was scarce because of a recent spell of extremely dry weather in Lombok. Food, medical supplies, tarps and clothes are also urgently needed, it said.

By late Tuesday, the government appeared to be focused on finding bodies, and wherever possible, survivors.

Masini said his brother-in-law, Abdul Malik, who owned a small grocery store next to his home in Tanjung, was sitting in his living room with family when the catastrophe struck. Although his family managed to make it out, Abdul Malik was crushed by a thick concrete wall.

The rescuers are working "too slow," Masini said. "They should be bringing in heavy equipment to speed this up."

Aprintinus Titus, from the National Search and Rescue Agency, acknowledged they needed better tools. But he said "we will not give up until we pull him out of this rubble. We know how hard his family is suffering."

A few kilometers (miles) up the road, rescuers earlier Tuesday pulled a single body from a pancaked pile of broken concrete and twisted rebar that once held together the multistory Jabal Nur Mosque, whose green dome had shattered and collapsed.

A 66-year-old village elder, Supardi, said a 6.4-magnitude quake that hit Lombok a week earlier had caused countless cracks in the mosque's walls.

Those were going to be repaired, he said, but people were just getting over the first quake and more than half the village's 1,500 people were sleeping outside.

Large earthquakes are often followed by less-powerful aftershocks. But "nobody expected a stronger quake would occur in such a short amount of time," said Supardi, who said he was praying in the mosque when the tremor hit.

He described a roar that knocked out the electricity and sent people fleeing outside. "It destroyed everything," he said.

Indonesia is prone to earthquakes because of its location on the "Ring of Fire," an arc of volcanoes and fault lines in the Pacific Basin. In December 2004, a massive magnitude 9.1 earthquake off Sumatra triggered a tsunami that killed 230,000 people in a dozen countries.

By Tuesday evening, the search effort at the mosque ended after dogs failed to find more bodies and no other families reported missing loved ones there, said Anak Agung Alit Supartana, who heads the region's Search and Rescue Agency office. There had been reports that dozens of people were killed at the site.

Supartana said two people had been found alive, along with three bodies. But the rescuers and heavy equipment were "very much needed elsewhere, so we decided to shift the operation" to other locations.

As it turned out, one was the crushed home of Masini's brother-in-law. The teams and one excavator arrived after dark Tuesday to investigate. But officials said they would have to resume their search for the body there at first light Wednesday.

Associated Press journalists Andi Jatmiko and Niniek Karmini contributed to this report.

Biggest blaze in California history challenges firefighters

By PAUL ELIAS, Associated Press

Firefighters struggled against rugged terrain, high winds and an August heat wave Tuesday to slow the spread of the biggest wildfire ever recorded in California, an inferno that exploded to be nearly the size of Los Angeles in just 11 days.

The 450-square-mile (1,165-square-kilometer) blaze, centered near the community of Upper Lake, about 100 miles (160 kilometers) north of San Francisco, spread fast because of what officials said was a perfect combination of weather, topography and abundant vegetation turned into highly flammable fuel by years of drought.

Firefighting efforts were also initially hampered by stretched resources, said the Department of Forestry and Fire Protection, also known as Cal Fire.

When the fire started July 27, thousands of firefighters were hundreds of miles north battling a massive blaze that spread into the city of Redding, destroying more than 1,000 homes, in addition to a dozen other major blazes.

A few days after the Upper Lake fire started, Cal Fire Battalion Chief John Messina told a community meeting that with so many fires already raging in California, "resources are already committed" so officials were forced to prioritize public safety and private property.

"After those two things are addressed then we'll go after the pieces of fire that are in remote areas," Messina said. "Typically, we'd go at all at once. There is just not the resources for that."

The flames were raging in mostly remote areas, and no deaths or serious injuries were reported. But

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 34 of 41

at least 75 homes have been lost, and thousands of people have been forced to flee. The blaze, dubbed the Mendocino Complex, was reported 20 percent contained on Tuesday.

Its rapid growth at the same time firefighters were battling more than a dozen other major blazes around the state fanned fears that 2018 could become the worst wildfire season in California history.

"For whatever reason, fires are burning much more intensely, much more quickly than they were before," said Mark A. Hartwig, president of the California Fire Chiefs Association.

About 3,900 firefighters, including a crew of 40 volunteers from New Zealand, were battling the blaze, contending with temperatures in the high 90s and winds gusting to 25 mph (40 kph).

The heavily forested area of myriad canyons where the fire is spreading has few roads or natural barriers that can serve as firebreaks or offer safe havens for firefighters to battle the flames head on, Cal Fire Battalion Chief Jonathan Cox said.

So firefighters instead fell back to natural barriers such as streams or used bulldozers to cut fire lines, but the flames were moving so fast in spots that they blew past, forcing firefighters to retreat, Cox said.

"There's no way you're going to stop that fire," said Kyle Coleman, 28, who returned to his childhood home last week to help his father try — in vain, it turned out — to protect it. "A big wall of flames came over the mountain ... I pretty much got my dad out of there."

In all, 14,000 firefighters were battling blazes across California, which is seeing earlier, longer and more destructive wildfire seasons because of drought, warmer weather attributed to climate change, and the building of homes deeper into the forests.

"Cal Fire is really an urban firefighter service in the woods," said Arizona State University professor Stephen Pyne, a wildfire management expert.

The Mendocino Complex is actually two blazes burning so close together that authorities are attacking them as one, a common practice at Cal Fire. The fires started within an hour of each other about 15 miles (25 kilometers) apart. As of Tuesday, they were separated by just a few miles. Officials have not determined the cause of either one.

In becoming the biggest fire in California history, the Mendocino Complex fire broke a record set just eight months ago. A blaze in Southern California in December killed two people, burned 440 square miles (1,140 square kilometers) and destroyed more than 1,000 buildings.

Crews also gained ground this week against another Northern California wildfire near the city of Redding that was blamed for at least six deaths.

Meanwhile, a blaze burning near Yosemite National Park has been raging for nearly a month but is still just one-third as large as the biggest fire, though dense smoke has closed much of the park to visitors for the past two weeks.

California's firefighting costs have more than tripled from \$242 million in the 2013 fiscal year to \$773 million in the 2018 fiscal year that ended June 30, according to Cal Fire.

"We're in uncharted territory," Gov. Jerry Brown warned last week. "Since civilization emerged 10,000 years ago, we haven't had this kind of heat condition, and it's going to continue getting worse. That's the way it is."

Associated Press writers Don Thompson in Sacramento, California and Lorin Eleni Gill and Olga Rodriguez in San Francisco also contributed to this report.

Follow AP's wildfire coverage here: <https://apnews.com/tag/Wildfires>

Tesla CEO drops latest bombshell with \$72B buyout proposal

By MICHAEL LIEDTKE and ALEXANDRA OLSON, AP Business Writers

SAN FRANCISCO (AP) — Tesla CEO Elon Musk is gearing up to lead a buyout of the electric car maker in a stunning move that would end the maverick company's eight-year history trading on the stock market.

In his typically unorthodox fashion, the eccentric Musk dropped his bombshell on his Twitter account, which he has used as a platform for pranks, vitriol and now for a proposal to pull off one of the biggest

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 35 of 41

buyouts in U.S. history.

Musk got the ball rolling Tuesday after the stock market had already been open more than three hours with a tweet announcing he had secured funding to buy all of Tesla's stock at \$420 per share with no further details.

At that price, the buyout would cost nearly \$72 billion, based on Tesla's outstanding stock as of July 27, but it's unlikely the deal would cost that much because Musk owns a roughly 20 percent stake in the Palo Alto, California, company. He also said he intends to give Tesla's existing shareholders the option of retaining a stake in the company through a special fund, if they want.

"Am considering taking Tesla private at \$420. Funding secured," Musk wrote in his first tweet, following up with "good morning" and a smiley emoji. He later tweeted that the only uncertainty about completing the deal is whether he can gain shareholder approval.

The first tweet came hours after the Financial Times reported that Saudi Arabia's sovereign wealth fund had built a significant stake in Tesla Inc., but it was unclear if that was the funding Musk was referring to. The Financial Times, citing unnamed people with direct knowledge of the matter said Saudi Arabia's Public Investment Fund had built a stake of between 3 and 5 percent of Tesla's shares.

Musk's announcement was initially met with widespread skepticism, with many people connecting the proposed price to 420 being a common slang term for marijuana.

Musk also previously used his Twitter account to joke that Tesla was going bankrupt in an April Fool's Day tweet and his stability was called into question last month after he called a British diver who helped rescue children from a Thailand cave a pedophile. That baseless tweet was quickly deleted and Musk apologized to the diver.

The confusion caused by Musk's Tuesday announcement via Twitter also prompted regulators of the Nasdaq stock market to temporarily suspend trading in Tesla's stock. Although it's unusual for a CEO to make such a major announcement over social media, it does not appear to be improper.

"It's very unusual for any CEO other than Elon Musk. This is not how you do it and it makes you wonder how seriously to take it," said Erik Gordon, a business and law professor at the University of Michigan.

Musk probably wasn't violating any regulations by simply announcing that he was considering taking the company private, Gordon said, but his assertion that the funding already has been locked up could "expose him to at least potential legal risk" if it turns out that the financing is on shaky footing.

Musk later brought some clarity to the situation in an email to Tesla employees that was also posted on Tesla's blog. Trading in Tesla's stock resumed shortly after the letter's release, and the stock climbed 11 percent to close at \$379.57. Musk's offer is 9 percent higher than Tesla's peak closing price of \$385 reached nearly a year ago.

By taking Tesla private, Musk believes that the company will be able to sharpen its long-term focus of revolutionizing an automobile industry dominated by fuel-combustion vehicles without having to cater to investors' fixation on how the business is faring from one quarter to the next.

Making money has proven elusive for Tesla while it has been investing in electric car technology and ramping up production of its vehicles, including a sedan with a starting price of \$35,000 to appeal to a broader audience.

The company has only posted a quarterly profit twice in its history and has never made money during an entire calendar year, something that Musk has been trying to change by cutting costs, including recent mass layoffs that trimmed Tesla's workforce by 9 percent. Tesla lost another \$717.5 million in its most recent quarter.

Musk "has been running Tesla like a private company with publicly traded stock anyway so this deal makes some sense," Gartner analyst Mike Ramsey said.

Tesla completed an initial public offering of stock in 2010, largely because Wall Street provided a convenient vehicle to raise billions of dollars to finance its expansion. By going private, Tesla will lose that convenient source of financing, something that could cause massive headaches if the company continues to burn through cash as much as it has in recent years, Ramsey said.

Despite its challenges, Tesla has remained a favorite among many investors, partly because of their

faith in Musk, who made his initial fortune as a co-founder of PayPal and also is the CEO of a trail-blazing aerospace company, SpaceX, that's already private.

But another substantial segment of investors are convinced Tesla is doomed to fail and are betting on the company's eventual demise by becoming "short sellers" of its stock. Short sellers borrow shares from other investors and then immediately sell them on the premise that they will be able to buy them back at a lower price later to replace the stock they borrowed.

Musk has long raged against short sellers and mentioned his desire to be rid of them as one of his reasons for taking Tesla private.

"Being public means that there are large numbers of people who have the incentive to attack the company," he wrote.

If Musk decides against going private, Gordon said his credibility could take another hit, though one he could weather.

"If he doesn't go forward with it, it will end up being another Elon Musk big mouth faux pas," Gordon said. "He will live to see another day. People will shake their heads and say, 'that's Elon.'"

Alexandra Olson reported from New York.

Iran weighs response as US sanctions bite

By **AMIR VAHDAT** and **MEHDI FATTAHI**, Associated Press

TEHRAN, Iran (AP) — As Iranians awoke Tuesday to renewed U.S. sanctions that had been lifted by Tehran's nuclear deal with world powers, the question on everyone's mind remained: What happens now?

From deciphering President Donald Trump's tweets on Iran — including one demanding "WORLD PEACE" — to trying to figure out how much their cratering currency is worth, Iranians appear divided on how to respond.

The same goes for their theocratic government, which for now is abiding by the atomic accord. President Hassan Rouhani, a relative moderate whose administration struck the 2015 deal, has taken an increasingly confrontational line in recent weeks, applauded by hard-liners who had long opposed him. Then in a speech on live television Monday night, Rouhani seemed to suggest that direct talks with Trump could be possible.

That's something North Korean Foreign Minister Ri Yong-hu, who visited Tehran on Tuesday and met with its leadership, knows firsthand.

Whether Iran should choose a North Korea-style photo-op with the American president who backed out of the nuclear deal or abandon the unraveling accord and increase its uranium enrichment remains a fiercely debated question in Iran. But everyone agrees something has to be done soon, as sporadic protests across the country of 80 million people only add to the pressure.

"The situation is not good right now; nothing is clear," said Ebrahim Gholamnejad, a 41-year-old carpenter. "The economy is turning into a jungle."

The newly imposed American sanctions target U.S. dollar financial transactions, Iran's automotive sector, and the purchase of commercial planes and metals, including gold. Even stronger sanctions targeting Iran's oil sector and central bank are to be re-imposed in early November.

On Tuesday, German car and truck maker Daimler AG said it was suspending its "very limited" activities in Iran and shuttering a representative office. European companies had known since Trump's announcement in May that sanctions were coming back. Airbus at that time suspended plane deliveries to Iran; of 98 orders, only one A321 had been delivered, plus two A330s that were sold to a company that leased them to an Iranian customer.

As uncertainty over the Iran nuclear deal grew after Trump entered the White House, Iran's already-anemic economy nosedived. The country's monthly inflation rate has hit double digits again and the national unemployment rate is 12.5 percent. Among youth, it is even worse, with around 25 percent out of a job.

Iran's currency, the rial, now trades over double its government-set rate to the U.S. dollar. Trying to stem the loss, the Iranian government five months ago shut down all private currency exchange shops,

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 37 of 41

but the black market has thrived.

On Tuesday, central bank chief Abdolnasser Hemmati allowed private currency exchanges to reopen. Shops welcomed customers, though some displayed no exchange rates late into the morning amid confusion over how much the troubled rial was truly worth.

Iranian authorities recently arrested 45 people, including the central bank's deputy chief, as part of a crackdown on financial fraud. On Tuesday, Iran's state-controlled television aired a 30-minute documentary applauding the central bank's new economic decisions.

The hard-line Keyhan newspaper, which previously lampooned Rouhani, bore his picture on the front page with a large headline quoting him saying: "The way we can surpass all sanctions is to have unity."

But what to do next remains an open question. Iran continues to abide by the nuclear deal it struck with the Obama administration and other world powers, which limits its enrichment of uranium in exchange for the lifting of sanctions, and makes it impossible for Iran to quickly develop a nuclear weapon. Iran has always said its nuclear program is entirely peaceful.

In recent weeks, Iran has prominently displayed its centrifuges and threatened to resume enriching uranium at higher rates. At one point Rouhani renewed a long-standing Iranian threat to close off the Strait of Hormuz, through which a third of all oil traded by sea passes.

Trump for his part has ricocheted between threats and promises to speak with Iranian officials without preconditions, offering mixed messages to both the Iranian public and its government. That continued Tuesday, as he described American actions in a tweet as "the most biting sanctions ever imposed, and in November they ratchet up to yet another level."

"Anyone doing business with Iran will NOT be doing business with the United States," he wrote. "I am asking for WORLD PEACE, nothing less!"

John Bolton, the U.S. national security adviser, said the intent of sanctions is not to bring about Iranian "regime change."

"But we definitely want to put maximum pressure on the government, and it's not just to come back to discuss fixing a deal that's basically not fixable," Bolton said Tuesday on Fox News. "We want to see a much broader retreat by Iran from their support for international terrorism, their belligerent activity in the Middle East and their ballistic missile, nuclear-related program."

Though Iranians already are angered by Trump putting their nation on his travel ban list, some say talks with the U.S. president might be necessary. Others insist that Iran, which has weathered decades of previous sanctions, should stand its ground.

"I believe America cannot do a damn thing," said Farzaneh, a 54-year-old housewife who declined to give her last name out of privacy concerns. "It can't do anything, because Iranians are backing each other."

Direct talks with the U.S. also would challenge the Islamic Republic leadership, which for nearly 40 years has encouraged flag-burning demonstrations against "the Great Satan." On Tuesday, Ri, the North Korean foreign minister, who was involved in Pyongyang's Singapore talks with Trump, met with Iranian leaders, though it's unclear what he discussed with them.

For now though, Iranians say they can only wait for the next Trump tweet or their government's decision on how to respond.

"People should just keep calm, because the other party wants to disrupt our peace," said Gholamnejad, the carpenter. "America, who imposed the sanctions, wants to create chaos."

Associated Press writers Jon Gambrell in Dubai, United Arab Emirates, and David McHugh in Frankfurt, Germany, contributed to this report.

Trump: Sanctions reinstated against Iran for 'WORLD PEACE'

By **SUSANNAH GEORGE** and **ZEKE MILLER**, Associated Press

WASHINGTON (AP) — U.S. sanctions that kicked in early Tuesday against Iran are meant to pressure Tehran's government into retreating from its support for international terrorism, its military activity in

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 38 of 41

the Middle East and its ballistic missile and nuclear-related programs, President Donald Trump's national security adviser said.

The first set of U.S. sanctions that had been eased under a landmark Iran nuclear accord target financial transactions involving U.S. dollars, Iran's automotive sector, the purchase of commercial airplanes and metals, including gold.

Additional sanctions on Iran's oil sector and central bank are to be reinstated in early November.

The sanctions went back into effect under an executive order Trump signed three months after he pulled the U.S. out of the 2015 international accord limiting Iran's nuclear activities. Trump called the deal, signed by the Obama administration, "horrible."

John Bolton, the U.S. national security adviser, said Tuesday that the intent of sanctions is not to bring about Iranian "regime change."

"But we definitely want to put maximum pressure on the government, and it's not just to come back to discuss fixing a deal that's basically not fixable, dealing with the nuclear weapons aspect," Bolton said Tuesday on Fox News. "We want to see a much broader retreat by Iran from their support for international terrorism, their belligerent activity in the Middle East and their ballistic missile, nuclear-related program."

"There's a lot going on here that Iran needs to be held accountable for," he said.

In a morning tweet, Trump said the re-imposition of sanctions means, "Anyone doing business with Iran will NOT be doing business with the United States."

"I am asking for WORLD PEACE, nothing less!"

The stiff economic sanctions ratchet up pressure on the Islamic Republic despite statements of deep dismay from European allies. Trump said the landmark deal left the Iranian government flush with cash to fuel conflict in the Middle East.

Iran accused the U.S. of reneging on the agreement and of causing recent Iranian economic unrest. European allies said they "deeply regret" the U.S. action.

As the sanctions loomed, Trump said in a statement Monday: "We urge all nations to take such steps to make clear that the Iranian regime faces a choice: either change its threatening, destabilizing behavior and reintegrate with the global economy, or continue down a path of economic isolation."

Trump warned that those who don't wind down their economic ties to Iran "risk severe consequences."

The Europeans didn't like any of it.

Despite Trump's claims, European Union foreign policy chief Federica Mogherini and the foreign ministers of France, Germany and the United Kingdom said in a statement that the accord "is working and delivering on its goal" of limiting Iran's nuclear program.

The ministers said the Iran deal is "crucial for the security of Europe, the region and the entire world" and the European Union issued a "blocking statute" Monday to protect European businesses from the impact of the sanctions.

A senior administration official, briefing reporters under ground rules requiring anonymity, said the United States is "not particularly concerned" by EU efforts to protect European firms from the sanctions.

Bolton denied any worsening of U.S. relations with Europe, saying the administration has been in "constant communication with them" over the issue.

"We all still share the same objective of making sure that Iran doesn't get deliverable nuclear weapons," he said.

Iranian President Hassan Rouhani said Iran still can rely on China and Russia to keep its oil and banking sectors afloat. Speaking in a television interview, he also demanded compensation for decades of American "intervention" in the Islamic Republic.

Months of uncertainty surrounding the sanctions have already further hurt Iran's economy. The country's rial currency has tanked, and the downturn has sparked protests across the nation.

The "Trump Administration wants the world to believe it's concerned about the Iranian people," Iranian Foreign Minister Mohammad Javad Zarif said on Twitter. But, he said, the re-imposed sanctions would endanger "ordinary Iranians."

"US hypocrisy knows no bounds," he said.

U.S. officials insisted the American government stands with the people of Iran and supports many of their complaints against their government.

Secretary of State Mike Pompeo said sanctions are an important pillar in U.S. policy toward Iran and will remain in place until the Iranian government radically changes course.

Israeli Prime Minister Benjamin Netanyahu, a firm foe of the Iranian government, said the sanctions symbolize "the determination to block Iran's regional aggression as well as its continuous plans to arm itself with nuclear weapons."

He called on the countries of Europe to join the U.S., saying, "The time has come to stop talking; the time has come to do."

The U.S. has long designated Iran as the world's foremost state sponsor of terrorism.

Associated Press writers Nasser Karimi in Tehran, Iran, and Ian Deitch in Jerusalem contributed.

Asian shares mixed after new US tariffs put on China exports

By ELAINE KURTENBACH, AP Business Writer

BANGKOK (AP) — Shares were mostly higher in Asia on Wednesday after the U.S. followed through with plans to put higher tariffs on \$16 billion in Chinese exports.

KEEPING SCORE: Japan's Nikkei 225 index gained 0.4 percent to 22,749.27 and the Shanghai Composite index fell 0.3 percent to 2,770.49. Hong Kong's Hang Seng index added 0.4 percent to 28,368.84. Australia's S&P ASX 200 climbed 0.3 percent to 6,275.00 while South Korea's Kospi added 0.3 percent to 2,307.59. Shares were mostly higher in Southeast Asia.

WALL STREET: Earnings helped drive the fourth straight day of gains, led by industrial companies and banks. Gains for Microsoft and Google's parent company Alphabet helped technology companies. Tesla surged after the Financial Times reported that Saudi Arabia's sovereign wealth fund had invested in the company and CEO Elon Musk later said he might take the company private. The S&P 500 index rose 0.3 percent to 2,858.45. The Dow Jones Industrial Average jumped 0.5 percent to 25,628.91 and the Nasdaq composite gained 0.3 percent, to 7,883.66. The Russell 2000 index of smaller-company stocks edged up 0.2 percent to 1,688.30.

TESLA: Musk said he had not made a decision about taking the company private but such a move would make it easier for Tesla to focus on long-term goals. Musk, who owns about 20 percent of Tesla's stock, said he would pay \$420 a share, well above Tesla's all-time high from September. The stock gained 11 percent to \$379.57.

TRADE MOVES: The U.S. Trade Representative announced it will begin imposing 25 percent tariffs on an additional \$16 billion in Chinese imports beginning Aug. 23. The list is heavy on industrial products such as steam turbines and iron girders. So far, the tariffs that the U.S. and its trading partners have announced recently are still small and haven't affected the broader market very much. China reported Wednesday that its exports to the U.S. rose 13.3 percent year-on-year in July while total exports jumped 12.2 percent.

ANALYST VIEWPOINT: The announcement on higher U.S. tariffs was a "rude awakening for markets here in Asia," Jingyi Pan of IG said in a commentary. The move "brings the U.S. another step closer to the next round of the 10 percent tariffs for a further \$200 billion worth of Chinese imports, packing the bite behind the words."

CHINA TOWER IPO: Shares in the state-owned monopoly that operates China's vast network of mobile phone towers are flat as the company makes its stock market debut in Hong Kong after raising \$6.9 billion from investors. China Tower Corp. was trading at 1.27 Hong Kong dollars (16.2 U.S. cents) per share at midday on Wednesday, little-changed from its initial public offering price of 1.26 Hong Kong dollars (16 U.S. cents). China Tower says it operates 1.9 million cell tower sites across China, the biggest mobile phone market. It has given no indication of plans to expand abroad.

ENERGY: U.S. crude oil picked up 14 cents to \$69.31 per barrel in electronic trading on the New York

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 40 of 41

Mercantile Exchange. It added 16 cents to \$69.17 a barrel in New York. Brent crude, the standard for international oil prices, was flat at \$74.65 a barrel.

CURRENCIES: The dollar slipped to 111.33 yen from 111.37 yen. The euro rose to \$1.1625 from \$1.1599.

AP Markets Writer Marley Jay contributed. He can be reached at <http://twitter.com/MarleyJayAP> His work can be found at <https://apnews.com/search/marley%20jay>

Today in History By The Associated Press

Today in History

Today is Wednesday, Aug. 8, the 220th day of 2018. There are 145 days left in the year.

Today's Highlight in History:

On August 8, 1974, President Richard Nixon, facing damaging new revelations in the Watergate scandal, announced he would resign the following day.

On this date:

In 1815, Napoleon Bonaparte set sail for St. Helena to spend the remainder of his days in exile.

In 1911, President William Howard Taft signed a measure raising the number of U.S. representatives from 391 to 433, effective with the next Congress, with a proviso to add two more when New Mexico and Arizona became states.

In 1942, during World War II, six Nazi saboteurs who were captured after landing in the U.S. were executed in Washington, D.C.; two others who cooperated with authorities were spared.

In 1945, President Harry S. Truman signed the U.S. instrument of ratification for the United Nations Charter. The Soviet Union declared war against Japan during World War II.

In 1953, the United States and South Korea initialed a mutual security pact.

In 1963, Britain's "Great Train Robbery" took place as thieves made off with 2.6 million pounds in banknotes.

In 1968, the Republican national convention in Miami Beach nominated Richard Nixon for president on the first ballot.

In 1973, Vice President Spiro T. Agnew branded as "damned lies" reports he had taken kickbacks from government contracts in Maryland, and vowed not to resign — which he ended up doing.

In 1993, in Somalia, four U.S. soldiers were killed when a land mine was detonated underneath their vehicle, prompting President Bill Clinton to order Army Rangers to try to capture Somali warlord Mohamed Farrah Aidid.

In 2000, the wreckage of the Confederate submarine H.L. Hunley, which sank in 1864 after attacking the Union ship Housatonic, was recovered off the South Carolina coast and returned to port.

In 2002, Saddam Hussein organized a big military parade and then warned "the forces of evil" not to attack Iraq as he sought once more to shift the debate away from world demands that he live up to agreements that ended the Gulf War.

In 2009, Sonia Sotomayor was sworn in as the U.S. Supreme Court's first Hispanic and third female justice.

Ten years ago: China opened the Summer Olympic Games with an extravaganza of fireworks and pagentry. A charter bus crashed near Sherman, Texas, killing 17 members of a Vietnamese-American Catholic group en route to Missouri. Former Democratic presidential candidate and vice-presidential nominee John Edwards admitted having an extramarital affair. Russia sent an armored column into the breakaway enclave of South Ossetia after Georgia launched an offensive to crush separatists there.

Five years ago: The U.S. sharply escalated its drone war in Yemen, with military officials in the Arab country reporting three strikes that left a dozen dead. Actress Karen Black, 74, who was featured in such counterculture favorites as "Easy Rider," "Five Easy Pieces" and "Nashville," died in Los Angeles. Opera singer Regina Resnik, 90, died in New York.

One year ago: President Donald Trump said continued North Korean threats aimed at the United States

Groton Daily Independent

Wednesday, Aug. 08, 2018 ~ Vol. 26 - No. 030 ~ 41 of 41

would cause the U.S. to respond with "fire and fury like the world has never seen." Venezuela's new constitutional assembly, created by embattled President Nicolas Maduro, took over the halls of the opposition-controlled congress and decreed itself to be superior to all other branches of government. Singer Glen Campbell died in Nashville, Tennessee, at the age of 81; he had announced in 2011 that he'd been diagnosed with Alzheimer's disease.

Today's Birthdays: Actress Nita Talbot is 88. Actor Dustin Hoffman is 81. Actress Connie Stevens is 80. Country singer Phil Balsley (The Statler Brothers) is 79. Actor Larry Wilcox is 71. Actor Keith Carradine is 69. Movie director Martin Brest is 67. Radio-TV personality Robin Quivers is 66. Percussionist Anton Fig is 65. Actor Donny Most is 65. Rock musician Dennis Drew (10,000 Maniacs) is 61. TV personality Deborah Norville is 60. Actor-singer Harry Crosby is 60. Rock musician The Edge (U2) is 57. Rock musician Rikki Rockett (Poison) is 57. Rapper Kool Moe Dee is 56. Rock musician Ralph Rieckermann is 56. Middle distance runner Suzy Favor Hamilton is 50. Rock singer Scott Stapp is 45. Country singer Mark Wills is 45. Actor Kohl Sudduth is 44. Rock musician Tom Linton (Jimmy Eat World) is 43. Singer JC Chasez ('N Sync) is 42. Actress Tawny Cypress is 42. Rhythm-and-blues singer Drew Lachey (lah-SHAY') (98 Degrees) is 42. Rhythm-and-blues singer Marsha Ambrosius is 41. Actress Lindsay Sloane is 41. Actress Countess Vaughn is 40. Actor Michael Urie is 38. Tennis player Roger Federer is 37. Actress Meagan Good is 37. Rock musician Eric Howk (Portugal. The Man) is 37. Actress Jackie Cruz (TV: "Orange is the New Black") is 34. Britain's Princess Beatrice of York is 30. Actor Ken Baumann is 29. Pop singer Shawn Mendes is 20. Actress Bebe Wood (TV: "The Real O'Neals") is 17.

Thought for Today: "Man adjusts to what he should not; he is unable to adjust to what he should." — Jean Toomer, African-American author-poet (1894-1967).