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# Claim: Sheriff allows O.C. jail gangs to control bail bonds

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The Orange County Register

Orange County bail bonds companies Thursday filed a claim alleging that jail gangs are strong-arming inmates to use certain bail services – a scam they allege the sheriff has failed to control.

The four-page damage claim, filed with the Orange County clerk, estimates losses to the bail bondsmen at more than \$100 million.

The claim is the first step toward a lawsuit against the county. Named in the claim is Sheriff Sandra Hutchens, former sheriff Michael S. Carona and ex-assistant sheriff George Jaramillo.

Attorney Richard Herman, representing the bond agencies, alleged that Carona and Jaramillo started the bail scam, which he said was later taken over by jail gangs.

"The criminal gangs run the Orange County jail and are directing through threat of violence where the bail business goes," Herman said.

Sheriff's officials said in a prepared statement they would investigate any allegation of wrongdoing in the jail.

"We will take all appropriate action to see that it is stopped and those responsible are prosecuted," said the statement.

County supervisors declined comment because of the legal nature of the claim.

Bob Drake, one of the three bondsmen seeking damages, said in an interview that the problem has escalated in recent years and shows no sign of ending under Hutchens.

"I have clients telling me that deputies are asking people, 'how's business today?'" Drake said. "No one looked forward to a new sheriff more than me. But nothing's changed, in fact, it's gotten more complicated."

The illegal practice of using inmates to get bail referrals is called "capping." The way the scam works is that jailhouse bullies coerce inmates to hire a certain bail company, which kicks back about 10 percent of its share for the referral. On a \$100,000 bond, \$1,000 goes to the gang member, said Herman.

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The advertisement features a scenic sunset over a beach with silhouettes of people walking. The text "only in crocs™ shoes." is overlaid on the image. To the right, there is a QR code labeled "Neo", a pair of brown Crocs shoes, and the "cities by foot" logo with the Crocs brand name. The website "www.citiesbyfoot.com" is listed at the bottom.



The money is either put on the gang member's jail account, to use in the commissary, or given to a designated person outside the jail.

"I guarantee you there are some people in the jail making more than you are, on a daily basis," Drake said.

In early 2001, Drake said, he was approached by Jaramillo and attorney Joseph Cavallo, who he said asked them to refer legal business to Cavallo in exchange for payment. Drake said he refused. Jaramillo and Cavallo have acknowledged that meeting but described it as an innocent get-acquainted lunch.

But at least two other bondsmen agreed to steer business to Cavallo, according to court testimony. Cavallo pleaded guilty in 2007 to paying for referrals from bonds agencies.

Jaramillo had earlier pleaded no contest to a charge of perjury in a non-related case. He was never charged in the bail scam. Carona recently was tried on federal charges of corruption, but was convicted of a single count of witness tampering.

According to Herman, the jail gangs used in the bail scheme continued on their own. He chided Hutchens for not taking better charge of the jail.

"In order to fix this, you've got to take control of the jail away from the gangs," he said.

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