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Saturday News Briefs

STOCKTON
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Central Valley farmer indicted for bogus crop insurance claims

Gregory Peter Torlai, Jr., 47, of Stockton has been indicted by a federal grand jury on 15 counts of filing false claims for crop insurance benefits.

The indictment alleges that between 2001 and 2005, Mr. Torlai filed six claims for crop insurance benefits on property he owned in Lassen, San Joaquin, and Contra Costa Counties, according to Assistant U.S. Attorney Kyle Reardon, who is prosecuting the case.

Prosecutors say Mr. Torlai made false statements to entities participating in the federal crop insurance program about the extent of his ownership interest in various farming operations and the types and number of acres of crops planted. In addition, the indictment alleges that Mr. Torlai submitted two falsified seed receipts in support of the claims he made.

As a result of his false claims, Mr. Torlai received approximately \$400,000 in crop insurance payments to which he was not entitled, the grand jury says.

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Unemployment rate is worst in a decade

It appears that job losses in California are starting in earnest. The state lost 18,000 non-farm payroll jobs from May to June, and this is in addition to the 16,000 job loss that occurred a month earlier, says an analysis by Beacon Economics of Friday's state unemployment numbers.

Prior to the last two months, overall non-farm payroll growth had been functionally flat.

Job losses have been occurring in most sectors of the economy. While the job categories of finance and construction are clearly the hardest hit, retail, wholesale, transport, administrative support, and manufacturing have also been posting losses, Beacon says.

Information, education, and health are the only sectors that continue to add jobs.

The state's payroll workforce contracted sharply for the second month in a row in June, and the unemployment rate continued to rise.

It adds up: California now has one of the highest unemployment rates in the nation.

While some economists had postulated that last month's large jump in California's unemployment rate may have been overstated, and guessed that it would fall slightly, unemployment continued to rise by one-tenth of one percent to 6.9 percent overall in June. This is up one full percent from the beginning of the year.

By region, the pain is being spread across most of the state. Only regions with a large agricultural sector continue to add jobs.

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CalSTRS' investment portfolio sees 3.7 percent loss

California State Teachers' Retirement System (CalSTRS) investments took a 3.7 percent hit in the fiscal year ending June 30, the pension fund says.

Even with its first loss in six years, CalSTRS outperformed its benchmark, which dipped 3.8 percent, it says.

The news from the \$162.2 billion fund comes amid the gloom of a 5 percent average loss for public pensions, according to Merrill Lynch analysts.

"Despite troubled economic times, especially in the equities markets, our portfolio continues to provide long-term stability for our members' financial futures," says CalSTRS Chief Executive Officer Jack Ehnes.

-ooOoo-

Restitution for victims of lease-to-own homes scam

Aspiring homeowners who had their entire down payments unlawfully seized by Lease2OwnHomes for missing rent on a lease-to-own agreement will share in a \$150,000 settlement.

"We have obtained restitution for renters who were ripped off by an unscrupulous landlord who illegally seized down payments that were part of a lease-to-own home scam," says California Attorney General Jerry Brown.

Under California law, if a renter misses a monthly payment in a lease-to-own program, the landlord may only seek eviction and unpaid rent. In this case, the landlord unlawfully seized the entire down payment for the purchase of the home in addition to seeking the eviction and unpaid rent, Mr. Brown says.

Lease2OwnHomes knew that many of the renters who signed up for homeownership would never be able to afford the monthly payments, the attorney general says.

In one case, Lease2OwnHomes sold a large house in Stockton to a divorced mother of four who was unemployed and attending school part time. After the woman missed a \$1,650 monthly payment, the landlord seized her entire \$9,000 deposit on the house in addition to seeking eviction.

Mr. Brown says he is aware of at least 75 renters in Sacramento and San Joaquin County who signed up for the program.

Consumers who have filed a complaint with the Attorney General's Office or who file a complaint on or before Sept. 15 may be eligible for a partial refund.

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Foreclosure workshops scheduled

Two more foreclosure prevention workshops are scheduled for the Central Valley.

These free events will include advising and consultations with industry professionals, HUD approved counselors, including Union Privilege, and servicing lenders such as Washington Mutual, Chase, and others. Homeowners planning to attend are encouraged to bring all relevant mortgage documents.

The workshops are sponsored by U.S. Rep. Dennis Cardoza, D-Merced, Assemblywoman Cathleen Galgiani, the foreclosure prevention group No Homeowner Left Behind (NHLB), and other community partners.

The first is scheduled for Friday, July 25, 4 p.m.-9 p.m., at the San Joaquin County Fairgrounds, Building Five, in Stockton.

The other is scheduled Saturday, July 26, 8 a.m.-3 p.m., at Apricot Valley School in Patterson.

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Lawmaker wants 'gas for life' Lottery prize

The California Lottery can legally award merchandise prizes in place of cash prizes, says state Sen. Dean Florez, D-Shafter, who is calling for a "gasoline for life" –prize to stimulate lottery ticket sales.

Mr. Florez says a legal opinion issued by the state's non-partisan Legislative Counsel supports his argument.

"Yes, the Lottery can offer gasoline as a prize, and it can be structured as a long-term prize payout. In fact, the Lottery could offer winners prepaid gas cards, every year, for upwards of 50 years, if it wanted to," Mr. Florez says.

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Workshop aims to help prospective entrepreneurs

The Tulare County Economic Development Corporation is looking for local residents who have innovative business, product, or technology ideas and are interested in taking their ideas to the commercial market.

"We have residents in our local area who have great ideas. We are having workshops to help them determine if their ideas are feasible and how to turn their ideas into a profit. It's a first step to starting and growing their own businesses," says Lori Dunagan, business development director at the EDC.

The three-session workshops are being presented by Fresno State's Lyles Center for Innovation and Entrepreneurship, and are being held in Visalia and Porterville.

Register by calling (559) 688-3388 ext 206.

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Oaks are losing leaves early this year

Most years, deciduous oak trees' color change coincides with signs of autumn -- Halloween pumpkins, Thanksgiving cornucopias, shorter days and cooler nights. But the 2008 drought already has some blue oaks in the Sierra Nevada foothills changing color and losing their leaves.

This is not the first time scientists have observed early leaf loss in California oak trees.

"In 1987, during a severe drought, many oaks in the Sierra Nevada foothills, as well as in the Coast and Transverse mountain ranges, began turning brown and dropping their leaves in August." says University of California Cooperative Extension oak specialist Douglas McCreary.

Oak trees' ability to shed foliage early is a survival mechanism, he says. When faced with low soil moisture, the trees can either keep their foliage and continue losing water through leaf pores, or drop their leaves and conserve moisture. Shedding foliage does suspend photosynthesis, but in the long term it keeps the trees from drying out completely and dying, Mr. McCreary says.

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