



Department of Justice

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Eastern District of California

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SAN JOAQUIN FARMER INDICTED FOR BOGUS CROP INSURANCE CLAIMS

SACRAMENTO, Calif.—United States Attorney McGregor W. Scott announced today that a federal grand jury returned a 15-count indictment yesterday charging GREGORY PETER TORLAI, JR., 47, of Stockton, California with filing false claims for crop insurance benefits.

This case is the product of an extensive investigation by the United States Department of Agriculture (USDA), Office of the Inspector General, and the USDA Risk Management Agency—Special Investigations Branch.

According to Assistant United States Attorney Kyle Reardon, who is prosecuting the case, the indictment alleges that between 2001 and 2005, TORLAI filed six claims for crop insurance benefits on property he owned in Lassen, San Joaquin, and Contra Costa Counties. In support of these claims, 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 TORLAI submitted two falsified seed receipts in support of the claims he made. The false statements affected policies issued by reinsurance companies with which the Federal Crop Insurance Corporation (FCIC) contracts.

The FCIC is an agency of the USDA created by the Federal Crop Insurance Act (FCIA) for the purpose of providing government insurance against unavoidable crop losses. As a result of his false claims, TORLAI received approximately \$400,000 in crop insurance payments to

which he was not entitled.

The maximum penalty for the charges is 30 years in prison, a \$1,000,000 fine, and a five-year term of supervised release. However, the actual sentence will be dictated by the Federal Sentencing Guidelines as well as federal sentencing statutes, which take into account a number of factors, and will be imposed at the discretion of the court.

The charges are only allegations and the defendant is presumed innocent until and unless proven guilty beyond a reasonable doubt.

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