

*** NEWS RELEASE ***

**DEFENDANT SENTENCED FOR FAILURE TO PAY
PAYROLL TAXES AND FAILURE TO SECURE
WORKERS' COMPENSATION INSURANCE**

FOR IMMEDIATE RELEASE

February 10, 2010

CONTACT: CAROL REED, Deputy District Attorney
(831) 755-5070

Monterey County District Attorney Dean D. Flippo announced today that Toan Cong Bui, age 58, a resident of San Jose, was sentenced by Judge Larry E. Hayes for failure to pay payroll taxes and failure to secure workers' compensation insurance.

At the time of the investigation, Mr. Bui was the owner of several businesses including the Marina Gas & Heritage Days Inn located in Marina, Forest Hill Auto Sales, Gas Station & Food Mart located in Pacific Grove and Jessie's Gas Station & Food Mart located in Hollister. Mr. Bui no longer owns the businesses. The investigation was initiated after California Department of Insurance and Monterey County District Attorney investigators of the Workers' Compensation Unit contacted the defendant at the Marina Gas & Heritage Days Inn. The contact was made during an enforcement operation for workers' compensation insurance on employers in Monterey County.

Mr. Bui was placed on felony probation for three years and ordered to serve 90 days in county jail or complete an equivalent work alternative program. In addition to standard terms and conditions of probation, Mr. Bui was ordered not to conduct business in violation of the law. He was ordered to pay the Employment Development Department \$64,339.24 and daily interest until paid in full. He was also ordered to pay \$10,000 to the State of California Workers' Compensation Fraud Account and serve 100 hours of community service.

Employers are required to register their businesses and to report and pay taxes to Employment Development Department for all employees. Unemployment Insurance Code felony violations have a maximum penalty of three years in prison and/or up to \$20,000 fine. Additionally, business owners and the public need to be aware that California State law requires that all employers secure workers' compensation insurance for their employees so that there is an assurance of adequate medical coverage and other benefits for employees for any work-related injuries that may occur. Failure to secure workers' compensation insurance has a penalty of up to one year in jail and up to double the amount of the premium owed as a fine payable to the California State Treasury for the Uninsured Employers Fund. The Workers' Compensation Unit of the District Attorney's Office investigates and prosecutes cases involving applicant fraud, employer fraud, premium fraud, provider fraud and employers who do not carry workers' compensation insurance.

###