

California DMV workers issued hundreds of bogus truck driving licenses for bribes, feds say

By Sam Stanton

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The undercover sting operation that led to bribery charges against two California Department of Motor Vehicles employees this week is part of a major, six-year probe by the FBI, the U.S. Department of Homeland Security and other federal agencies that so far has resulted in charges against eight individuals and the revocation of hundreds of commercial truck driver's licenses around the state, court records show.

The latest employees to be charged were named in documents unsealed Thursday in federal court in Sacramento. The government alleges they took bribes from Southern California truck-driving school owners to alter DMV records to show applicants had passed their written and driving tests to allow them to obtain licenses to drive tractor trailers and buses.

Those defendants were identified as Lisa Terraciano, 51, who worked in a DMV office in Winnetka, and Kari Scattaglia, 38, a DMV manager who worked in offices in Granada Hills and Arleta.

Online records indicate she is the daughter of Vito F. Scattaglia, a deputy chief of investigations and enforcement for the DMV in Southern California. Kari Scattaglia was paid \$52,500 last year, according to The Bee's online state salary database.

Vito Scattaglia, who earned \$119,000 last year, did not respond to a telephone request for comment Friday to his office, and the DMV said he would not be made available for an interview.

"He was not involved in the hiring of Kari Scattaglia," DMV spokesman Armando Botello said in an email. "(E)ven if they weren't related, he wouldn't have been involved in her hiring because she was never hired to work in the same division as Mr. Scattaglia."

Botello said Friday that Vito Scattaglia was not involved in the licenses-for-sale investigation. The DMV is "fully cooperating" with law enforcement, he said.

The ongoing probe already has resulted in guilty pleas by some former DMV workers and at least one truck-driving school owner. Evidence in the cases included video of undercover agents rolling into DMV office parking lots and exchanging envelopes with employees standing outside waiting for them.

One Sacramento lawyer and former prosecutor who represented a DMV defendant in the earlier cases said he was not surprised the investigation is continuing.

“Public corruption cases are a matter of the highest priority for the Department of Justice at both the state and federal levels, because it is the system itself that is under attack,” said William Portanova, whose client entered a guilty plea early on.

The probe has now grown to include DMV offices the length of California and dates back to 2011. It involves multiple payoffs of thousands of dollars to DMV workers to alter computer records, court records say.

The FBI first started an investigation in 2011 “involving individuals in the Sacramento area being offered the opportunity to obtain commercial CDLs (California driver’s licenses) without having to take the written or behind-the-wheel driving examinations in exchange for the payment of money,” court records filed in Sacramento federal court in 2015 say.

The investigation produced evidence that for payments of \$2,000 to \$5,000, participants in the scam could obtain commercial driver’s licenses without taking the required tests.

In 2012, the U.S. Department of Homeland Security began a separate probe of such allegations in the Stockton area, and eventually used informants and undercover agents to make payoffs to obtain such licenses.

Federal and state officials announced the results of the earlier probes at an August 2015 press conference in Sacramento, where then-U.S. Attorney Ben Wagner said at least 100 California truck drivers had been issued fraudulent licenses in exchange for tens of thousands of dollars in payoffs.

The DMV’s chief of investigations, Frank Alvarez, said at the time that 602 licenses had been revoked or canceled as a result of the probe.

Since then, the government has reached plea agreements with a number of defendants, including:

- Emma Klem, a Salinas DMV worker who admitted in August 2015 to taking multiple bribes from May 2013 through March 2015 in a case that resulted in at least 20 phony licenses being issued. Her sentencing is pending and the next hearing in the case is set for Dec. 15 in Sacramento.
- Andrew Kimura, a DMV examiner in Sacramento who pleaded guilty in May 2016 and was sentenced to 46 months in prison.
- Kulwinder Dosanjh Singh, the owner of a Turlock truck driving school who paid bribes through intermediaries to DMV employees. His next hearing is set for Dec. 15.

Those three cases are what led investigators to pinpoint Kari Scattaglia “as a subject of the ongoing investigation,” Assistant U.S. Attorneys Todd Pickles and Rosanne Rust said in court papers filed Thursday.

“This included evidence that Scattaglia accessed some of the same fraudulent records as some of the defendants named in the *Klem-Singh-Kimura, et. al.*, cases and which were part of the charged conduct...,” they wrote.

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