

OXNARD

\$3.8 million in food stamp fraud carried out at Oxnard markets, prosecutors allege

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A criminal case involving two Oxnard food markets alleges a years-long scheme in which participants fraudulently accepted more than \$3.8 million worth of public assistance benefits.

Ventura County District Attorney Greg Totten's office recently announced the arraignment of four defendants on felony charges after a lengthy investigation by the DA's government fraud unit and the U.S. Department of Agriculture. The USDA oversees the federal SNAP program, or Supplemental Nutrition Assistance Program, which helps low-income families buy food. In California, the program — formerly referred to as food stamps — is called CalFresh.

Prosecutors say two of six local markets operated by Jose Refugio Carbajal, 54, and Adelina Carbajal, 55, both of Camarillo, fraudulently accepted the benefits for more than three years, from around July 2016 until August 2019. A message left for the attorney for Jose Carbajal, the lead defendant, was not returned.

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When did the fraud take place?

The activity took place after the USDA disqualified two of the Carbajals' stores from the SNAP and CalFresh programs: The 4 Way Meat Market at 508 E. Date St. and Carniceria 4 Caminos at 1730 First St., according to case documents filed at Ventura County Superior Court.

The CalFresh and SNAP programs provide monthly benefits through debit-type cards that can be used to buy food at authorized grocery stores and farmers markets.

Participating markets use so-called "point of sale" devices, essentially card reading terminals, programmed with a special identification number that can only be used at one store, according to case documents filed by the lead prosecutor, Senior Deputy DA Howard Wise.

Prosecutors allege that Jose Carbajal conspired with two Los Angeles women who provided point-of-sale devices programmed with information belonging to unaffiliated stores in Texas, Santa Ana and Oxnard. The other businesses were unaware of the fraudulent activity carried out using their identification numbers, according to court documents.

One of the Los Angeles defendants, 42-year-old Karla Orellana, allegedly advised Carbajal that a firm she worked for, Superior Processing, could supply terminals for the affected markets, according to the consolidated complaint. Carbajal signed a contract with Superior in May 2016. Around the same time, Orellana reportedly texted the other L.A. defendant, 55-year-old Antonia Penaloza-Penaloza, also known as Dora Penaloza, to start looking for an unused identification number from another business, the complaint reads.

By July 2016, terminals programmed with the fraudulent ID numbers were in place at both Oxnard markets that had been suspended from the benefit programs, according to prosecutors.

Defendants arrested, cases consolidated

All four defendants were arrested around April 30, 2020, and bailed out of Ventura County jail facilities the next day, court documents show. The cases have been consolidated into a single court case.

Jose and Adelina Carbajal were each charged with two counts of grand theft, two counts of public benefits fraud and 13 counts of money laundering.

Jose Carbajal, Orellana and Penaloza-Penaloza were charged with identity theft and conspiracy.

In late October the defendants pleaded not guilty to all charges. An early disposition conference is set for the afternoon of Jan. 14 in courtroom 12.

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