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## Herhold: Why the bail bond industry has thrived in San Jose

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- [Full city report on bail bonds](#)
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- [Memo from S.J. council members \(PDF\)](#)

As the bail bond fight in San Jose erupted over the last week, I was intrigued by one fact: In the mile-long First Street corridor between Jackson Street and Highway 880, there are 20 bail bond establishments.

Bad Boys Bail Bonds. Aladdin Bail Bonds. Latino Bail Bonds. Pacific Coast Bail Bonds. Reliable Bail Bonds, and on and on. An accused criminal has a greater swath of choices for getting sprung than grabbing a late-night meal.

To the neighbors, this is a nightmarish proliferation of an undesirable class of business. To me, it invokes a simpler question: Why is business doing so well that we've got so many bail bond operators? Is this like one of those streets in Taiwan dedicated to belts?

Not surprisingly, the answer to that question touches on what drives a big part of this debate — money.

Even though bail bondsmen are not immune from recession, there are quirks in California law and judgment calls by police and court officials that make San Jose an attractive place to do business. And the monetary power of the bail bond industry can be translated into political influence.

Begin with the cops. With the increased spotlight on domestic violence, San Jose police have concluded that if they get a call of spouse-battering, someone is going to jail. It's that simple.

Those cases are almost invariably booked as felonies — though they are usually reduced to misdemeanors in court. That means bail can be \$25,000 or more.

Typically, the accused person puts up 10 percent of that sum with the bail bondsman, who guarantees that the defendant will show up in court. It doesn't take too many transactions of \$2,500 to make a decent business.

"The bail schedule here is one of the highest in the nation," says Tedd Wallace, a veteran bail bondsman in the county. "So there is money to be made."

In fact, the bail bond industry has a long-range plan for increasing its business in Santa Clara County: The bail bondsmen have suggested to county officials that they could do a better job than the Office of Pre-Trial services, which now releases people on their own recognizance (OR) if they are judged to be no risk to flee.

Tom Saggau, the lobbyist for Bad Boys Bail Bonds, says studies have shown that people are more likely to return to court if they put up a bond. Of course, this is an argument in the industry's interest: Fewer OR releases mean more money for bail bondsmen.

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I mean all this by way of explaining why the bail bondsmen might find the First Street corridor inviting. They've got the money to spend on the rent.

It's harder for me to judge the merit of the neighbors' complaints. It's likely there's a piece of NIMBYISM here (not in my backyard). But they have a fair argument in asking the city to enforce the law against establishments operating openly and loudly between midnight and 6 a.m.

Councilman Sam Liccardo's idea of a temporary moratorium on new bail bond operators would give the city time to figure it out.

What I understand better than the neighborhood beefs is the interplay between politics and money. And it is worth noting that Supervisor George Shirakawa, who has become a standard-bearer for the bail bondsmen, has received more than \$2,000 in campaign contributions from Bad Boys CEO Jeff Stanley and his relatives.

For that matter, the lobbying firm of Saggau-DeRollo and their clients have given generously to council members: As a group, they gave \$10,100 to helping Madison Nguyen beat recall, \$3,400 to help elect Rose Herrera, and another \$8,900 to Shirakawa.

Who gets attention? Well, the neighbors, you would hope. But my guess is that Saggau and his partner Dustin DeRollo get their calls returned first.

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