

**THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF LOUISIANA**

HENRY AYO, and KAIASHA WHITE)
on behalf of themselves and)

7. Finally, Plaintiffs Ayo and White individually seek damages from RHI under the Louisiana Unfair Trade Practices Act for RHI's harmful and oppressive commercial practices, and, on behalf of themselves and the proposed Class, seek damages from RHI for conversion and unjust enrichment under state law.

II. JURISDICTION AND VENUE

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15. Defendant East Baton Rouge Parish is a parish organized under the laws of the State of Louisiana.

IV. FACTS

General Facts

A. The Nineteenth Judicial District Court

16. The Nineteenth Judicial District Court (the “JDC”) has original jurisdiction over all civil and criminal matters and original exclusive jurisdiction of state felony cases in East Baton Rouge Parish, Louisiana. La. Const. art. V, § 16(A)(1)-(2). Louisiana district court judges are elected and serve six-year terms. There are eight criminal court judges who hear misdemeanor and felony cases in the JDC.

17. The JDC and individual judges also make agreements with private companies to provide certain court services such as pre-trial supervision.

18. Judge White has served on the JDC since 2009 and was re-elected to the JDC in 2014. She presides over both civil matters and state misdemeanor and felony cases assigned to Criminal Division J, Section 8, of the JDC.

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21. RHI is owned and operated by the Dunn family, who live in Baton Rouge. Cleve Dunn Sr., Evonne Dunn, and Tameka Dunn all serve as co-directors of RHI.

22. RHI is the only approved vendor for pre-trial supervision on Judge White's website.³

23. RHI does not have a formal written contract with the JDC. Its provision of services to Judge White is based on an informal arrangement between RHI and Judge White.

24. RHI officials and Judge White are political allies. RHI officials and employees supported Judge White's 2014 re-election campaign.

25. Cleve Dunn Jr. served as Chairperson of Judge White's Campaign Committee; White's campaign paid Cleve Dunn, Sr. for marketing; and RHI paid Frederick Hall, a former RHI employee, and his wife, Gloria Hall, who owns and operates the bond company to which RHI routinely refers putative supervisees, for campaign support activities.

C. Defendants' Pretrial Supervision Scheme

26. Individuals arrested for criminal offenses in East Baton Rouge Parish are initially taken to the East Baton Rouge Parish Prison (the "Prison").

27. The following day, they appear via closed-circuit television between the Prison and the JDC for a hearing to determine probable cause for detention and to set bond. The eight criminal judges of the JDC take turns conducting this hearing, with each serving as the "duty judge" for a given week.

² *Who We Are*, REHAB. HOME INCARCERATION (2014), <http://www.rhiweb.com/>.

³ Judge Trudy M. White, "Approved Vendors," <http://judgetrudywhite.com/page.php?name=vendors> (last visited Mar. 31, 2017). Judge White also assigns individuals a company called Street Crimes Alternatives for pretrial supervision. However, this company is also run by Dunn.

32. Judge White usually sets the duration of RHI's supervision at either ninety days irrespective of the supervisee's next court date for an indefinite period of time.

33. As shown in Ayo's bond order, however, Judge White otherwise does not provide specific supervision terms for RHI to enforce. For instance, Judge White does not order a curfew or impose house arrest on those assigned to RHI, though those are listed as "special conditions" that she could check to apply in her standard order.

34. Nor does Judge White order payment of the initial fee or monthly fee as a condition of release from the Prison. Instead, RHI sets this payment as a condition of release.

35. East Baton Rouge Parish has authority over, and responsibility for, operating the Prison, and Sheriff Gautreaux III and Warden Grimes have final policymaking authority for the East Baton Rouge Parish's operation of the Prison.

36. Through an agreement with RHI, Sheriff Gautreaux III and Warden Grimes, as final policymakers for East Baton Rouge Parish with respect to jailing and releasing arrestees at the Prison, created and enforce a policy that the Prison will not release arrestees from the Prison until it receives permission from RHI—permission that comes only after RHI is satisfied with the initial payment made.

37. RHI demands an initial fee of \$525.

38. Arrestees typically only learn they must pay this initial fee to be released when they or their family members attempt to post bail or when they first meet with RHI at the Prison.

39. Arrestees who cannot immediately pay the initial RHI fee may wait in jail for days or R t b is satufa4ees - Tc 0.062 Ta5(m)1 t

44. Despite collecting significant fees for its supervision, RHI does not require supervisees to

a. Plaintiff Henry Ayo

50. Plaintiff Henry Ayo appeared before Judge White on August 8, 2016, via closed circuit television from the Prison after he was arrested on suspicion of attempting to steal an air conditioning unit from a vacant property.

51. Judge White set his bond at \$8,000, informed him of the charges, and assigned him to RHI supervision. White informed him that someone from RHI would visit him at the Prison to explain the process.

52. Judge White did not ask Mr. Ayo any questions about himself, his charges, or his case; she did not set or otherwise explain any terms of the RHI supervision; and she did not allow Mr. Ayo to ask any questions concerning the supervision.

53. A few days later, a RHI employee Frederick

56. Ms. Ayo called RHI and spoke to Mr. Hall. Mr. Hall informed her that she still had to pay approximately \$500 to RHI for Mr. Ayo to be released from the Prison and would have to continue paying each month. Mr. Hall then came to her house to collect

63. After the case closed, RHI still called Mr. Ayo to demand that he pay \$200 that it claimed he owed RHI. Altogether Mr. and Mrs. Ayo have paid approximately \$1,000 to RHI.

b. Plaintiff Kaiasha White

64. Plaintiff Kaisha White appeared before Judge White on August 8, 2016, after her arrest on charges of simple and aggravated battery concerning an argument with her partner.

65. Judge White set her bond at \$4,000 and informed her that she would also have to report to RHI.

66. Judge White did not ask Ms. White any questions about herself, her charges, or her case; did not set any terms of the RHI supervision; and did not allow Ms. White to ask any questions about the supervision.

67. Ms. White did not have money to pay RHI, as she was unemployed at the time and relied on her partner and family members to pay her living expenses. Thus, she was detained in the Prison for another month until her mother received a social security check.

68. On or about September 1, 2016, Ms. White's mother gave a bail bondswoman \$500. The bondswoman told Ms. White that the bondswoman and RHI would split the payment, and that a portion would go towards RHI's initial fee.

69. The next day, RHI employee Hall went to the Prison and met with Ms. White. He informed her that she would have to pay the remainder of the initial fee and monthly supervision fee after she was released. He then had her sign RHI's contract, which provided that Ms. White could be arrested by an RHI official or East Baton Rouge law enforcement if she violated its terms. Later that day, Ms. White was released from the Prison.

70. During Ms. White's detention

representative told her that if she did not comply, RHI would have her arrested during the next police “round up.”

78. Ms. White called Mr. Hall to ask why she was being required to take and pay for the class, but no one answered at his phone number. She subsequently received a letter from RHI stating that Mr. Hall had left RHI.

79. Ms. White did not hear from Mr. Hall again. However, she began receiving letters from RHI claiming that she owed roughly \$800. Ms. White lacks the money to pay this amount. She still does not know for how long she was under RHI supervision or whether it has actually ended.

Facts Common to All RICO Counts

80. Plaintiff White is a “person” entitled to bring a private cause of action under 18 U.S.C. § 1964(c) and La. Stat. Ann. § 15:1356(E).

84. Defendant Dunn has conducted the affairs of RHI through a pattern of racketeering to achieve the common purpose of unlawfully extorting money from Plaintiffs Ayo and White and the proposed Class. These racketeering acts are an integral part of RHI's regular course of business.

85. As described above, on numerous occasions over an unknown period of time Defendant Dunn has

89. As a direct and proximate result of Defendant Dunn's racketeering activities, Plaintiffs and the proposed Class have been injured in their property in that they have paid and continue to pay RHI's fees due to the fear induced by Dunn and RHI employees' wrongful use and threats of arrest and jailing.

V. CLASS ACTION ALLEGATIONS

90. Plaintiffs White and Ayo propose a class seeking damages as to the First, Second, Third, Fourth, Sixth, and Seventh Claims for Relief, pursuant to Fed. R. Civ. P. 23(a) and (b)(3). The Class is defined as: All individuals whom Judge White ordered to pretrial supervision by Defendant RHI who were subsequently supervised by RHI.

91. A class action is a superior means, and the only practicable means, by which the named Plaintiffs and putative Class members can challenge Defendants' extortionate racketeering scheme and unlawful use and threat of wealth-based detention to extort fees from Plaintiffs and the Class.

92. Class-action status under Rule 23(b)(3) is appropriate because questions of law or fact common to proposed Class members predominate over any questions affecting only individual members, and a class action is superior to other available methods for fairly and efficiently adjudicating the controversy.

93. Furthermore, as detailed below, this action satisfies the numerosity, commonality, typicality, and adequacy requirements of Rule 23(a).

A. Requirements of Rule 23(a)

Rule 23(a)(1) - Impracticability of Joinder Due to Numerosity

94. The precise size of the proposed

- d. Whether the Parish has a policy, practice, or custom of detaining arrestees until obtaining RHI's permission to release them;
 - e. Whether RHI's standard contract provides for an initial fee and monthly fees;
 - f. Whether RHI's standard contract provides for arrest and jailing for failure to pay its fees;
 - g. Whether Dunn directs RHI employees to threaten to arrest and jail Proposed Class members who do not pay the monthly supervisory fees and other mandated fees to RHI;
99. Among the most important common questions of law for the proposed Class are:
- a. Whether Defendant Dunn's operation of RHI through a pattern of racketeering activity, specifically, extorting money from Plaintiffs and the Proposed Class by unlawfully detaining them in the Prison until they pay RHI's initial fee, then threatening them with additional jailing if they fail to pay RHI monthly fees once released, violates the Louisiana and federal RICO Acts;
 - b. Whether East Baton Rouge Parish and RHI's practice of detaining Plaintiffs Ayo and White and members of the proposed Class in the Prison because they could not pay RHI's initial fee violates Plaintiffs and proposed Class members' rights under the Fourteenth Amendment to due process and equal protection;
 - c. Whether East Baton Rouge Parish's and RHI's detention of Plaintiffs and the proposed Class members after they posted bonds constituted an unreasonable seizure in violation of the Fourth Amendment; and
 - d. Whether RHI lacks any legal authority or right to collect fees from Plaintiffs and the proposed Class members.

105. The proposed Class seeks damages against Defendant Dunn, East Baton Rouge Parish, and RHI for jailing the proposed Class until its members were able to pay RHI's initial fee, engaging in a pretrial supervision scheme that allowed RHI, under Dunn's direction, to extort additional fees and costs from the proposed Class by wrongfully threatening future jail time and court sanctions for nonpayment.

D. The Requirements of Rule 23(g)

106. Plaintiffs are represented by attorneys from the American Civil Liberties Union, the American Civil Liberties Union Foundation of Louisiana, and the Southern Poverty Law Center who have experience litigating complex civil rights matters in federal court and extensive knowledge of both the details of Defendants' practices and the relevant constitutional and statutory law. Counsel has the resources, expertise, and experience to prosecute this action.

VI. CLAIMS FOR RELIEF

FIRST CLAIM FOR RELIEF

Federal Racketeering Influenced and Corrupt Organization Act

(18 U.S.C. § 1962(c))

Plaintiffs Ayo and White the Proposed Class against Cleve Dunn, Sr.

107. Plaintiffs incorporate and adopt Paragraphs 1 through 106 of this Complaint.

108. Rehabilitation Home Incarceration ("RHI") is an enterprise engaged in and whose activities affect interstate commerce. Defendant Cleve Dunn, Sr., is RHI's Executive Director.

109. In violation of 18 U.S.C. § 1962(c), Defendant Dunn conducts RHI's affairs through a pattern of racketeering activity to illegally extort money from Plain1-5(e)3(t2 Tc 0.228 Tw [(y)2(f)12

imposes conditions of supervision for arrestees assigned to RHI, including imposing fees for release and monthly supervision, and uses threats of incarceration for supervisees who do not comply with RHI's conditions or pay the required fees.

110. Dunn has made a separate agreement with Prison officials that prohibits the release of pretrial arrestees assigned to RHI unless the arrestees pay RHI's initial fee and RHI sends confirmation to the Prison that the arrestee has paid said fee.

111. Pursuant to and in furtherance of this unlawful scheme, Defendant Dunn has committed multiple, related predicate acts of extortion by refusing to authorize the release of Plaintiffs Ayo and White and the proposed Class from the East Baton Rouge Parish Jail until they paid the initial fee to RHI. By unlawfully using the fear of arrest by East Baton Rouge law enforcement or RHI officials to coerce payment, Dunn additionally extorted from Plaintiffs Ayo and White and the proposed Class on numerous occasions a monthly monitoring fee of \$225, along with other fees for classes required at the discretion of RHI employees.

112. Defendant Dunn's use of RHI to extort money from arrestees assigned by Judge White constitutes a pattern of racketeering activity.

113.

114. Plaintiffs incorporate and adopt herein Paragraphs 1 through 106 of this Complaint.

115. RHI is an enterprise that conducts business in the state of Louisiana. Defendant Cleve Dunn, Sr., is RHI's Executive Director.

116. In violation of LA. STAT. ANN. § 15:1353(C), Defendant Dunn conducts RHI's affairs through a pattern of racketeering activity to illegally extort money from Plaintiffs Ayo and White and proposed Class Members. Specifically, Dunn has made an agreement with Judge Trudy White for RHI to be White's approved vendor for pretrial court supervision. Dunn then imposes conditions of supervision for arrestees assigned to RHI, including imposing fees for release and monthly supervision, and uses threats of incarceration for supervisees who do not comply with RHI's conditions or pay the required fees.

117. Dunn has made a separate agreement with Prison officials that prohibits the release of pretrial arrestees assigned to RHI unless the arrestees pay RHI's initial fee and RHI sends confirmation to the Prison that the arrestee has paid said fee.

118. Pursuant to and in furtherance of this unlawful scheme, Defendant Dunn has committed multiple, related predicate acts of extortion by refusing to authorize the release of Plaintiffs Ayo and White and the proposed Class from the East Baton Rouge Parish Jail until they secured and paid the initial fee to RHI. By unlawfully using the fear of arrest by East Baton Rouge law enforcement or RHI officials to coerce payment Dunn additionally extorted from

Plaintiffs Ayo and White and the p07 ToeA((f)JTJ 0 r(h)1(i)-1(s1 1 Tf ()Tj /TT0 1 Tf 0.22 TT0 c6(32du

Fourteenth Amendment by

(La. Stat. Ann. § 51:1405)

Plaintiffs Ayo and White against RHI

129. Plaintiffs incorporate and adopt herein Paragraphs 1 through 79 of this Complaint.

130. The Louisiana Unfair Trade Practices Act (“LUTPA”) bars “[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce,” La. Stat. Ann. § 51:1405, and authorizes recovery for any person who suffers an “ascertainable loss” as a result of this misconduct, whether of money or property, La. Stat. Ann. § 51:1409(A).

131. Defendant RHI has violated LUTPA by entering an agreement whereby White assigns pretrial arrestees to RHI without a meaningful hearing as to whether RHI supervision is appropriate, and without allowing any other pretrial supervision agency to provide whatever supervisory conditions may be appropriate.

132. Defendant RHI further violates LUTPA by imposing conditions of release and determining its supervision fees without any lawful authority, thereby allowing RHI to charge supervisees exorbitant rates without any market competition. RHI then collects these fees by jailing or threatening to jail those under its supervision.

133. RHI’s practices offend public policy and are unethical, oppressive, unscrupulous, and substantially injurious. They have directly and proximately caused Plaintiffs significant losses in both their money and property.

SIXTH CLAIM FOR RELIEF

Conversion

Plaintiffs Ayo and White and the proposed Class against RHI

134. Plaintiffs incorporate and adopt herein Paragraphs 1 through 79 and 90 through 106 of this Complaint.

135. Louisiana law protects against the intentional wrongful exercise or assumption of authority over another's goods, depriving her of permanent or indefinite possession.

136. Through the scheme described above, RHI has engaged in the tort of conversion by charging and collecting fees that are not authorized by statute or by order of the JDC.

137. RHI has also prevented Plaintiffs' and proposed Class members' release from jail until arrestees pay the initial fee, and RHI used the threat of future jailing to coerce payment of further fees.

138. Thus, Plaintiffs and proposed Class members are forced to agree to pay, and do pay, these fees under threats of arrest, jail, bond revocation, and duress.

139. As a result, RHI lacks any legal authority or right to collect and retain Plaintiffs' and the proposed Class members' initial and monthly fees. RHI thus has intentionally and wrongfully deprived Plaintiffs and proposed Class members of their monetary property.

140. RHI's practices have directly harmed Plaintiffs and proposed Class members in their loss of property.

SEVENTH CLAIM FOR RELIEF

Unjust Enrichment

Plaintiffs Ayo and White and the proposed Class against RHI

141. Plaintiffs incorporate and adopt herein Paragraphs 1 through 79 and 90 through 106 of this Complaint.

142. Article 2298 of the Louisiana Civil Code provides that "[a] person who has been enriched at the expense of another is bound to compensate that person."

143. Through the scheme describe above, RHI has unjustly enriched itself at Plaintiffs' and proposed Class members' expense by requiring exorbitant and unnecessary fees that are collected under threat and that are not authorized by law.

VII. REQUESTED RELIEF

WHEREFORE, Plaintiffs requests the following relief:

144. That the Court assume jurisdiction over this action;
145. Certification of the Class under Fed. R. Civ. P. 23(a) and (b)(3);
146. Award treble damages to each Plaintiff and Class member and against Defendant Dunn for his violations of the federal Racketeering Influenced and Corrupt Organization statutes (Count I);
147. Award the greater of treble damages or \$10,000 to each Plaintiff and Class member and against Defendant Dunn for his violations of the Louisiana Racketeering Influenced and Corrupt Organization statutes (Count II);
148. Award damages to Plaintiffs and Class members and against Defendants East Baton Rouge Parish and RHI for these Defendants' jailing of Plaintiffs and Class members because of nonpayment of RHI's initial fee without properly considering Plaintiffs' ability to pay, in violation of Plaintiffs' and Class members' Fourteenth Amendment right to Equal Protection and Due Process (Count III);
149. Award damages to Plaintiffs and Class members and against Defendants East Baton Rouge Parish and RHI for their jailing of Plaintiffs and Class members for unlawfully prolonging Plaintiffs' and Class members' detention at the Prison after posted bond, in violation of Plaintiffs' and class members' right to be free from unreasonable seizures under the Fourth Amendment (Count IV);

150. Award damages to Plaintiffs and against Defendant RHI for RHI's violations of the LUTPA (Counts V);

151. Award damages to Plaintiffs and proposed Class members and against Defendant RHI for RHI's conversion and unjust enrichment (Counts VI and VII);

152. Award prevailing party costs, including attorney fees;

153. Grant other relief as the Court deems just and appropriate.

DATED this 7th day of August, 2017

Respectfully submitted,

/s/ Ivy Wang
Ivy Wang
On Behalf of Plaintiffs' Counsel

Ivy Wang, L(ng)] gttd,

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