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**FOOD AND NUTRITION SERVICE:** *Indiana Food Store Owner Sentenced and Ordered to Pay \$3.8 Million in Restitution for SNAP Fraud, Money Laundering, and Wire Fraud*

A joint investigation with the U.S. Secret Service determined that an Indiana food store owner had illegally trafficked in Supplemental Nutrition Assistance Program (SNAP, formerly food stamps) benefits. In June 2009, the owner pled guilty to three counts of SNAP fraud, three counts of money laundering, and one count of wire fraud. A Federal court in Indiana sentenced the owner in September 2009 to 78 months of imprisonment and ordered him to pay \$3.8 million in restitution.

**AGRICULTURAL MARKETING SERVICE:** *Former Employee Sentenced and Ordered to Pay \$83,000 in Restitution and Forfeiture for Mail Fraud Regarding Purchase Cards*

An OIG investigation disclosed that a former Agricultural Marketing Service (AMS) employee used AMS purchase cards to obtain approximately \$50,000 worth of computers, printers, and digital cameras. The employee subsequently sold the items via the internet. After pleading guilty to one count of mail fraud, the woman was sentenced by a Federal court in Florida in September 2009 to six months of home detention and 60 months of probation. She was also ordered to pay over \$36,000 in restitution and forfeit \$47,000.

**FOOD SAFETY AND INSPECTION SERVICE:** *Pennsylvania Veal Production Company and Owner Fined \$650,000 for Misbranding in Veal Production and Obstruction*

An OIG investigation resulted in a Pennsylvania veal production company and its owner pleading guilty to misbranding and to obstructing agency proceedings by providing false statements to investigators. The OIG investigation revealed the company had provided formaldehyde and potassium permanganate to farmers in order to feed veal calves. Such usage is a violation of the Food, Drug and Cosmetic Act—the two chemicals are not approved for use in animal feed by the Food and Drug Administration (FDA). A Federal court in Pennsylvania sentenced the owner and company to pay a \$650,000 fine. The company was ordered to develop a special surveillance program in conjunction with FDA so that the violations would not be repeated. Since the company stopped feeding these chemicals to veal calves in May 2005, the Government did not

allege that the company's actions present public health concerns.

**FOOD AND NUTRITION SERVICE:** *Woman in New York Sentenced and Ordered to Pay \$187,000 in Restitution for SNAP Fraud, Wire Fraud, and Aggravated Identity Theft*

A joint investigation determined that a woman in New York had devised a scheme to process fraudulent credits and debits of SNAP electronic benefits. Over 340 stores were victimized. The woman pled guilty in April 2009 to wire fraud, unauthorized use and possession of SNAP benefits, and aggravated identity theft. In September 2009, a Federal court in New York sentenced her to 37 months of imprisonment, 36 months of supervised release, and ordered her to pay restitution of \$187,000. OIG and the U.S. Secret Service participated in the investigation.

**ANIMAL AND PLANT HEALTH INSPECTION SERVICE:** *Joint Investigation Results in 276 Month Sentence for Indiana Man Engaged in Illegal Drug Activities and Animal Fighting*

An OIG investigation, conducted with the Indianapolis Police Department and Indianapolis Animal Care and Control, resulted in the arrest of a man for cockfighting and related charges. The man pled guilty to State felony charges for dealing methamphetamine, the promotion of animal fighting, and possession of animals (and paraphernalia) for animal fighting. In October 2009, an Indiana State court sentenced him to 276 months of imprisonment and 24 months of probation for his activities. Since the man had served 12 months in jail, the court suspended the remaining 264 months. Sentencing is pending for two other subjects in this case.

**FOOD AND NUTRITION SERVICE:** *Michigan Store Owner Sentenced and Ordered to Pay \$98,000 in Restitution for Wire Fraud*

A joint investigation determined that a store owner had illegally exchanged SNAP benefits for cash during the period May 2005 through February 2007. The Detroit store owner was charged with wire fraud and aiding and abetting, among other counts, and he subsequently pled guilty to the wire fraud charge. In October 2009, a Federal court for the Eastern District of Michigan sentenced him to 14 months of imprisonment, 36 months of supervised release, and ordered him to pay \$98,000 in restitution to FNS. OIG conducted the investigation with the Criminal Division of the Internal Revenue Service and the Michigan State Police.

**FOOD AND NUTRITION SERVICE:** *Woman in Montana Sentenced and Ordered to Pay \$35,000 in Restitution for SNAP Fraud and Medicaid Fraud*

An OIG investigation determined that an individual in Bozeman, Montana had submitted false information regarding her employment status from December 2001 through July 2007 in order to qualify for SNAP benefits, Medicaid benefits, and cash assistance payments. In September 2009, a Federal court in Montana sentenced the woman to six months of home confinement, 60 months of probation, and ordered her to pay restitution of \$35,000 to the Montana Department of Public Health Human Services.