



NEWS RELEASE

Office of the New York State Welfare Inspector General
Catherine Leahy Scott – Acting Welfare Inspector General

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PITTSFORD MAN PLEADS GUILTY TO MILLION DOLLAR FOOD STAMP FRAUD SCHEME

ROCHESTER – New York State Inspector General Catherine Leahy Scott and Acting U.S. Attorney of the Western District of New York James P. Kennedy, Jr. announced today that Irving Feldman, 61, of Pittsford, NY, pleaded guilty to food stamp fraud before Chief U.S. District Judge Frank P. Geraci, Jr. The charge carries a maximum penalty of five years in prison and a \$250,000 fine.

Feldman, owner of Upstate Fish, Inc. at 826 Joseph Avenue in Rochester, was authorized to accept and redeem food stamps as the owner of Upstate Fish, Inc.

Between January 2010, and October 2015, Feldman illegally purchased food stamp benefits for less than half their full value for cash from eligible beneficiaries. Feldman engaged in approximately \$1,227,063 of illegitimate transactions.

In addition, Feldman directed beneficiaries to purchase fish at other fish stores using their EBT card. The beneficiaries would then bring the fish to Upstate Fish, Inc. and Feldman would provide cash to the beneficiaries in amounts less than the cost to purchase the fish. The loss amount from this additional scheme was approximately \$202,620.

Food stamp benefits are issued by the Food and Nutrition Service of the United States Department of Agriculture (“USDA”) and are distributed to recipients through the use of Electronic Benefit Transfer (“EBT”) cards. When purchasing certain eligible food items, the beneficiary provides the EBT card through an EBT terminal at the authorized retailer. This electronic transfer of benefits is initiated at the retailer’s terminal by deducting benefits from the beneficiary’s account and crediting the amount through an electronic transfer directly from the United States Treasury Department to the retailer’s designated bank account. A retailer is prohibited from exchanging cash for food stamps.

“This fish market owner was caught running a food stamp fraud scheme that was truly breathtaking in scale,” said **Inspector General Leahy Scott**. “I will continue to work collaboratively with my law enforcement partners to help ensure that unscrupulous business owners will not illegitimately profit from government sponsored public benefit programs meant for those who are in the most need of financial assistance.”

“Federal programs that provide services such as food stamp benefits are designed to assist those in our community who are most in need, they are not intended to line the pockets of greedy business owners.”

said **Acting U.S. Attorney Kennedy**. “Our Office will continue to work closely with our law enforcement partners at all levels to cast a wide net to catch these fraudsters and thereby protect American taxpayers.”

The plea is the result of an investigation by the U.S. Department of Agriculture, Office of Inspector General, under the direction of Special Agent in Charge William G. Squires Jr., the Rochester Police Department, Economic Crimes Division, under the direction of Chief Michael Ciminelli, the Monroe County Department of Social Services, under the direction of Corinda Crossdale, Immigration and Customs Enforcement, Homeland Security Investigations, under the direction of Special Agent-in-Charge James C. Spero, and the New York State Office of the Welfare Inspector General, under the direction of New York State Inspector General Catherine Leahy Scott.

Sentencing is scheduled for March 14, 2017, at 3:30 p.m. before Judge Geraci.

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The New York State Office of the Welfare Inspector General investigates fraud, abuse or illegal acts committed against public assistance programs designed to help those in need. Our office also investigates complaints about the agencies and local social services districts who administer social services programs. Complaints and referrals are kept confidential. We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form: <http://www.ig.ny.gov> or sending an email to: inspector.general@ig.ny.gov. You also can write to our office at: Office of the Welfare Inspector General, Empire State Plaza, Agency Building 2, 16th Floor Albany, New York 12223