



NEWS RELEASE

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

FOR IMMEDIATE RELEASE: Feb. 7, 2018
For More Information Contact
NYSIG: [John Milgrim](#): 518-474-1010
USDOJ: Barbara Burns 716-843-5817

ROCHESTER FISH STORE OWNER SENTENCED TO PRISON AND ORDERED TO PAY RESTITUTION FOR \$1.4 MILLION FOOD STAMP FRAUD SCHEME

ROCHESTER – New York State Inspector General Catherine Leahy Scott and United States Attorney for the Western District of New York James P. Kennedy, Jr. announced that Irving Feldman, 62, of Pittsford, NY, was sentenced today to one year in prison and ordered to pay \$729,630 restitution for his previous guilty plea to his part in running a more than \$1.4 million food stamp fraud operation. Feldman was sentenced today before Chief U.S. District Judge Frank P. Geraci, Jr.

Feldman, owner of Upstate Fish, Inc., operating as Jack’s Fish Market at 826 Joseph Avenue in Rochester, was authorized to accept and redeem food stamps at his market. Between January 2010, and October 2015, Feldman illegally used cash to purchase food stamp benefits for less than half their full value from eligible beneficiaries. Feldman engaged in approximately \$1,227,063 in such illegitimate transactions.

In addition, Feldman directed beneficiaries to purchase fish at other fish stores using their food stamps, and then to bring the fish to Upstate Fish, Inc. where 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.

“This corner fish market was a front for the owner’s brazen seven-figure criminal scheme in which he took advantage of society’s most financially vulnerable, as well as our critical welfare system, for his own personal greed,” said **Inspector General Leahy Scott**. “I will continue to work closely with my law enforcement partners to put a stop to corrupt business owners illegally profiting from vital government programs.”

“The schemes concocted by defendant—real-life fish stories—resulted not only in nutrition assistance being withheld from low-income individuals but also led to significant sums of money being fraudulently diverted from the needy to defendant,” noted **United States Attorney Kennedy**. “I’d like to commend our federal, state, and local partners for their excellent cooperation and assistance in helping us to catch this defendant and successfully prosecute him in federal court.”

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 which is scanned 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.

Inspector General Leahy Scott thanked her investigative partners including the U.S. Department of Agriculture Office of Inspector General, the Rochester Police Department's Economic Crimes Division, the Monroe County Department of Social Services and Immigration and Customs Enforcement's Homeland Security Investigations. The Inspector General also thanked United States Attorney Kennedy and his office for prosecuting this matter.

###

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