



# NEWS RELEASE

OFFICE OF THE WELFARE INSPECTOR GENERAL

Catherine Leahy Scott – Acting Welfare Inspector General

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## TWO ROCHESTER AREA BUSINESS OWNERS ARRESTED IN FOOD STAMPS TRAFFICKING SCHEME

ROCHESTER - New York State Inspector General Catherine Leahy Scott today announced the arrests of two Rochester business owners on charges they illegally exchanged Supplemental Nutritional Assistance Program (“SNAP” or more commonly known as food stamps) benefits for cash, engaging in more than \$20,062.33 in fraudulent transactions between January 2013 and May 2015. The arrests are the culmination of a year-long joint investigation conducted by local, state and federal authorities.

Charged were Nabil Saeed, 58, of Rochester, the owner and operator of Discount Food Market located at 752 Avenue D, and Kamalaldain Ahmed, 55, of Rochester, the owner and operator of Hudson Best Mini Mart located at 1004 Hudson Avenue. Both have been charged with Misuse of Food Stamps, a Class E Felony.

“These local business owners were entrusted to be part of a safety net for those in need, but instead, my investigation found they violated that trust by taking advantage of the public benefits system and the individuals and families it was meant to serve,” said Inspector General Leahy Scott. “I will continue to partner with law enforcement across New York State to ensure that individuals who defraud the welfare system are held accountable for their actions.”

Saeed is accused of engaging in \$16,596.80 worth of fraudulent transactions and Ahmed is accused of \$3,465.53 worth of fraudulent transactions. Ahmed was arraigned this morning in Rochester City Court and Saeed is scheduled for arraignment August 4.

Inspector General Leahy Scott’s investigation revealed that the store owners engaged in a food stamps trafficking scheme, predominantly one in which store owners provided discounted cash payments to customers in exchange for the full value of their SNAP benefits. Typically, the store owners would provide cash payments of 50% to 70% of the available SNAP benefits to the customer. In turn, the store owner would submit the entire amount of the customer’s SNAP benefit to the United States Department of Agriculture (USDA) for reimbursement, falsely

indicating that the customer had purchased food at full value. In a separate scheme, the store owners allowed customers to purchase items not authorized under SNAP guidelines, such as cigarettes, prepared food, and clothing.

The SNAP program is licensed and funded by the USDA, managed in New York by the State Office of Temporary and Disability Assistance (OTDA), and administered locally by the various social services districts around the State. The benefits are intended to provide food for low income residents including working people, seniors, individuals with disabilities, and others. SNAP eligibility and benefit levels are based on household size, income, and other factors. SNAP benefits can be accessed at registered retail stores throughout New York State using an Electronic Benefit Transfer card. Stores authorized to accept SNAP benefits are licensed by the USDA.

Inspector General Leahy Scott thanked the USDA's Office of Inspector General, Rochester Police Department, Monroe County Department of Human Services, and the State Office of Temporary and Disability Assistance for their cooperation in this investigation. The Monroe County District Attorney's Office is handling the prosecution of these defendants.

The defendants are presumed innocent until and unless proven guilty in a court of law.

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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.state.ny.gov> or sending an email to: [inspector.general@ig.ny.gov](mailto: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.*