

Massachusetts Supermarket Sentenced For \$110,000 in Snap Benefit Fraud

C-Mart Supermarket Inc. (C-Mart) was sentenced on Wednesday, May 29 in federal court in Boston in connection with an \$110,000 SNAP benefit fraud scheme that the corporate defendant operated out of a Chinatown supermarket.

C-Mart was ordered by Chief U.S. District Court Judge Patti B. Saris to pay \$110,000 in restitution and a \$10,000 fine. On Feb. 26, 2019, C-Mart Supermarket Inc. pleaded guilty to one count of conspiracy to acquire, possess, and redeem Supplemental Nutritional Assistance Program (SNAP) benefits in an unauthorized manner, and one count of SNAP fraud/aiding and abetting.

SNAP, administered by the U.S. Department of Agriculture (USDA), provides eligible households with government subsidies for food and allows holders to exchange their SNAP benefits for food at authorized retail food stores. During the time-frame of the conspiracy, C-Mart was an authorized SNAP retailer.

From about October 2010 through April 2012, C-Mart conspired with another business located in the Chinatown section of Boston to commit SNAP fraud. During that period, the co-conspirator and employees of the co-conspirator purchased SNAP benefits from legitimate SNAP beneficiaries for cash at a discounted value of approximately 50 cents for every SNAP dollar at the co-conspirator's establishment. As neither the co-conspirator nor its employees were authorized to accept SNAP benefits as payment, the co-conspirator took the SNAP beneficiaries' Electronic Benefit Transfer (EBT) cards or card information and used the dollar value of the benefits at

several stores in Chinatown that were authorized to accept SNAP benefits. C-Mart was one of those stores. The co-conspirator would go to C-Mart and provide various EBT cards to a C-Mart employee who would swipe the EBT cards belonging to individuals who were not the co-conspirator. The co-conspirator would then receive credit from C-Mart to use those funds to purchase inventory from the store. Additionally, USDA deposited the dollar value of the benefits swiped on each food stamp EBT card into C-Mart's bank account; therefore, C-Mart received the cash value of the SNAP benefits from the USDA. During the course of the conspiracy, C-Mart Supermarket Inc. defrauded the USDA of \$110,000 in SNAP funds.

United States Attorney Andrew E. Lelling; Bethanne M. Dinkins, Special Agent in Charge of the U.S. Department of Agriculture, Office of Inspector General, Office of Investigation, Northeast Region; Kristina O'Connell, Special Agent in Charge of the Internal Revenue Service's Criminal Investigations in Boston; and Boston Police Commissioner William Gross made the announcement today. Assistant U.S. Attorneys Suzanne Sullivan Jacobus and Robert Richardson of Lelling's Major Crimes Unit prosecuted the case.