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CLERK, U.S. DISTRICT COURT
ST. PAUL, MINNESOTA

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UNITED STATES OF AMERICA,)

Plaintiff,)

v.)

CHIN SON KIM,)

Defendant.)

INFORMATION CR 13-86 PAM

(7 U.S.C. § 2024(b)(1))

(7 U.S.C. § 2024(f))

(18 U.S.C. § 981(a)(1)(c))

(28 U.S.C. § 2461(c))

THE UNITED STATES ATTORNEY CHARGES THAT:

1. At all times relevant to this Indictment, the defendant, CHIN SON KIM, worked and resided within the State and District of Minnesota.

2. The United States Department of Agriculture (USDA), Food Nutrition Service (FNS) was a federal agency responsible for the administration and implementation of the food stamp program, which is known as the Supplemental Nutrition and Assistance Program (SNAP). As of October 1, 2008, the official name of the federal Food Stamp Program changed to SNAP, however, the forms as well as the regulations still refer to the Food Stamp Program.

3. In 1993, the USDA, through the State of Minnesota Department of Human Services (MNDHS) converted from a traditional paper food stamp coupon system to what is known as an Electronic Benefit Transfer (EBT) card system.

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U.S. DISTRICT COURT ST. PAUL

FILED April 18, 2013
RICHARD D. SLETTER, CLERK
JUDGMENT ENTD _____
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Instead of being issued food stamp coupons, SNAP recipients were issued EBT cards that could be used at participating retailers. EBT cards are like credit or debit cards, and in the case of SNAP, the EBT card is linked to the recipients' benefit accounts, and credited with the recipients' allocated benefit amounts on a monthly basis. The recipients can redeem benefits at participating authorized retailers.

4. As with traditional food stamp coupons, SNAP recipients could exchange their benefits only for eligible food items and only at stores that were authorized by the USDA to accept SNAP benefits. Authorized stores were prohibited from accepting SNAP benefits in exchange for items such as alcoholic beverages, tobacco, hot foods, cell phone minutes, non-food items such as tissues, soaps, cosmetics, or other household goods. SNAP benefits could not be redeemed for cash.

5. The redemption of SNAP benefits was done in a fashion similar to a credit card transaction, either by manually entering the account information or by swiping the EBT card through a Point of Sale device (POS device). The SNAP recipient then entered a personal identification number (PIN) on the machine's external PIN pad to complete the transaction. The EBT card machine records the

EBT card number, the date and time of the transaction and the amount debited from the recipients' EBT account.

6. Defendant CHIN SON KIM has never applied for or has been officially provided a SNAP card.

7. During the period of November 2010 through July 2012 Defendant CHIN SON KIM obtained SNAP cards from recipients who had been issued cards. KIM repeatedly patrolled in his vehicle near a charity facility in St. Paul, Minnesota and at other locations, looking for recipients who he could recruit to provide him with SNAP cards. After a card was provided to KIM, KIM went to local markets who were authorized to conduct SNAP transactions. At these markets, KIM engaged in a fraudulent transaction, in which KIM presented the SNAP card issued to another, which was swiped through a SNAP card reader by the store employee, appearing as if a legitimate transaction had occurred. KIM then received food items and cash during the transaction to which he was not entitled. KIM then returned to the card holder and provided the card holder with 50% of the cash that KIM received from the transaction. KIM retained the remaining 50% as food items, store credits, or cash. One such transaction is described below in Count 1.

COUNT 1
(Food Stamp Fraud)

8. The allegations of paragraphs 1-7 of this Indictment are re-alleged as if fully set forth herein.

9. On or about July 10, 2012, in the State and District of Minnesota, the defendant,

CHIN SON KIM,

aiding and abetting and being aided and abetted by others, did knowingly use, transfer, acquire, alter, or possess benefits valued at \$100 or more in an unauthorized manner, all in violation of Title 7, United States Code, Section 2024(b).

FORFEITURE ALLEGATIONS

Count 1 of this Indictment is hereby re-alleged and incorporated as if fully set forth herein by reference, for the purpose of alleging forfeitures pursuant to Title 7, United States Code, Section 2024(f), and Title 28, United States Code, Section 2461(c).

As a result of the offense alleged in Count 1 of this Indictment, defendant shall forfeit to the United States pursuant to Title 7, United States Code, Section 2024(f), Title 18 United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property constituting, or derived from, proceeds

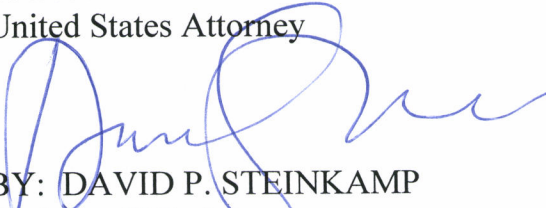
traceable to the violations of Title 7, United States Code, Section 2024. The United States intends to seek the forfeiture of substitute property, as provided for in Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All in violation of Title 7, United States Code, Sections 2024(b) and (f), Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

Respectfully submitted,

Dated: 4/18/13

B. Todd Jones
United States Attorney



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