

NEWS

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FOR IMMEDIATE RELEASE
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Owner of Trenton Grocery Store Sentenced to 24 Months in Federal Prison for Food Stamp Fraud

(More)

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TRENTON – The owner of a small Trenton neighborhood grocery store was sentenced to 24 months in federal prison today for his role in defrauding the Food Stamp Program of \$978,488, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Mary L. Cooper also ordered Luther Mills, 27, of Trenton, to pay \$391,395 in restitution. Judge Cooper continued Mills' release on a \$100,000 bond, which is secured by his business, pending his surrender to the U.S. Bureau of Prison on or before Feb. 4, 2008.

On April 3, 2007, Mills pleaded guilty before Judge Cooper to a one-count Information that charged him with embezzling more than \$1000 worth of food stamp benefits funded by the United States Department of Agriculture.

At his plea hearing, Mills stated that during the time period covered in the Information, from January 2004 through September 2006, he owned the M&M Delicatessen ("M&M Deli") located in Trenton. Mills admitted that as owner, he completed M&M Deli's application for authorization to participate in the U.S. government's Food Stamp program, which was approved in September 2000.

Mills admitted that he understood that Food Stamp benefits were to be redeemed only for the purchase of approved food items. However, Mills admitted that he regularly charged customers' Electronic Benefit Transfer ("EBT") cards for amounts that did not represent payment for food item purchases. Mills then passed a percentage of the fraudulent charges to his customers in the form of cash and kept a percentage for himself. Mills admitted that he received his share of the fraudulent transactions when the Food Stamp program made payment for the full amount he charged his customers' EBT cards.

The \$391,395 of restitution ordered by Judge Cooper represents the total amount of the proceeds from fraudulent transactions that Mills had kept for himself.

Mills' was arrested on a criminal Complaint on Aug 14, 2006, as a result of an investigation by Special Agents of the U.S. Department of Agriculture - Office of the Inspector General, with the assistance of the U.S. Secret Service, into unlawfully redemption of food stamps in exchange for cash or the purchase of non-food items by authorized retailers.

In determining the actual sentence, Judge Cooper consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents of the Department of Agriculture - Office of the Inspector General, under the direction of Special Agent in Charge Brian L. Hasser, and U.S. Secret Service, under the direction of Special Agent in Charge Cynthia Wofford, with the investigation.

The government is represented by Assistant U.S. Attorney Eugenia A. P. Cowles of the U.S. Attorney's Office's Criminal Division in Trenton.

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Defense Attorney: Michael Chazen, Esq. Freehold