



Department of Justice

Robert M. Duncan, Jr.
United States Attorney
Eastern District of Kentucky

FOR IMMEDIATE RELEASE
Monday, July 22, 2019
www.usdoj.gov/usao/kye

CONTACT: WM. ALLEN LOVE
PHONE: (859) 685-4805
E-MAIL: William.Allen.Love@usdoj.gov

Paris Man Pleads Guilty to Conspiring to Commit Crop Insurance Fraud

LEXINGTON, Ky. - A Paris, Kentucky man admitted in federal court today that he conspired to commit crop insurance fraud.

Keith A. Foley, 49, pleaded guilty today to conspiring to violate the laws of the United States before U.S. District Court Senior Judge Joseph M. Hood.

Foley, an agricultural producer of tobacco in Bourbon and Jessamine Counties, admitted that from approximately 2011 through 2016, he agreed with others to commit crop insurance fraud. In these years, Foley took out Multi-Peril Crop Insurance to cover his tobacco crops, an insurance program funded by the federal government through the Federal Crop Insurance Corporation but administered through private insurance providers. Foley admitted that he hid his crop production from the insurance companies, in order to claim that his crop suffered enough damage to trigger federal crop insurance indemnity payments.

Foley also had private insurance policies (called crop-hail policies) covering his tobacco crop. In crop years 2012, 2014, and 2015, Foley admitted to entering into an agreement with his crop adjusters and insurance agent at the time, in order to defraud his insurance companies. To accomplish this, Foley's coconspirators submitted fabricated documents, to support tobacco crop damage, to Foley's insurance companies. In exchange, Foley paid his coconspirators a portion of the resulting indemnity payout.

According to the plea agreement, Foley's conduct caused a loss of approximately \$480,000 to the federal government and private insurance companies.

Robert M. Duncan, Jr., United States Attorney for the Eastern District of Kentucky; Bethanne M. Dinkins, Special Agent in Charge, United States Department of Agriculture Office of Inspector General; James Robert Brown, Jr, Special Agent in Charge, Federal Bureau of Investigation; Christopher Altemus, Special Agent in Charge, Internal Revenue Service-Criminal Investigation; and Willie Skeens, Director, Kentucky Department of Insurance Fraud Investigation Division, jointly announced the

guilty plea.

The investigation was conducted by the United States Department of Agriculture Office of Inspector General, United States Department of Agriculture Risk Management Agency, Federal Bureau of Investigation, Internal Revenue Service-Criminal Investigation, and Kentucky Department of Insurance. The United States was represented by Assistant U.S. Attorneys Erin M. Roth and Kathryn A. Anderson.

Foley is scheduled to be sentenced on October 21, 2019. He faces up to 5 years in prison and a maximum fine of \$250,000 or twice the amount of loss. However, any sentence will be imposed by the Court after consideration of the U.S. Sentencing Guidelines and the federal statutes.

— END —