



Department of Justice

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Nicholas County Man Sentenced to 36 Months for Extensive Crop Fraud Scheme

LEXINGTON, Ky.— A Mt. Sterling, Ky., man, Timothy Douglas Snedegar, 65, was sentenced to 36 months in federal prison on Monday, by U.S. District Judge Karen Caldwell, after previously pleading guilty to conspiring to commit wire fraud related to his participation in a scheme to defraud a private crop insurance company.

According to his plea agreement, between 2012 and 2015, Snedegar, who worked as a crop insurance adjuster, purported to follow proper adjustment procedures for adjusting claims of loss on private crop insurance policies, by verifying losses on Tobacco Test Sheets and through photographic evidence of the damage. Instead, working with others (including Mike McNew, convicted and sentenced to 86 months' incarceration) and in exchange for kickbacks, Snedegar helped agricultural producers submit false Tobacco Test Sheets and photographs of damage, from other farms. Snedegar admitted to working with other adjusters in the area to share pre-filled Tobacco Test Sheets and photographs of damage. Snedegar conceded he caused a private insurance company to pay out \$2,294,693 in falsified claims of loss during the years in question.

Snedegar pleaded guilty in January 2021.

Under federal law, Snedegar must serve 85 percent of his prison sentence. Upon his release from prison, he will be under the supervision of the U.S. Probation Office for 3 years.

Carlton S. Shier, IV, United States Attorney for the Eastern District of Kentucky; Jason M. Williams, Special Agent in Charge, United States Department of Agriculture Office of Inspector General; Jodi Cohen, Special Agent in Charge, Federal Bureau of Investigation, Louisville Field Office; Bryant Jackson, Special Agent in Charge, Internal Revenue Service-Criminal Investigation; and Juan Garrett, Director, Kentucky Department of Insurance Fraud Investigation Division, jointly made the announcement.

The investigations were conducted by the United States Department of Agriculture Office of Inspector General, United States Department of Agriculture Risk Management Agency Special Investigations Staff, Federal Bureau of Investigation, Internal Revenue Service-Criminal Investigation, and Kentucky Department of Insurance. The United States was represented by Assistant United States Attorneys Kathryn Anderson and Erin Roth.

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