

PRESS RELEASE

Nicholas County Farmer Sentenced for Crop Fraud Scheme

Thursday, October 12, 2023

For Immediate Release

U.S. Attorney's Office, Eastern District of
Kentucky

LEXINGTON, Ky. — A Carlisle, Ky., man, Randall Taulbee, 59, was sentenced to 30 months in federal prison on Thursday, by U.S. District Judge Karen Caldwell, after previously pleading guilty to two counts of conspiring to defraud the United States, by committing crop insurance fraud.

According to his plea agreement, Taulbee, who was a magistrate in Bourbon County from 2018 until his resignation earlier this year, owned and rented farmland in Bourbon and Nicholas Counties, where he produced tobacco and corn that he began to insure through federal crop insurance in 2009 and 2013 respectively. Beginning in at least March 2013 and through November 2017, Taulbee admitted to working with his co-defendants, his brother-in-law, James A. McDonald, his sister, Cherie Lynn Noble, and his insurance agent, to falsify crop insurance policies and claims of loss.

Some examples of how Taulbee defrauded the crop insurance program include falsely stating that he was a New Producer, overreporting his acreage, falsely submitting records from a farm supply store, failing to report crop sales on his insurance claims of loss, and submitting false claims of loss documentation on private Crop Hail crop insurance policies.

Taulbee's co-defendants have also been sentenced. McDonald received six months in prison, two years of supervised release, and was ordered to pay \$718,784 in restitution. Noble received probation and community service and was ordered to pay \$263,614 in restitution.

Under federal law, Taulbee and his co-defendants must serve 85 percent of their prison sentences. Upon his release, Taulbee will be under the supervision of the U.S. Probation Office

for three years. In addition to his prison sentence, Taulbee was ordered to pay \$718,784 in restitution.

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; Michael E. Stansbury, 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 announced the sentence.

The investigation was 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 U.S. Attorneys Kate Dieruf and Andrea Mattingly Williams.

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