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Thursday, November 3, 2016

Black Diamond Dog Kennel Owner Sentenced For Making False Statements

CEDAR RAPIDS, IA – A northwest Iowa man who owed a monetary penalty to the United States for numerous violations of animal welfare regulations at his kennel was sentenced today to 3 years' probation for lying to the government about his assets and income.

Gerhard ("Gary") Felts, age 61, from Kingsley, Iowa, was sentenced after a July 13, 2016 guilty plea to one count of making false statements to the United States.

A plea agreement and sentencing records show that Felts has operated Black Diamond Kennel since 1998. In 2010, he obtained his Class A license from the United States Department of Agriculture (USDA). The USDA conducted 17 inspections since then, finding Felts had 51 noncompliant items, including inadequate veterinary care, as well as inadequate housing, cleaning, sanitation and housekeeping. As a result of these violations, USDA obtained an \$18,938 administrative penalty against Felts.

Felts failed to pay this administrative penalty and the United States obtained a civil judgment against him in order to collect the penalty. During the collection process, defendant lied to the government about his bank accounts and his income from a workers' compensation settlement. Specifically, Felts failed to disclose a checking account he opened in April 2011, a savings account opened in April 2013, and his receipt of \$25,000 worth of worker's compensation payments in April 2013. Once defendant received his workers' compensation settlement, he used the money to expand his kennel rather than paying his administrative penalty. Felts currently owes \$13,382.70 on his administrative penalty.

Felts was sentenced in Cedar Rapids by United States District Court Chief Judge Linda



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R. Reade. Felts was sentenced to 3 years’ probation with a special condition that requires him to stay current on monthly payments to USDA. The court also ordered that, should he not be debarred from serving as a federally licensed dealer under the Animal Welfare Act, Felts must comply with all applicable federal, state, and local regulations and laws regarding his license and care of animals including but not limited to the Animal Welfare Act. A special assessment of \$100 was also imposed.

“The United States takes very seriously its obligation to collect debts from those who violate the Animal Welfare Act. False statements in that process will not be tolerated,” stated United States Attorney Kevin W. Techau. “The Animal Welfare Act’s purpose is to protect animals and those who violate it and are ordered to pay penalties will not be allowed to avoid those consequences by lying to the government. We strongly recommend that the Animal and Plant Health Inspection Service debar Mr. Felts from operating as a federally licensed dog breeder and dealer. Mr. Felts was penalized because of more than a dozen violations of animal welfare regulations and then lied to avoid the repercussions of his actions. His failure to care for his animals and this conviction demonstrate that he should be debarred in order to safeguard the welfare of his animals.”

The case was prosecuted by Assistant United States Attorney Matthew J. Cole and was investigated by U.S. Department of Agriculture. Court file information is available at <https://ecf.iand.uscourts.gov/cgi-bin/login.pl>. The case file number is 16-cr-49.

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