

Department of Justice
U.S. Attorney's Office
District of Connecticut

FOR IMMEDIATE RELEASE

Monday, November 14, 2022

Middlefield Man Sentenced to Prison for Defrauding State Jobs Programs

Vanessa Roberts Avery, United States Attorney for the District of Connecticut, announced that DAVID KANIA, 63, of Middlefield, was sentenced today by U.S. District Judge Victor A. Bolden in Bridgeport to two months of imprisonment, followed by three years of supervised release, for offenses stemming from his fraud against several state-run wage subsidy and job training programs.

According to court documents and statements made in court, Kania was the owner and operator of three small businesses, principally in the dietary supplement and beverage industry. Between 2013 and 2018, through his companies, Kania applied for and received state subsidies for employing unemployed jobseekers, including veterans, and for providing training to employees. In order to receive funds, Kania submitted false documents to the Connecticut Department of Labor and two Connecticut-based Workforce Investment Boards, which administered the wage subsidy programs, showing that he had hired certain workers and they worked for his businesses for a certain period of time, when he knew that to be false. Kania also submitted false invoices to the Manufacturing Innovation Fund ("MIF") Program for training that was never done. Through this scheme, Kania caused \$941,723.24 in loss to the wage subsidy programs and \$115,000 in loss to the MIF Program.

Judge Bolden ordered Kania to make full restitution.

Kania also underreported his total income on his 2014 through 2018 federal tax returns by failing to account for \$299,201.50 in business funds that he used for personal expenses.

On November 15, 2021, Kania pleaded guilty to one count of wire fraud and one count of filing a false tax return.

Kania, who is released on a \$100,000 bond, is required to report to prison on December 1.

This matter was investigated by the U.S. Department of Labor – Office of the Inspector General, and the Internal Revenue Service – Criminal Investigation Division, with the assistance of the Connecticut Department of Labor. The case was prosecuted by Assistant U.S. Attorney David E. Novick.

Topic(s):
Labor & Employment
Financial Fraud

Component(s):
[USAO - Connecticut](#)

Updated November 14, 2022