



2015 ASSEMBLY BILL 669

January 11, 2016 - Introduced by Representatives KERKMAN, MACCO, JACQUE, C. TAYLOR, BERCEAU, R. BROOKS, DANOU, DUCHOW, GENRICH, HORLACHER, JORGENSEN, KESSLER, KITCHENS, KOLSTE, KREMER, KULP, T. LARSON, NEYLON, NOVAK, PETRYK, SCHRAA, SPIROS, STEFFEN, SUBECK, THIESFELDT, TITTL, TRANEL and YOUNG, cosponsored by Senators HANSEN, CARPENTER, KAPENGA, C. LARSON, MARKLEIN, NASS, RINGHAND, RISSER, VINEHOUT, WANGGAARD and L. TAYLOR. Referred to Committee on Jobs and the Economy.

1 **AN ACT** *to create* 238.121 and 946.795 of the statutes; **relating to:** providing
2 fraudulent information to the Wisconsin Economic Development Corporation
3 and providing a criminal penalty.

Analysis by the Legislative Reference Bureau

This bill establishes criminal penalties and other consequences for committing fraud against the Wisconsin Economic Development Corporation (WEDC). Under the bill, no one may make or cause to be made a false statement on an application for a grant, loan, tax benefit, or other benefit or payment (benefit) from WEDC or make or cause to be made a false statement of a material fact used to determine eligibility for a benefit from WEDC.

Additionally, if a person knows of the occurrence of any event that would affect the initial or continued eligibility for a benefit from WEDC, he or she may not conceal or fail to disclose that event in order to secure a benefit from WEDC or to secure a larger benefit than he or she is entitled or eligible to receive. Finally, no one may use a benefit from WEDC that is intended for a specific use for any other use. A person who does any of these things is guilty of a Class E felony and may be imprisoned for up to 15 years, fined up to \$50,000, or both.

Also, under the bill, if a person, or the person's authorized agent on behalf of that person, intentionally commits such economic development benefits fraud, the person, including all affiliates and successors, is ineligible for economic development benefits from WEDC for seven years from the date on which the fraudulent act was committed.

ASSEMBLY BILL 669

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 238.121 of the statutes is created to read:

2 **238.121 Fraud in obtaining economic development benefits. (1)**

3 DEFINITIONS. In this section:

4 (a) “Economic development benefits” means a grant, loan, tax credit, or other
5 assistance under an economic development program administered by the
6 corporation.

7 (b) “Economic development benefits fraud” means any violation under s.
8 946.795.

9 **(2)** In addition to any criminal penalty and any requirement to repay economic
10 development benefits, if a person or the person’s authorized agent on behalf of that
11 person intentionally commits economic development benefits fraud, the person,
12 including all affiliates and successors, shall be ineligible for economic development
13 benefits for 7 years from the date on which the act of economic development benefits
14 fraud was committed.

15 **SECTION 2.** 946.795 of the statutes is created to read:

16 **946.795 Fraud against the Wisconsin Economic Development**
17 **Corporation. (1)** In this section, “benefit” means an economic development benefit,
18 as defined in s. 238.121 (1) (a).

19 **(2)** Whoever does any of the following is guilty of a Class E felony:

