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## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

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<b>2015 Assembly Bill 669</b>	<b>Assembly Amendment 1</b>
<i>Memo published: January 29, 2016</i>	<i>Contact: Anna Henning, Senior Staff Attorney (266-0292)</i>

### **2015 ASSEMBLY BILL 669**

2015 Assembly Bill 669 creates a criminal penalty for certain activities relating to fraudulently obtaining an economic development benefit from the Wisconsin Economic Development Corporation (WEDC). The bill defines “economic development benefit” to mean a grant, loan, tax credit, or other assistance under an economic development program administered by WEDC.

Under the bill, a person who does any of the following actions is guilty of a Class E felony:

- Intentionally makes or causes to be made any false statement or representation of a material fact in any application for a benefit from WEDC.
- Intentionally makes or causes to be made any false statement or representation of a material fact for use in determining eligibility for a benefit from WEDC.
- Having knowledge of the occurrence of any event affecting the initial or continued eligibility for a benefit or the initial or continued eligibility for any such benefit of any other person in whose behalf he or she has applied for or is receiving such benefit, conceals or fails to disclose such event with an intent to fraudulently secure such benefit either in a greater amount or quantity than is due or when no such benefit is authorized.
- Having applied to receive a benefit from WEDC for a specific use or purpose, and having received the benefit, knowingly and willfully converts the benefit, or any part of the benefit, to a use or purpose other than the purpose specified by WEDC.

The bill also provides that a person, including the person's affiliates and successors, who commits the crime described above is ineligible for economic development benefits for seven years from the date on which the crime was committed.

### **ASSEMBLY AMENDMENT 1**

Assembly Amendment 1 authorizes WEDC to bring a civil action to recover damages, including money damages, for fraudulently obtained economic development benefits, together with costs and disbursements, for violations of the crime created under the bill. The amendment provides that such damages may include reasonable attorney fees and such other equitable relief as may be determined by a court.

### **BILL HISTORY**

Representative Kerkman offered Assembly Amendment 1 on January 26, 2016. On January 27, 2016, the Assembly Committee on Jobs and the Economy voted to recommend the adoption of the amendment on a vote of Ayes, 11; Noes, 3. On the same day, the committee voted to recommend the passage of the bill, as amended, also on a vote of Ayes, 11; Noes, 3.

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