



State of Wisconsin
2017 - 2018 LEGISLATURE

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**SENATE AMENDMENT 2,
TO ASSEMBLY BILL 710**

February 20, 2018 - Offered by Senators HANSEN, L. TAYLOR, LARSON, SCHACHTNER, JOHNSON, VINEHOUT, CARPENTER, ERPENBACH, RISSER, RINGHAND, MILLER, SHILLING, BEWLEY and WIRCH.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 3: delete that line and substitute “unemployment insurance
3 benefits and for providing fraudulent information to the Wisconsin Economic
4 Development Corporation and providing criminal penalties.”.

5 **2.** Page 2, line 21: after that line insert:

6 “SECTION 2m. 238.121 of the statutes is created to read:

7 **238.121 Fraud in obtaining economic development benefits. (1)**

8 DEFINITIONS. In this section:

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

12 (b) “Economic development benefits fraud” means any violation under s.
13 946.795.

1 **(2) INELIGIBILITY FOR ECONOMIC DEVELOPMENT BENEFITS.** In addition to any
2 criminal penalty and any remedy under sub. (3) or other requirement under this
3 chapter to repay economic development benefits, if a person or the person's
4 authorized agent on behalf of that person commits economic development benefits
5 fraud, the person, including all affiliates and successors, shall be ineligible for
6 economic development benefits for 7 years from the date on which the act of economic
7 development benefits fraud was committed.

8 **(3) RIGHT OF ACTION.** The corporation may bring a civil action to recover
9 damages, including money damages for fraudulently obtained economic
10 development benefits, together with costs and disbursements, including reasonable
11 attorney fees, and such other equitable relief as may be determined by the court, for
12 a violation of s. 946.795.

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

14 **946.795 Fraud against the Wisconsin Economic Development**
15 **Corporation.** (1) In this section, "benefit" means an economic development benefit,
16 as defined in s. 238.121 (1) (a).

17 **(2)** No person may do any of the following:

18 (a) Intentionally make or cause to be made any statement or representation of
19 a material fact that he or she knows is false in any application for a benefit from the
20 Wisconsin Economic Development Corporation.

21 (b) Intentionally make or cause to be made any statement or representation of
22 a material fact that he or she knows is false for use in determining eligibility for a
23 benefit from the Wisconsin Economic Development Corporation.

24 (c) Having knowledge of the occurrence of any event affecting the initial or
25 continued eligibility for a benefit for oneself or for any other person in whose behalf

1 he or she has applied for or is receiving a benefit, conceal or fail to disclose such event
2 with an intent to fraudulently secure a benefit either in a greater amount or quantity
3 than is due or when a benefit is not authorized.

4 (d) Having applied to receive a benefit from the Wisconsin Economic
5 Development Corporation for a specific use or purpose and having received it,
6 knowingly and willfully convert any part of the benefit to a use or purpose other than
7 that specified by the Wisconsin Economic Development Corporation.

8 **(3)** Whoever violates sub. (2):

9 (a) If the value of all benefits obtained does not exceed \$2,500, is guilty of a
10 Class A misdemeanor.

11 (b) If the value of all benefits obtained exceeds \$2,500 but does not exceed
12 \$5,000, is guilty of a Class I felony.

13 (c) If the value of all benefits obtained exceeds \$5,000 but does not exceed
14 \$10,000, is guilty of a Class H felony.

15 (d) If the value of all benefits obtained exceeds \$10,000, is guilty of a Class G
16 felony.

17 **(4)** A person is not guilty of violating sub. (2) (a), (b), or (c) if his or her predictive
18 statements regarding future financial performance, employment levels, or other
19 performance indicators are not realized in fact. This subsection does not apply to a
20 person who makes a statement regarding future financial performance, employment
21 levels, or another performance indicator that he or she knows is false.”.

22 **(END)**