
Wisconsin Legislative Council



Anne Sappenfield
Director

TO: MEMBERS, JOINT COMMITTEE ON FINANCE

FROM: Anne Sappenfield, Director

RE: Department of Justice Proposed Plans of Settlement

DATE: July 9, 2024

This memorandum summarizes one case and four proposed plans of settlement that the Department of Justice (DOJ) submitted to the Joint Committee on Finance pursuant to s. 165.08 (1), Stats., in a letter dated June 10, 2024. DOJ seeks approval of the following settlements.

WISCONSIN V. NO MORE TIMESHARE FEES—AGENDA ITEM I

State of Wisconsin v. No More Timeshare Fees, LLC, et al. (Dane County Circuit Court, Case No. 2023-CX-08) is a civil enforcement case against Wisconsin-based No More Timeshare Fees, LLC, TBExit, LLC, Clyde Masten, and Lindsay Haas. The allegations relate to making fraudulent representations.

DOJ and Clyde Masten have reached a settlement. The civil action, including the claims against the other defendants, is still pending.

The state alleges that the defendants operated a fraudulent timeshare exit scheme, and that some consumers' credit ratings were damaged due to being told that they no longer needed to pay their timeshare fees.

The total monetary penalty proposed for Mr. Masten is \$11,000, including \$3,534.54 in forfeitures and \$5,500 in costs and attorney fees. Mr. Masten will also pay \$36,025 in restitution to consumers who have been identified as engaging the defendants for timeshare exit services. In addition, Mr. Masten:

- Must provide refunds to any other consumers who come forward after the entry of the consent judgment and can demonstrate that they engaged Mr. Masten but did not obtain a timeshare exit, or who can demonstrate that they obtained a timeshare exit without Mr. Masten's assistance or the assistance of any individual or company acting in concert or active participation with Mr. Masten.
- Is permanently enjoined from engaging in the timeshare exit business and credit repair services related to timeshare ownership in Wisconsin.

PIONEER METAL FINISHING PROPOSED PLAN OF SETTLEMENT— AGENDA ITEM II

DOJ and Pioneer Metal Finishing have reached a pre-suit settlement relating to violating hazardous waste laws at its two metal finishing facilities—one in Brown County and the other in Winnebago

County. The state alleges that Pioneer Metal Finishing failed to properly store, label, and track the locations of hazardous wastes at both facilities.

The total monetary penalty proposed is \$65,000, divided evenly between two consent judgments (one for each facility). Each consent judgment includes \$20,321.43 in forfeitures and \$2,500 in attorney fees.

WISCONSIN WHEY PROTEIN PROPOSED PLAN OF SETTLEMENT— AGENDA ITEM III

DOJ and Wisconsin Whey Protein, Inc., have reached a pre-suit settlement relating to violating wastewater laws and their Wisconsin Pollution Discharge Elimination System (WPDES) permit. Wisconsin Whey operates a whey and cheese making facility and a wastewater treatment facility. The state alleges that it violated its WPDES permit by exceeding effluent limitations in the permit and violated stormwater laws when it failed to obtain proper stormwater permitting.

The total monetary penalty proposed is \$350,000, including \$225,676.88 in forfeitures and \$18,000 in attorney fees. In addition, Wisconsin Whey will construct and begin operating a chiller by October 30, 2024, to ensure compliance with the temperature limitations in its WPDES permit.

B2D2 PROPOSED PLAN OF SETTLEMENT—AGENDA ITEM IV

DOJ and B2D2, LLC, have reached a pre-suit settlement relating to a violation of petroleum underground storage tank laws. B2D2 owns an abandoned underground storage tank.

The total monetary penalty proposed is \$6,000, including \$4,621.26 in forfeitures. B2D2 will also remove and permanently close the abandoned underground storage tank.

KERRY PROPOSED PLAN OF SETTLEMENT—AGENDA ITEM V

DOJ and Kerry, Inc., have reached a pre-suit settlement relating to violating the air permit for its liquid smoke manufacturing facility.

The total monetary penalty proposed is \$85,000, including \$57,736.40 in forfeitures.

Please let me know if I can provide any further assistance.

AS:ksm