



# WISCONSIN LEGISLATURE

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## **Hansen, Shankland and Taylor to Introduce WEDC Anti-Corporate Fraud Legislation** *Legislation would create new felonies for corporate welfare fraud and WEDC specific fraud hotline*

(**Madison**)—State Senator Dave Hansen (D-Green Bay) and State Representatives Katrina Shankland (D-Stevens Point) and Chris Taylor (D-Madison) introduced legislation today that would make corporate welfare fraud a felony and also create a WEDC specific waste, fraud and abuse hotline to better identify and penalize businesses and their owners who commit fraud when applying for state economic development assistance.

“Corporate welfare fraud is a serious issue that can rob taxpayers of millions of dollars, said Sen. Hansen. “Like we’ve seen on Wall Street, until we start treating corporate welfare fraud seriously and the people who commit it feel very real consequences there will be no end to it. The legislation we are proposing would put in place additional tools to weed out fraud at WEDC and once found punish those who commit it.”

Legislation being circulated for sponsorship this week is patterned after a Republican Unemployment Insurance anti-fraud bill that would prohibit persons and businesses whose owners commit fraud in applying for state economic development assistance for seven years.

The first bill would create a new felony crime of committing fraud in pursuit of state economic development assistance for those who commit fraud in the application process, make misrepresentations or omit relevant information from applications to WEDC. The crime would be a Class D felony with possible imprisonment up to 25 years and fines up to \$100,000.

“WEDC has never had their eye on the ball to create and retain jobs. In September we lost 1300 jobs and just last week we lost another 1200. All while they’re doling out millions in corporate welfare to individuals who lied and could have been caught. This isn’t made-up Monopoly money, this money belongs to the people of our state—corporate fraud should not be tolerated,” said Rep. Taylor.

The second bill would establish a waste, fraud and abuse hotline for people to call who have knowledge of waste, fraud or abuse at WEDC. The hotline would direct callers to the ethics division which would then be required to forward all credible cases to local district attorneys for prosecution.

“Republicans have broken the public trust with their failed experiment of job creation at WEDC,” said Rep. Shankland. “As we have seen over and over again, Republican mismanagement of WEDC has seemed to have served at times as a revolving door of Republican campaign donors who take government handouts that do little to create good jobs for hard-working families. Our legislation will crack down on fraud, and we’re proud to lead the charge on the efforts to hold our government accountable.”