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**BRAD D. SCHIMEL**

**ATTORNEY GENERAL**

**NEWS RELEASE**

**Wisconsin Department of Justice Expands**

**Unemployment Fraud Prosecution**

December 15, 2015 Anne E. Schwartz 608-266-6686

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MADISON – An expanded effort to prosecute Unemployment Insurance fraud cases has led to an increase in referrals to the Wisconsin Department of Justice (DOJ) from the Wisconsin Department of Workforce Development (DWD) from 6 in 2014 to 36 in 2015. In a continuing partnership between the two agencies, investigations conducted by DWD are referred to DOJ where these cases are prosecuted for criminal behavior.

“It’s shameful to see this safety net, intended to help those going through a period of financial difficulty and vulnerability, ripped off by fraudulent unemployment insurance claims,” said Attorney General Brad Schimel. “Those who take advantage of the system and steal our hard-earned tax dollars should be held accountable and prosecuted for their misconduct. I applaud Department of Workforce Development Secretary Reggie Newson for prioritizing this type of crime by hiring additional investigators.”

In 2015, the Wisconsin Department of Workforce Development has referred 36 felony cases to DOJ for prosecution. Those cases generally involve situations where people continued to collect unemployment benefits while ineligible because they were employed but failed to report the income. An additional 73 unemployment fraud cases were referred to district attorneys statewide this year.

In one Unemployment Insurance fraud case prosecuted by DOJ, an individual reported wages totaling $2,345.19 during a three year period when in fact, payroll records show the individual actually earned $68,398.36. As a result of this individual’s false statements, he received $42,573 in unemployment benefits to which he was not entitled. In another case, an individual reported no employment for a period of 104 weeks, resulting in more than $19,000 in unemployment benefits for 98 of those 104 weeks. Further investigation revealed this individual had earned $29,169.55 from an employer during 96 of the 98 weeks for which she collected unemployment benefits.

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The charges filed against individuals making fraudulent Unemployment Insurance claims can range from misdemeanors to felonies, depending on the amount of money fraudulently collected. Wisconsin State Statutes provide sentencing recommendations for Unemployment Insurance fraud that include full restitution, fines, jail time, and probation.

Having promised to make consumer protection a focal point of his administration, Attorney General Schimel concluded, “DOJ will ensure those in need receive the benefits for which they are eligible and the cheaters and liars who take advantage of public assistance programs do not find refuge in our state. We will continue to partner with other state agencies to root out fraud and hold criminals accountable.”

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