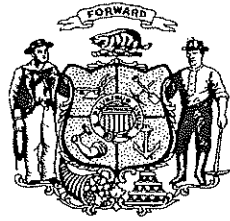


STATE OF WISCONSIN

SENATE CHAIR
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ASSEMBLY CHAIR
Mark Born

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: August 2, 2023

Re: DOJ Report to JFC

Attached is a report regarding money received by the Department under a court order or a settlement agreement for providing restitution to victims from the Department of Justice, pursuant to s. 165.25(10), Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

HM:MB:jm



STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

Josh Kaul
Attorney General

Division of Management Services
17 West Main Street
P.O. Box 7857
Madison, WI 53707-7857

August 2, 2023

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St. Finance

SENT VIA EMAIL

Secretary-designee Kathy Blumenfeld, Department of Administration
DOASecretarysOffice@wisconsin.gov

Joint Committee on Finance, C/O Committee Clerk Joe Malkasian
Joe.Malkasian@legis.wisconsin.gov

Re: DOJ Restitution Report

Dear Secretary-designee Kathy Blumenfeld and Members of the Joint Committee on Finance:

Pursuant to Wis. Stat. § 165.25(10), the Wisconsin Department of Justice (DOJ) respectfully submits this semiannual report regarding money received by the department under a court order or a settlement agreement for providing restitution to victims.

DOJ received and disbursed the following amounts related to restitution during the period of January 1, 2023, to June 30, 2023.¹

¹ In addition, DOJ received a check in the amount of \$973.00 made payable to DOJ related to *State of Wisconsin v. American All Service, Inc. and Thomas Cassidy* (Rock Co. Cir. Ct. Case No. 11-CV-0870). This check was supposed to be sent directly to the Department of Workforce Development (DWD) and made payable to DWD. DOJ deposited the funds and sent a corresponding check to DWD.

Case Type and Name	Received	Disbursed
Consumer Protection:		
<i>State of Wisconsin v. American Tax Solutions</i> , Dane Co. Cir. Ct. Case No. 2022-CX-000022	\$119,077.43	\$99,346.01
<i>State of Wisconsin v. Impact MHC Management, LLC, and RV Horizons, Inc.</i> , Dane Co. Cir. Ct. Case No. 2023-CX-000005	\$4,896.92	\$0
<i>State of Wisconsin v. John P. Rassbach</i> , St. Croix Co. Cir. Ct. Case No. 09-CX-0003	\$37,694.19	\$0
Wisconsin Medicaid:		
Civil restitution to DHS Medicaid Program	\$17,402.81	\$87,877.58
Criminal restitution to DHS Medicaid Program	\$67,488.86	\$129,151.54

American Tax Solutions, Inc., a tax-debt counseling service, is alleged to have violated Wis. Admin. Code ch. ATCP 127. Pursuant to a consent judgment, restitution will be paid to 39 consumers via multiple payouts. Four separate payouts were made from 2/17/23 – 4/13/23.

RV Horizons, Inc., a lessor engaged in the business of renting sites in a manufactured home community to tenants, and also operating a for-profit educational business that teaches students how to become successful mobile home park owners, is alleged to have violated Wis. Admin. Code chapters ATCP 125 and ATCP 134, as well as Wis. Stats. § 93.15(3) and 100.18(1). Pursuant to a consent judgment, restitution will be paid to 158 consumers.

DOJ commenced a civil action against John Rassbach for alleged violations of Wisconsin law related to fuel purchases that were never delivered. Restitution will be disbursed to affected consumers.

The Wisconsin Department of Health Services (DHS) operates the Wisconsin Medicaid program, which provides health care coverage to the elderly, people with disabilities, and low-income children and adults. The disbursements to DHS are restitution recovered through litigation and pre-litigation resolution by DOJ to reimburse damages to the Wisconsin Medicaid program. The disbursements

Secretary-designee Kathy Blumenfeld and Joint Committee on Finance
August 2, 2023
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represent the cumulative number of single damages against several different parties.

In many instances, in addition to the single damages, DOJ also recovered partial damages based on different multipliers or forfeitures under Wis. Stat. §§ 49.49, 49.485, or 20.931 (repealed July 2015). DOJ does not treat those additional partial damages, based on multipliers, as “restitution” under Wis. Stat. § 165.25(20), and so those figures are not reflected in this report. Please note that the discrepancy between the received and dispersed amounts are the result of the timing of the revenue and payment accounting entries between reporting periods.

Should you have any questions, please contact me directly at (608) 266-9653 or varesedl@doj.state.wi.us.

Sincerely,

Darcey Varese

Darcey Varese, Financial Manager
Bureau of Budget and Finance