Still No Answers 12 Days After WEDC Revelations

Written by Wisconsin Assembly, Laura Smith Friday, 29 May 2015 20:51

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Board Members Barca and Lassa Have Still Not Received Information Requested from WEDC on an Improper \$500,000 Loan Made to a Walker Campaign Donor.

MADISON – Twelve days after the <u>Wisconsin State Journal</u> investigative report that revealed a \$500,000 loan being improperly awarded to a Scott Walker campaign donor, Assembly Democratic Leader **Peter Barca**

(D-Kenosha) and Sen.

Julie Lassa

(D-Stevens Point), the Democratic representatives on the Wisconsin Economic Development Corporation (WEDC) Board, still have not received basic answers or records from WEDC.



"I was outraged 12 days ago and my concern grows each day that goes by without any answers from WEDC on this questionable loan and other potential taxpayer dollars at risk," Rep. Barca said.

"As board members we have a fiduciary responsibility to uphold and we cannot fulfill that responsibility if records are withheld by WEDC staff," Sen. Lassa added.

Last Thursday, Sen. Lassa and Rep. Barca sent a follow-up letter to WEDC's Chief Legal Counsel, WEDC Chairman Gov. Walker, WEDC Secretary and CEO Reed Hall and WEDC Vice Chairman Dan Ariens to express their frustration at the agency's stonewalling. View the letter here.

Despite Gov. Walker claiming that WEDC board members have "unfettered access" to WEDC staff, Rep. Barca and Sen. Lassa have been denied a meeting with WEDC staff and have yet to receive documentation on the missing Building Committee, Inc. records, all documentation on other awards that were made despite underwriter concerns and all documentation on any unsecured loans that have been awarded.



On Friday, WEDC Chief Counsel Hannah Renfro responded that they would not make staff available to discuss the critical issues with Rep. Barca and Sen. Lassa and instead insisted they delay discussion of the issue for two months, until the July 21 board meeting. Ms. Renfro

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would only indicate that the agency was "in the process of compiling" the documentation requested. View that letter here.

"The board members and members of the public deserve immediate answers on Gov. Walker's WEDC's mismanagement of taxpayer funds," Rep. Barca said. "With these huge potential liabilities, telling board members they must wait two months to discuss these issues is totally unacceptable and a slap in the face to taxpayers who have to foot the bill for bad decisions and poor oversight. I at least hope the Chairman of the Board is considering our requests."

Last week, Rep. Barca and Sen. Lassa sent an official request to U.S. Attorney General Loretta Lynch and U.S. Attorneys John Vaudreuil and James Santelle, asking them to launch an investigation into whether criminal violations may have taken place at WEDC. Their request follows the Wisconsin State Journal investigation that indicates WEDC may have granted at least one loan – totaling \$500,000 – as a favor to one of the governor's campaign contributors.

Rep. Barca and Sen. Lassa have also called for an emergency WEDC Board of Directors meeting to address the scathing audit and the problems unveiled in the media investigation, as well as an immediate follow-up meeting from the Audit Committee. Their request for an emergency meeting was denied, and the Audit Committee has not yet scheduled a meeting to follow up on these issues.