



# NEWS RELEASE

From New York State Workers' Compensation Fraud Inspector General  
**Catherine Leahy Scott**

FOR IMMEDIATE RELEASE: Dec. 6, 2016  
Contact [John Milgrim](#): 518-474-1010

## **CENTRAL NEW YORK HEAVY EQUIPMENT OPERATOR INDICTED ON CHARGES HE STOLE MORE THAN \$75,000 IN WORKERS' COMPENSATION BENEFITS WHILE FAILING TO PROVIDE HIS OWN EMPLOYEES WITH REQUIRED COVERAGE**

AUBURN – New York State Inspector General Catherine Leahy Scott and Cayuga County District Attorney Jon E. Budelmann announced today the indictment and arraignment of a central New York heavy equipment operator accused of stealing more than \$75,000 in Workers' Compensation insurance benefits to which he was not entitled while also failing to provide his own logging company's employees with required coverage.

David C. Sigl, 55, of Wall Street, Auburn, was indicted by a Cayuga County Grand Jury on the charges of Grand Larceny in the Second Degree, Insurance Fraud in the Second Degree and Offering a False Instrument for Filing in the First Degree, all felonies, and the Workers' Compensation crime of Failure to Secure Compensation, a misdemeanor.

Inspector General Leahy Scott's investigation found that Sigl had been collecting Workers' Compensation benefits since sustaining an injury in early 2013 as a heavy equipment operator for a Syracuse construction and engineering firm. In the years since, he repeatedly filed paperwork with the New York State Workers' Compensation Board indicating he was not working in any capacity, when in fact he was operating and working for his own logging business.

The Inspector General's investigation also found that Sigl's company, Lake Country Logging, employed two people, but did not provide Workers' Compensation insurance for those individuals as required by law. Sigl earned at least \$135,000 since he was injured in 2013, making him ineligible for over \$75,000 in Workers' Compensation benefits he received.

“As both an employee and as a business owner, this defendant brazenly defrauded a critical safety net for hard-working New Yorkers by stealing tens of thousands of dollars in benefits to which he was not entitled while also refusing to provide the insurance to protect his own employees as required by law,” said **Inspector General Leahy Scott**. “I will continue working with law enforcement across our State to relentlessly pursue anyone who abuses or defrauds the Workers' Compensation system.”

“I was very pleased to partner with New York State Inspector General Leahy Scott and her office to investigate and prosecute this blatant fraud against the responsible employers and hardworking taxpayers of New York State,” said **District Attorney Budelmann**. “This defendant claimed to be 100% disabled, but admitted to climbing in and out of large, articulated log-skidder tractor, climbing up and down trees, and wielding chainsaws. In truth, Sigl earned over \$150,000 in income through his manual labor while claiming to be disabled and abusing the system. It is reprehensible and must not, will not be tolerated.”

Under State law, employers are required to maintain Workers' Compensation coverage for their employees, and employees are expected to provide truthful information regarding their work activity to insurance carriers and the Workers' Compensation Board during the time they are receiving benefits.

Workers' Compensation fraud impacts all New Yorkers, from increased insurance premiums to increased workloads for coworkers and an overall reduction in workforce productivity.

Sigl was arraigned in Cayuga County Court and released on \$2,500 cash/\$5,000 bond bail pending his next appearance in court Feb. 14, 2017.

Inspector General Leahy Scott thanked the Auburn Police Department for their assistance with the arrest, and Cayuga County District Attorney Jon E. Budelmann and his office for their assistance with the investigation and prosecution of this matter.

The defendant is presumed innocent until and unless proven guilty in a court of law.

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*The New York State Office of the Workers' Compensation Fraud Inspector General investigates fraud, abuse and/or illegal acts against the New York State Workers' Compensation system, including fraud by medical service providers, employers seeking to evade appropriate Workers' Compensation charges, and employees who fabricate injuries to fraudulently receive system benefits. Complaints and referrals are kept confidential. We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form at <http://www.ig.ny.gov> or sending an email to: [inspector.general@ig.ny.gov](mailto:inspector.general@ig.ny.gov). You also can write to our office at: Office of the Workers' Compensation Fraud Inspector General, Empire State Plaza, Agency Building 2, 16th Floor, Albany, New York 12223*