



NEWS RELEASE

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

FOR IMMEDIATE RELEASE: Nov. 28, 2017
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CENTRAL NEW YORK HEAVY EQUIPMENT OPERATOR SENTENCED TO PRISON AND FULL RESTITUTION FOR STEALING MORE THAN \$83K 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 that a central New York heavy equipment operator has been sentenced in Cayuga County Court to 1-to-3 years in State prison and full restitution for stealing more than \$83,000 in Workers' Compensation insurance benefits, to which he was not entitled, while also failing to provide his own logging company's employees with required Workers' Compensation coverage.

David C. Sigl, 56, of Wall Street, Auburn, was sentenced today following his August guilty plea to Grand Larceny in the Second Degree, Offering a False Instrument for Filing in the First Degree, Insurance Fraud in the Second Degree, all felonies, and to the Workers Compensation crime of Failure to Secure Compensation, a misdemeanor. The court's restitution order today was for the full \$83,477.98 in stolen benefits.

A joint 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 either of those individuals as required by law. Sigl earned at least \$150,000 since he was injured in 2013, making him ineligible for over \$83,000 in Workers' Compensation benefits he received.

“With callous calculation, this defendant stole benefits meant for honest, hard-working New Yorkers while simultaneously failing to protect his own employees with the critical Workers' Compensation coverage he brazenly abused,” said **Inspector General Leahy Scott**. “I will relentlessly pursue anyone who steals from the Workers' Compensation system or who leaves their own employees without this critical coverage.”

“I congratulate the law enforcement officers who investigated this fraud against the hardworking taxpayers of New York State,” said **District Attorney Budelmann**. “This defendant lied to his doctors, and the Worker's Compensation Board, claiming he was totally disabled. Ultimately Sigl was caught, admitted, and plead guilty to climbing up and down trees, and wielding professional chainsaws, and climbing in and out of a large log-skidder tractor. Investigators recovered Lumber Mill receipts exceeding \$155,000 from his logging business during the 2013-2015 period he was feigning total disability and collecting over \$83,000 in Worker's Compensation Benefits.”

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 any 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.

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 for prosecuting this matter.

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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. 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