



## 2005 ASSEMBLY BILL 686

September 26, 2005 - Introduced by Representatives MURSAU, FRISKE, GARD, AINSWORTH, ALBERS, GRONEMUS, GUNDERSON, HAHN, HUBLER, McCORMICK, MONTGOMERY, MUSSER, NERISON, OTT, OWENS, PETROWSKI, PETTIS, SUDER, TOWNSEND, M. WILLIAMS and KRAWCZYK, cosponsored by Senators KAPANKE, BRESKE, BROWN, GROTHMAN, HANSEN, A. LASEE and ROESSLER. Referred to Committee on Forestry.

1     **AN ACT to amend** 102.125, 102.16 (1m) (a), 102.16 (1m) (b), 102.16 (2) (a), 102.16  
2           (2) (am), 102.16 (2) (b), 102.16 (2) (c), 102.16 (2) (e) 1., 102.16 (2) (f), 102.16 (2m)  
3           (a), 102.16 (2m) (am), 102.16 (2m) (b), 102.16 (2m) (c), 102.16 (2m) (d), 102.16  
4           (2m) (e), 102.17 (1) (g), 102.18 (1) (bg) 1., 102.18 (1) (bw), 102.26 (3) (b) 3., 102.28  
5           (2) (b), 102.28 (2) (c), 102.28 (2) (d), 102.28 (7) (a), 102.28 (7) (b), 102.33 (2) (b)  
6           (intro.), 102.33 (2) (b) 3., 102.75 (1), 102.75 (2), 102.75 (4) and 626.12 (2); and  
7           **to create** 102.01 (2) (er) and 102.28 (2) (bm) of the statutes; **relating to:**  
8           permitting two or more employers engaged in the logging industry to pool their  
9           worker's compensation liabilities for purposes of operating as self-insurers and  
10          requiring the establishment of separate classifications and worker's  
11          compensation insurance rates for mechanized logging operations and for  
12          manual logging operations.

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### *Analysis by the Legislative Reference Bureau*

Under current law, every employer that is subject to the worker's compensation law must carry worker's compensation insurance from an insurer that is authorized

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to do business in this state (duty to insure), except that the Department of Workforce Development (DWD) may exempt an employer from the duty to insure if the employer shows that it is able to self-insure its worker's compensation liability and if the employer agrees to report all compensable injuries and to comply with the worker's compensation law and the rule of DWD. This bill permits two or more employers engaged in the logging industry to pool their worker's compensation liabilities for purposes of obtaining an exemption from the duty to insure and operating as self-insurers of their worker's compensation liabilities.

Under current law, the Wisconsin Compensation Rating Bureau (WCRB) classifies risks and establishes rates for worker's compensation insurance written in this state. Current law permits risks to be classified in any reasonable way for the establishment of rates and permits rates to be modified for individual risks in accordance with standards for measuring variations in hazards. This bill requires the WCRB to establish separate classifications and rates for mechanized logging operations and for manual logging operation.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 102.01 (2) (er) of the statutes is created to read:

2           102.01 (2) (er) "Self-insurer" means an employer that has been granted an  
3 exemption under s. 102.28 (2) (b) from the duty to insure the payment of  
4 compensation under this chapter or, in the case of a group of employers engaged in  
5 the logging industry that has been granted that exemption, that group or an  
6 employer that is a member of that group.

7           **SECTION 2.** 102.125 of the statutes is amended to read:

8           **102.125 Fraudulent claims reporting and investigation.** If an insurer or  
9 ~~self-insured employer~~ self-insurer has evidence that a claim is false or fraudulent  
10 in violation of s. 943.395 and if the insurer or ~~self-insured employer~~ self-insurer is  
11 satisfied that reporting the claim to the department will not impede its ability to  
12 defend the claim, the insurer or ~~self-insured employer~~ self-insurer shall report the  
13 claim to the department. The department may require an insurer or ~~self-insured~~

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1     ~~employer~~ self-insurer to investigate an allegedly false or fraudulent claim and may  
2     provide the insurer or ~~self-insured employer~~ self-insurer with any records of the  
3     department relating to that claim. An insurer or ~~self-insured employer~~ self-insurer  
4     that investigates a claim under this section shall report on the results of that  
5     investigation to the department. If based on the investigation the department has  
6     a reasonable basis to believe that a violation of s. 943.395 has occurred, the  
7     department shall refer the results of the investigation to the district attorney of the  
8     county in which the alleged violation occurred for prosecution.

9             **SECTION 3.** 102.16 (1m) (a) of the statutes is amended to read:

10            102.16 **(1m)** (a) If an insurer or ~~self-insured employer~~ self-insurer concedes  
11            by compromise under sub. (1) or stipulation under s. 102.18 (1) (a) that the insurer  
12            or ~~self-insured employer~~ self-insurer is liable under this chapter for any health  
13            services provided to an injured employee by a health service provider, but disputes  
14            the reasonableness of the fee charged by the health service provider, the department  
15            may include in its order confirming the compromise or stipulation a determination  
16            as to the reasonableness of the fee or the department may notify, or direct the insurer  
17            or ~~self-insured employer~~ self-insurer to notify, the health service provider under  
18            sub. (2) (b) that the reasonableness of the fee is in dispute.

19            **SECTION 4.** 102.16 (1m) (b) of the statutes is amended to read:

20            102.16 **(1m)** (b) If an insurer or ~~self-insured employer~~ self-insurer concedes  
21            by compromise under sub. (1) or stipulation under s. 102.18 (1) (a) that the insurer  
22            or ~~self-insured employer~~ self-insurer is liable under this chapter for any treatment  
23            provided to an injured employee by a health service provider, but disputes the  
24            necessity of the treatment, the department may include in its order confirming the  
25            compromise or stipulation a determination as to the necessity of the treatment or the

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1 department may notify, or direct the insurer or ~~self-insured employer~~ self-insurer  
2 to notify, the health service provider under sub. (2m) (b) that the necessity of the  
3 treatment is in dispute.

4 **SECTION 5.** 102.16 (2) (a) of the statutes is amended to read:

5 102.16 (2) (a) Except as provided in this paragraph, the department has  
6 jurisdiction under this subsection, sub. (1m) (a), and s. 102.17 to resolve a dispute  
7 between a health service provider and an insurer or ~~self-insured employer~~  
8 self-insurer over the reasonableness of a fee charged by the health service provider  
9 for health services provided to an injured employee who claims benefits under this  
10 chapter. A health service provider may not submit a fee dispute to the department  
11 under this subsection before all treatment by the health service provider of the  
12 employee's injury has ended if the amount in controversy, whether based on a single  
13 charge or a combination of charges for one or more days of service, is less than \$25.  
14 After all treatment by a health service provider of an employee's injury has ended,  
15 the health service provider may submit any fee dispute to the department, regardless  
16 of the amount in controversy. The department shall deny payment of a health service  
17 fee that the department determines under this subsection, sub. (1m) (a), or s. 102.18  
18 (1) (b) to be unreasonable.

19 **SECTION 6.** 102.16 (2) (am) of the statutes is amended to read:

20 102.16 (2) (am) A health service provider and an insurer or ~~self-insured~~  
21 ~~employer~~ self-insurer that are parties to a fee dispute under this subsection are  
22 bound by the department's determination under this subsection on the  
23 reasonableness of the disputed fee, unless that determination is set aside on judicial  
24 review as provided in par. (f). A health service provider and an insurer or  
25 ~~self-insured employer~~ self-insurer that are parties to a fee dispute under sub. (1m)

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1 (a) are bound by the department's determination under sub. (1m) (a) on the  
2 reasonableness of the disputed fee, unless that determination is set aside or modified  
3 by the department under sub. (1). An insurer or ~~self-insured employer~~ self-insurer  
4 that is a party to a fee dispute under s. 102.17 and a health service provider are bound  
5 by the department's determination under s. 102.18 (1) (b) on the reasonableness of  
6 the disputed fee, unless that determination is set aside, reversed, or modified by the  
7 department under s. 102.18 (3) or by the commission under s. 102.18 (3) or (4) or is  
8 set aside on judicial review under s. 102.23.

9 **SECTION 7.** 102.16 (2) (b) of the statutes is amended to read:

10 102.16 (2) (b) An insurer or ~~self-insured employer~~ self-insurer that disputes  
11 the reasonableness of a fee charged by a health service provider or the department  
12 under sub. (1m) (a) or s. 102.18 (1) (bg) 1. shall provide reasonable notice to the health  
13 service provider that the fee is being disputed. After receiving reasonable notice  
14 under this paragraph or under sub. (1m) (a) or s. 102.18 (1) (bg) 1. that a health  
15 service fee is being disputed, a health service provider may not collect the disputed  
16 fee from, or bring an action for collection of the disputed fee against, the employee  
17 who received the services for which the fee was charged.

18 **SECTION 8.** 102.16 (2) (c) of the statutes is amended to read:

19 102.16 (2) (c) After a fee dispute is submitted to the department, the insurer  
20 or ~~self-insured employer~~ self-insurer that is a party to the dispute shall provide to  
21 the department information on that fee and information on fees charged by other  
22 health service providers for comparable services. The insurer or ~~self-insured~~  
23 ~~employer~~ self-insurer shall obtain the information on comparable fees from a  
24 database that is certified by the department under par. (h). Except as provided in  
25 par. (e) 1., if the insurer or ~~self-insured employer~~ self-insurer does not provide the

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1 information required under this paragraph, the department shall determine that the  
2 disputed fee is reasonable and order that it be paid. If the insurer or ~~self-insured~~  
3 ~~employer~~ self-insurer provides the information required under this paragraph, the  
4 department shall use that information to determine the reasonableness of the  
5 disputed fee.

6 **SECTION 9.** 102.16 (2) (e) 1. of the statutes is amended to read:

7 102.16 (2) (e) 1. Subject to subd. 2., if an insurer or ~~self-insured employer~~  
8 self-insurer that disputes the reasonableness of a fee charged by a health service  
9 provider cannot provide information on fees charged by other health service  
10 providers for comparable services because the database to which the insurer or  
11 ~~self-insured employer~~ self-insurer subscribes is not able to provide accurate  
12 information for the health service procedure at issue, the department may use any  
13 other information that the department considers to be reliable and relevant to the  
14 disputed fee to determine the reasonableness of the disputed fee.

15 **SECTION 10.** 102.16 (2) (f) of the statutes is amended to read:

16 102.16 (2) (f) Within 30 days after a determination under this subsection, the  
17 department may set aside, reverse, or modify the determination for any reason that  
18 the department considers sufficient. Within 60 days after a determination under  
19 this subsection, the department may set aside, reverse, or modify the determination  
20 on grounds of mistake. A health service provider, insurer, or ~~self-insured employer~~  
21 self-insurer that is aggrieved by a determination of the department under this  
22 subsection may seek judicial review of that determination in the same manner that  
23 compensation claims are reviewed under s. 102.23.

24 **SECTION 11.** 102.16 (2m) (a) of the statutes is amended to read:

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1           102.16 (2m) (a) Except as provided in this paragraph, the department has  
2 jurisdiction under this subsection, sub. (1m) (b), and s. 102.17 to resolve a dispute  
3 between a health service provider and an insurer or ~~self-insured employer~~  
4 self-insurer over the necessity of treatment provided for an injured employee who  
5 claims benefits under this chapter. A health service provider may not submit a  
6 dispute over necessity of treatment to the department under this subsection before  
7 all treatment by the health service provider of the employee's injury has ended if the  
8 amount in controversy, whether based on a single charge or a combination of charges  
9 for one or more days of service, is less than \$25. After all treatment by a health  
10 service provider of an employee's injury has ended, the health service provider may  
11 submit any dispute over necessity of treatment to the department, regardless of the  
12 amount in controversy. The department shall deny payment for any treatment that  
13 the department determines under this subsection, sub. (1m) (b), or s. 102.18 (1) (b)  
14 to be unnecessary.

15           **SECTION 12.** 102.16 (2m) (am) of the statutes is amended to read:

16           102.16 (2m) (am) A health service provider and an insurer or ~~self-insured~~  
17 ~~employer~~ self-insurer that are parties to a dispute under this subsection over the  
18 necessity of treatment are bound by the department's determination under this  
19 subsection on the necessity of that treatment, unless that determination is set aside  
20 on judicial review as provided in par. (e). A health service provider and an insurer  
21 or ~~self-insured employer~~ self-insurer that are parties to a dispute under sub. (1m)  
22 (b) over the necessity of treatment are bound by the department's determination  
23 under sub. (1m) (b) on the necessity of that treatment, unless that determination is  
24 set aside or modified by the department under sub. (1). An insurer or ~~self-insured~~  
25 ~~employer~~ self-insurer that is a party to a dispute under s. 102.17 over the necessity

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1 of treatment and a health service provider are bound by the department's  
2 determination under s. 102.18 (1) (b) on the necessity of that treatment, unless that  
3 determination is set aside, reversed or modified by the department under s. 102.18  
4 (3) or by the commission under s. 102.18 (3) or (4) or is set aside on judicial review  
5 under s. 102.23.

6 **SECTION 13.** 102.16 (2m) (b) of the statutes is amended to read:

7 102.16 (2m) (b) An insurer or ~~self-insured employer~~ self-insurer that disputes  
8 the necessity of treatment provided by a health service provider or the department  
9 under sub. (1m) (b) or s. 102.18 (1) (bg) 2. shall provide reasonable notice to the health  
10 service provider that the necessity of that treatment is being disputed. After  
11 receiving reasonable notice under this paragraph or under sub. (1m) (b) or s. 102.18  
12 (1) (bg) 2. that the necessity of treatment is being disputed, a health service provider  
13 may not collect a fee for that disputed treatment from, or bring an action for collection  
14 of the fee for that disputed treatment against, the employee who received the  
15 treatment.

16 **SECTION 14.** 102.16 (2m) (c) of the statutes is amended to read:

17 102.16 (2m) (c) Before determining under this subsection the necessity of  
18 treatment provided for an injured employee who claims benefits under this chapter,  
19 the department shall obtain a written opinion on the necessity of the treatment in  
20 dispute from an expert selected by the department. Before determining under sub.  
21 (1m) (b) or s. 102.18 (1) (bg) 2. the necessity of treatment provided for an injured  
22 employee who claims benefits under this chapter, the department may, but is not  
23 required to, obtain such an expert opinion. To qualify as an expert, a person must  
24 be licensed to practice the same health care profession as the individual health  
25 service provider whose treatment is under review and must either be performing



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1 services for an impartial health care services review organization or be a member of  
2 an independent panel of experts established by the department under par. (f). The  
3 department shall adopt the written opinion of the expert as the department's  
4 determination on the issues covered in the written opinion, unless the health service  
5 provider or the insurer or ~~self-insured employer~~ present self-insurer presents clear  
6 and convincing written evidence that the expert's opinion is in error.

7 **SECTION 15.** 102.16 (2m) (d) of the statutes is amended to read:

8 102.16 **(2m)** (d) The department may charge a party to a dispute over the  
9 necessity of treatment provided for an injured employee who claims benefits under  
10 this chapter for the full cost of obtaining the written opinion of the expert under par.  
11 (c). The department shall charge the insurer or ~~self-insured employer~~ self-insurer  
12 for the full cost of obtaining the written opinion of the expert for the first dispute that  
13 a particular individual health service provider is involved in, unless the department  
14 determines that the individual health service provider's position in the dispute is  
15 frivolous or based on fraudulent representations. In a subsequent dispute involving  
16 the same individual health service provider, the department shall charge the losing  
17 party to the dispute for the full cost of obtaining the written opinion of the expert.

18 **SECTION 16.** 102.16 (2m) (e) of the statutes is amended to read:

19 102.16 **(2m)** (e) Within 30 days after a determination under this subsection, the  
20 department may set aside, reverse, or modify the determination for any reason that  
21 the department considers sufficient. Within 60 days after a determination under  
22 this subsection, the department may set aside, reverse, or modify the determination  
23 on grounds of mistake. A health service provider, insurer, or ~~self-insured employer~~  
24 self-insurer that is aggrieved by a determination of the department under this

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1 subsection may seek judicial review of that determination in the same manner that  
2 compensation claims are reviewed under s. 102.23.

3 **SECTION 17.** 102.17 (1) (g) of the statutes is amended to read:

4 102.17 (1) (g) Whenever the testimony presented at any hearing indicates a  
5 dispute or creates a doubt as to the extent or cause of disability or death, the  
6 department may direct that the injured employee be examined, that an autopsy be  
7 performed, or that an opinion be obtained without examination or autopsy, by or from  
8 an impartial, competent physician, chiropractor, dentist, psychologist or podiatrist  
9 designated by the department who is not under contract with or regularly employed  
10 by a compensation insurance carrier or ~~self-insured employer~~ self-insurer. The  
11 expense of the examination, autopsy, or opinion shall be paid by the employer or, if  
12 the employee claims compensation under s. 102.81, from the uninsured employers  
13 fund. The report of the examination, autopsy, or opinion shall be transmitted in  
14 writing to the department and a copy of the report shall be furnished by the  
15 department to each party, who shall have an opportunity to rebut such report on  
16 further hearing.

17 **SECTION 18.** 102.18 (1) (bg) 1. of the statutes is amended to read:

18 102.18 (1) (bg) 1. If the department finds under par. (b) that an insurer or  
19 ~~self-insured employer~~ self-insurer is liable under this chapter for any health  
20 services provided to an injured employee by a health service provider, but that the  
21 reasonableness of the fee charged by the health service provider is in dispute, the  
22 department may include in its order under par. (b) a determination as to the  
23 reasonableness of the fee or the department may notify, or direct the insurer or  
24 ~~self-insured employer~~ self-insurer to notify, the health service provider under s.  
25 102.16 (2) (b) that the reasonableness of the fee is in dispute.

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1           **SECTION 19.** 102.18 (1) (bw) of the statutes is amended to read:

2           102.18 (1) (bw) If an insurer, a ~~self-insured employer~~ self-insurer or, if  
3 applicable, the uninsured employers fund pays compensation to an employee in  
4 excess of its liability and another insurer is liable for all or part of the excess  
5 payment, the department may order the insurer or ~~self-insured employer~~  
6 self-insurer that is liable to reimburse the insurer or ~~self-insured employer~~  
7 self-insurer that made the excess payment or, if applicable, the uninsured employers  
8 fund.

9           **SECTION 20.** 102.26 (3) (b) 3. of the statutes is amended to read:

10           102.26 (3) (b) 3. The claimant may request the insurer or ~~self-insured employer~~  
11 self-insurer to pay any compensation that is due the claimant by depositing the  
12 payment directly into an account maintained by the claimant at a financial  
13 institution. If the insurer or ~~self-insured employer~~ self-insurer agrees to the  
14 request, the insurer or ~~self-insured employer~~ self-insurer may deposit the payment  
15 by direct deposit, electronic funds transfer, or any other money transfer technique  
16 approved by the department. The claimant may revoke a request under this  
17 subdivision at any time by providing appropriate written notice to the insurer or  
18 ~~self-insured employer~~ self-insurer.

19           **SECTION 21.** 102.28 (2) (b) of the statutes is amended to read:

20           102.28 (2) (b) *Exemption from duty to insure.* The department may grant a  
21 written order of exemption to an employer ~~who, or group of employers engaged in the~~  
22 logging industry, that shows its financial ability to pay the amount of compensation,  
23 agrees to report faithfully all compensable injuries, and agrees to comply with this  
24 chapter and the rules of the department. The department may condition the  
25 granting of an exemption upon the employer's applicant's furnishing of satisfactory

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1 security to guarantee payment of all claims under compensation. The department  
2 may require that bonds or other personal guarantees be enforceable against sureties  
3 in the same manner as an award may be enforced. The department may from time  
4 to time require proof of financial ability of the employer or group of employers to pay  
5 compensation. Any exemption shall be void if the application for it contains a  
6 financial statement ~~which~~ that is false in any material respect. An employer ~~who~~ or  
7 an employer that is a member of a group of employers that files an application  
8 containing a false financial statement remains subject to par. (a). The department  
9 may promulgate rules establishing an amount to be charged to an initial applicant  
10 for exemption under this paragraph and an annual amount to be charged to  
11 employers and groups of employers that have been exempted under this paragraph.

12 **SECTION 22.** 102.28 (2) (bm) of the statutes is created to read:

13 102.28 (2) (bm) *Exemption from duty to insure; logging industry groups.* Two  
14 or more employers engaged in the logging industry may enter into an agreement to  
15 pool their liabilities under this chapter for purposes of obtaining an exemption under  
16 par. (b). If the department grants an exemption under par. (b) to a group of 2 or more  
17 employers engaged in the logging industry, each employer that is a member of the  
18 group shall be exempt under par. (b) and may operate as a self-insurer under this  
19 chapter.

20 **SECTION 23.** 102.28 (2) (c) of the statutes is amended to read:

21 102.28 (2) (c) *Revocation of exemption.* The department, after seeking the  
22 advice of the self-insurers council, may revoke an exemption granted to an employer  
23 or group of employers under par. (b), upon giving the employer or group of employers  
24 10 days' written notice, if the department finds that the employer's financial  
25 condition of the employer or group of employers is inadequate to pay its employees'

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1 claims for compensation, that the employer or group of employers has received an  
2 excessive number of claims for compensation, or that the employer or group of  
3 employers has failed to discharge faithfully its obligations according to the  
4 agreement contained in the application for exemption. The employer or group of  
5 employers may, within 10 days after receipt of the notice of revocation, request in  
6 writing a review of the revocation by the secretary or the secretary's designee and the  
7 secretary or the secretary's designee shall review the revocation within 30 days after  
8 receipt of the request for review. If the employer or group of employers is aggrieved  
9 by the determination of the secretary or the secretary's designee, the employer or  
10 group of employers may, within 10 days after receipt of notice of that determination,  
11 request a hearing under s. 102.17. If the secretary or the secretary's designee  
12 determines that the employer's exemption of the employer or group of employers  
13 should be revoked, the employer, or each employer that is a member of the group of  
14 employers, shall obtain insurance coverage as required under par. (a) immediately  
15 upon receipt of notice of that determination and, notwithstanding the pendency of  
16 proceedings under ss. 102.17 to 102.25, shall keep that coverage in force until  
17 another exemption under par. (b) is granted.

18 **SECTION 24.** 102.28 (2) (d) of the statutes is amended to read:

19 102.28 (2) (d) *Effect of insuring with unauthorized insurer.* An employer ~~who~~  
20 or group of employers that procures an exemption under par. (b) and thereafter  
21 enters into any agreement for excess insurance coverage with an insurer not  
22 authorized to do business in this state shall report that agreement to the department  
23 immediately. The placing of such coverage shall not by itself be grounds for  
24 revocation of the exemption.

25 **SECTION 25.** 102.28 (7) (a) of the statutes is amended to read:

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1           102.28 (7) (a) If an employer ~~who~~ or group of employers that is currently or was  
2 formerly exempted by written order of the department under sub. (2) (b) is unable  
3 to pay an award, judgment is rendered in accordance with s. 102.20 against that  
4 employer or group of employers, and execution is levied and returned unsatisfied in  
5 whole or in part, payments for the ~~employer's liability~~ of the employer or group of  
6 employers shall be made from the fund established under sub. (8). If a currently or  
7 formerly exempted employer or group of employers files for bankruptcy and not less  
8 than 60 days after that filing the department has reason to believe that  
9 compensation payments due are not being paid, the department in its discretion may  
10 make payment for the ~~employer's liability~~ of the employer or group of employers from  
11 the fund established under sub. (8). The secretary of administration shall proceed  
12 to recover such those payments from the employer, the group of employers, or the  
13 ~~employer's receiver or trustee in bankruptcy~~ of the employer or group of employers,  
14 and may commence an action or proceeding or file a claim ~~therefor~~ for those  
15 payments. The attorney general shall appear on behalf of the secretary of  
16 administration in any such action or proceeding. All moneys recovered in any such  
17 action or proceeding shall be paid into the fund established under sub. (8).

18           **SECTION 26.** 102.28 (7) (b) of the statutes is amended to read:

19           102.28 (7) (b) Each employer or group of employers exempted by written order  
20 of the department under sub. (2) (b) shall pay into the fund established by sub. (8)  
21 a sum equal to that assessed against each of the other such exempt employers and  
22 groups of employers upon the issuance of an initial order. The order shall provide  
23 for a sum sufficient to secure estimated payments of the insolvent exempt employer  
24 or group of employers due for the period up to the date of the order and for one year  
25 following the date of the order and to pay the estimated cost of insurance carrier or

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1 insurance service organization services under par. (c). Payments ordered to be made  
2 to the fund shall be paid to the department within 30 days. If additional moneys are  
3 required, further assessments shall be made based on orders of the department with  
4 assessment prorated on the basis of the gross payroll for this state of the exempt  
5 employer, or of each employer that is a member of the group of employers, reported  
6 to the department for the previous calendar year for unemployment insurance  
7 purposes under ch. 108. If the exempt employer, or an employer that is a member  
8 of a group of employers, is not covered under ch. 108, then the department shall  
9 determine the comparable gross payroll for the exempt employer or for each  
10 employer that is a member of the group of employers. If payment of any assessment  
11 made under this subsection is not made within 30 days of after the order of the  
12 department, the attorney general may appear on behalf of the state to collect the  
13 assessment.

14 **SECTION 27.** 102.33 (2) (b) (intro.) of the statutes is amended to read:

15 102.33 (2) (b) (intro.) Notwithstanding par. (a), a record maintained by the  
16 department that reveals the identity of an employee who claims worker's  
17 compensation benefits, the nature of the employee's claimed injury, the employee's  
18 past or present medical condition, the extent of the employee's disability, the amount,  
19 type or duration of benefits paid to the employee or any financial information  
20 provided to the department by a ~~self-insured employer~~ self-insurer or by an  
21 applicant for exemption under s. 102.28 (2) (b) is confidential and not open to public  
22 inspection or copying under s. 19.35 (1). The department may deny a request made  
23 under s. 19.35 (1) or, subject to s. 102.17 (2m) and (2s), refuse to honor a subpoena  
24 issued by an attorney of record in a civil or criminal action or special proceeding to

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1 inspect and copy a record that is confidential under this paragraph, unless one of the  
2 following applies:

3 **SECTION 28.** 102.33 (2) (b) 3. of the statutes is amended to read:

4 102.33 (2) (b) 3. The record that is requested contains financial information  
5 provided by a ~~self-insured employer~~ self-insurer or by an applicant for exemption  
6 under s. 102.28 (2) (b) and the requester is the ~~self-insured employer~~ self-insurer  
7 or applicant for exemption or an attorney or authorized agent of the ~~self-insured~~  
8 ~~employer~~ self-insurer or applicant for exemption. An attorney or authorized agent  
9 of the ~~self-insured employer~~ self-insurer or of the applicant for exemption shall  
10 provide a written authorization for inspection and copying from the ~~self-insured~~  
11 ~~employer~~ self-insurer or applicant for exemption if requested by the department.

12 **SECTION 29.** 102.75 (1) of the statutes is amended to read:

13 102.75 (1) The department shall assess upon and collect from each licensed  
14 worker's compensation insurance carrier, and from each employer and group of  
15 employers exempted under s. 102.28 (2) (b) by special order or by rule, the proportion  
16 of total costs and expenses incurred by the council on worker's compensation for  
17 travel and research and by the department and the commission in the  
18 administration of this chapter for the current fiscal year, plus any deficiencies in  
19 collections and anticipated costs from the previous fiscal year, that the total  
20 indemnity paid or payable under this chapter by each such carrier ~~and~~, exempt  
21 employer, and exempt group of employers in worker's compensation cases initially  
22 closed during the preceding calendar year, other than for increased, double, or treble  
23 compensation, bore to the total indemnity paid in cases closed the previous calendar  
24 year under this chapter by all carriers ~~and~~, exempt employer employers, and exempt  
25 groups of employers other than for increased, double, or treble compensation. The



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1 council on worker's compensation and the commission shall annually certify any  
2 costs and expenses for worker's compensation activities to the department at such  
3 time as the secretary requires.

4 **SECTION 30.** 102.75 (2) of the statutes is amended to read:

5 102.75 (2) The department shall require that payments for costs and expenses  
6 for each fiscal year shall be made on such dates as the department prescribes by each  
7 licensed worker's compensation insurance carrier and by each employer and group  
8 of employers exempted under s. 102.28 (2) (b). Each such payment shall be a sum  
9 equal to a proportionate share of the annual costs and expenses assessed upon each  
10 carrier ~~and, employer, and group of employers~~ as estimated by the department.

11 **SECTION 31.** 102.75 (4) of the statutes is amended to read:

12 102.75 (4) From the appropriation under s. 20.445 (1) (ha), the department  
13 shall allocate the amounts that it collects in application fees from employers and  
14 groups of employers applying for exemption under s. 102.28 (2) (b) and the annual  
15 amount that it collects from employers and groups of employers that have been  
16 exempted under s. 102.28 (2) (b) to fund the activities of the department under s.  
17 102.28 (2) (b) and (c).

18 **SECTION 32.** 626.12 (2) of the statutes is amended to read:

19 626.12 (2) CLASSIFICATION. Risks may be classified in any reasonable way for  
20 the establishment of rates and minimum premiums. Classification rates may be  
21 modified to produce rates for individual risks in accordance with rating plans which  
22 establish standards for measuring variations in hazards or expense provisions, or  
23 both. Such standards may measure any differences among risks that can be  
24 demonstrated to have a probable effect upon losses or expenses. In classifying risks  
25 and establishing rates for the logging industry, the bureau shall establish separate

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1 classifications and rates for mechanized logging operations and for manual logging  
2 operations.

3 (END)