

83 WisACT 388

- 1666 -

1983 Assembly Bill 930

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AN ACT to amend 15.09 (4), 15.227 (3), 20.445 (1) (v), 108.14 (6) and 108.20 (2m); and to create 16.48, 20.445 (1) (u) and 108.14 (5) (ag) and (ar) of the statutes, relating to membership of the council on unemployment compensation, a procedure for proposing changes in unemployment compensation laws, a statement of unemployment compensation financial outlook and making an appropriation.

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

SECTION 1. 15.09 (4) of the statutes is amended to read:

15.09 (4) QUORUM. A Except as otherwise expressly provided, a majority of the membership of a council constitutes a quorum to do business, and a majority of a quorum may act in any matter within the jurisdiction of the council.

SECTION 2. 15.227 (3) of the statutes is amended to read:

15.227 (3) COUNCIL ON UNEMPLOYMENT COMPENSATION. There is created in the department of industry, labor and human relations a council on unemployment compensation appointed by the labor and secretary of industry review commission, labor and human relations to consist of an employe of the department of industry, labor and human relations who shall serve as chairperson and of one or more 5 representatives of employers and an equal number of 5 representatives of employes appointed to serve for 6-year terms and a permanent classified employe of the department of industry, labor and human relations who shall serve as nonvoting chairperson. In making appointments to the council, the secretary shall give due consideration to achieving balanced representation of the industrial, commercial, construction, nonprofit and public sectors of the state's economy. One of the employer representatives shall be an owner of a small business or a representative of an association primarily composed of small businesses. In this subsection, "small business" means an independently owned and operated business which is not dominant in its field and which has had less than \$2,000,000 in gross annual sales for each of the previous 2 calendar years or has 25 or fewer employes. A member vacates his or her office if the member loses the status upon which his or her appointment is based.

SECTION 3. 16.48 of the statutes is created to read:

16.48 Unemployment reserve financial statement. (1) On or about January 15 of each odd-numbered year, the secretary of industry, labor and human relations shall prepare and furnish to the governor, the speaker of the assembly, the minority leader of the assembly, and the majority and minority leaders of the senate:

(a) A statement of unemployment compensation financial outlook, which shall contain the following, together with the secretary's recommendations and an explanation for such recommendations:

1. Projections of unemployment compensation operations under current law through at least the 2nd year following the close of the biennium, including benefit payments, tax collections, borrowing or debt repayments and amounts of interest charges, if any.
2. Specific proposed changes in the laws relating to unemployment compensation financing, benefits and administration.
3. Projections specified in subd. 1 under the proposed laws.

4. The economic and public policy assumptions upon which the projections are based, and the impact upon the projections of variations from those assumptions.

5. If significant cash reserves in the unemployment reserve fund are projected throughout the forecast period, a statement giving the reasons why the reserves should be retained in the fund.

6. If unemployment compensation program debt is projected at the end of the forecast period, the reasons why it is not proposed to liquidate the debt.

(b) A report summarizing the deliberations of the council on unemployment compensation and the position of the council, if any, concerning each proposed change in the unemployment compensation laws submitted under par. (a).

(2) Upon receipt of the statement and report under sub. (1), the governor may convene a special committee consisting of the secretary of industry, labor and human relations and the legislative leaders specified in sub. (1) to review the statement and report. Upon request of 2 or more of the legislative leaders specified in sub. (1), the governor shall convene such a committee. The committee shall attempt to reach a consensus concerning proposed changes to the unemployment compensation laws and shall submit its recommendations to the governor and legislature concurrently with the statement furnished under sub. (3).

(3) On or about February 15 of each odd-numbered year, the secretary of industry, labor and human relations, under the direction of the governor, shall submit to each member of the legislature an updated statement of unemployment compensation financial outlook which shall contain the information specified in sub. (1) (a), together with the governor's recommendations and an explanation for such recommendations, and a copy of the report required under sub. (1) (b).

SECTION 4. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

		1983-84	1984-85
20.445	Industry, labor and human relations, department of		
(1)	INDUSTRY, LABOR AND HUMAN RELATIONS		
(u)	Unemployment administration fund; research	SEG B	
		35,000	150,000

SECTION 5. 20.445 (1) (u) of the statutes is created to read:

20.445 (1) (u) *Unemployment administration fund; research.* From the unemployment administration fund, biennially, the amounts in the schedule from interest and penalties on delinquent payments under ch. 108 for research relating to the current and anticipated condition of the unemployment reserve fund under s. 108.14 (6).

SECTION 6. 20.445 (1) (v) of the statutes, as affected by 1983 Wisconsin Act 8, is amended to read:

20.445 (1) (v) *Unemployment administration fund; interest payments.* From the unemployment administration fund, all moneys not appropriated under par. (u) received from employers as interest and penalties on delinquent payments under ch. 108 and assessments under s. 108.19 (1m), for the payment of interest due on advances from the federal unemployment account under title XII of the social security act to the unemployment reserve fund, except as otherwise provided in s. 108.20.

SECTION 7. 108.14 (5) (ag) and (ar) of the statutes are created to read:

108.14 (5) (ag) The vote of 7 of the voting members of the council on unemployment compensation is required for the council to act on a matter before it.

(ar) The department shall present to the council on unemployment compensation every proposal initiated by the department for changes in this chapter and shall seek the council's concurrence with the proposal. The department shall give careful consideration to every proposal submitted by the council for legislative or administrative action and shall review each legislative proposal for possible incorporation into departmental recommendations.

SECTION 8. 108.14 (6) of the statutes is amended to read:

108.14 (6) It shall be one of the purposes of this chapter to promote the regularization of employment in enterprises, localities, industries and the state. The department, with the advice and aid of any employment councils appointed under sub. (5) (b) and the council on unemployment compensation, shall take all appropriate steps within its means to reduce and prevent unemployment. The department shall also conduct continuing research relating to the current and anticipated condition of the fund to ensure the continued availability of benefits to unemployed individuals under this chapter. To this end these ends the department may employ experts, and may carry on and publish the results of any investigations and research which it deems relevant, whether or not directly related to the other purposes and specific provisions of this chapter. At least once a year the department shall compile and publish a summary report stating the experience of employer accounts (without naming any employer) and covering such other material as it deems significant in connection with the operations and purposes of this chapter.

SECTION 9. 108.20 (2m) of the statutes is amended to read:

108.20 (2m) From the moneys not appropriated under s. 20.445 (1) (u) which are received by the administration fund as interest and penalties on delinquent payments under this chapter, the department may pay interest due on advances from the federal unemployment account under title XII of the social security act to the unemployment reserve fund. After such payment, any remaining moneys received by the administration fund as interest and penalties on delinquent payments shall be credited to the balancing account under s. 108.16 (6), except that any interest earned pending disbursement of federal employment security grants under s. 20.445 (1) (z) shall be credited to the general fund. Any moneys reverting to the administration fund from the appropriation under s. 20.445 (1) (u) shall be utilized for interest payments or credited as provided in this subsection.

SECTION 10. **Program responsibility changes.** In the sections of the statutes listed in Column A, the program responsibilities references shown in Column B are deleted and the program responsibilities references shown in Column C are inserted:

(1) GOVERNOR.

A	B	C
Statute Sections	References Deleted	References Inserted
14.011 (intro.)	16.44 to 16.47	16.44 to 16.48

(2) INDUSTRY, LABOR AND HUMAN RELATIONS.

A	B	C
Statute Sections	References Deleted	References Inserted
15.221 (intro.)	none	16.48

SECTION 11. **Nonstatutory provisions.** (1) INITIAL TERMS. The members of the council on unemployment compensation in office on the effective date of this act shall cease to hold office on that date. Notwithstanding section 15.227 (3) of the statutes, as affected by this act, of the members initially appointed to serve terms on the council on unemployment compensation under this act, 4 shall be appointed for terms to expire on July 1, 1991; 3 shall be appointed for terms to expire on July 1, 1989; and 3 shall be appointed for terms to expire on July 1, 1987. Thereafter, all members shall be appointed for the terms prescribed in section 15.227 (3) of the statutes, as affected by this act.

- 1669 -

83 WisACT 388

(2) POSITION AUTHORIZATION. The authorized FTE positions for the department of industry, labor and human relations are increased by 3.25 SEG positions on the effective date of this subsection for the purpose of carrying out the increased activities for research and support of the council on unemployment compensation required by this act.
