

2007 DRAFTING REQUEST

Bill

Received: **10/20/2006**

Received By: **jkuesel**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-8219**

By/Representing: **Harshner**

This file may be shown to any legislator: **NO**

Drafter: **jkuesel**

May Contact:

Addl. Drafters:

Subject: **Unemployment Insurance**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

Pre Topic:

DOA:.....Harshner, B0110 -

Topic:

Consolidation of unemployment I&P appropriations

Instructions:

Per attached request, 10/12/06.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkuesel 10/23/2006	csicilia 10/25/2006		_____			State
/1			pgreensl 10/25/2006	_____	sbasford 10/25/2006		

FE Sent For:

<END>

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1/1	jkuesel 10/23/06	1 10/24 06 CJS	10/25 PG	10/25 PG/TNW			

FE Sent For:

<END>

2007-09 Budget Bill Statutory Language Drafting Request

- Topic: Consolidation of appropriations into appropriation s.20.445(1)(gd).
- Tracking Code: BB0110
- SBO team: Education
- SBO analyst: Sam Harshner
 - Phone: 266-8219
 - Email: Samuel.Harshner@wisconsin.gov
- Agency acronym: DWD
- Agency number: 445
- Priority (Low, Medium, High): Low

+108.20(2m)

STATUTORY MODIFICATIONS

Department of Workforce Development
2007-2009 Biennial Budget Request

DI Number: 5301

Topic: Appropriation Consolidation

Description of Change:

The Department requests statutory language changes to expand the definition and authority under s. 20.445(1)(gd), numeric 136, consistent with the purposes of those appropriations consolidated into the new appropriation under this decision item, creating a new continuing all monies received appropriation with appropriate cross references to Chapter 108.

This request will provide a more efficient appropriation structure for the Unemployment Insurance program. The request combines four program revenue appropriations - s. 20.445(1)(ge), numeric 137; s. 20.445(1)(gf), numeric 133; s. 20.445(1)(gg), numeric 124; and s. 20.445(1)(gi), numeric 139 with existing program revenue appropriation s. 20.445(1)(gd), numeric 136.

The proposed change would eliminate s. 20.445 (1)(gd), (gf), (gg) and (gi), and amend s. 20.445 (1)(gd) as follows:

(gd) *Unemployment interest and penalty payments.* From the all moneys received as interest and penalties collected under ss. 108.04(11)(c) and (cm) and (13)(c), and 108.22, assessments under s. 108.19(1m) and forfeitures under s. 103.05(5), all moneys not appropriated under pars. (ge), (gf), (gg) and (gi) and all moneys transferred to this appropriation account from the appropriation account under par. (gh) for the payment of benefits specified in s. 108.07 (5) and 1987 Wisconsin Act 38, section 132 (1) (c), for the payment of interest to employers under s. 108.17 (3m), 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, and for payments made to the unemployment reserve fund to obtain a lower interest rate or deferral of interest payments on these advances, except as otherwise provided in s. 108.20, for research relating to the current and anticipated condition of the unemployment reserve fund under s. 108.14(6), for the administration of unemployment insurance programs under ch. 108 and federal or state unemployment insurance programs authorized by the governor under s. 16.54, and for payments to satisfy any federal audit exception concerning a payment from the unemployment reserve fund or any federal aid disallowance involving the unemployment insurance program, for

the purpose specified in s. 108.19(1e)(d) which includes the renovation and modernization of unemployment insurance information technology systems, specifically including development and implementation of new systems and the reengineering of automated processes and manual business functions, and for the purpose of assisting the department of justice in the enforcement of ch.108.

Justification:

Chapter 20 of the statutes establishes authority for appropriations and budget management. Appropriation structures are intended to provide a framework for agency budgets within each program and by revenue and appropriation type. Over time, as programs evolve, appropriation structures require updating. These structures can become particularly complex when they are also modified via separate legislation - which has occurred in the UI division as illustrated in the last "agreed upon bill" Act 86.

Under current law, each of the appropriations stands alone from a budget/appropriation management perspective, despite the shared revenue source. Consolidation of these appropriations into a single continuing appropriation under s. 20.445(1)(gd), numeric 136 would simplify the appropriation structure, increase flexibility and provide other efficiencies, including reduced finance transactions and increased discretion available to the UI program managers when utilizing the I & P revenue they collect to complete the missions the I & P revenue funds.

Date (time) needed

SEN

LRB-0550,1

JTK: cjs:

DOA BUDGET DRAFT

Use the appropriate components and routines developed for bills.

>>FOR BUDGET — NOT READY FOR INTRODUCTION<<

AN ACT ... [DO NOT generate catalog]; relating to: ~~the budget~~ consolidation of unemployment insurance appropriations derived from interest, penalties, and certain assessments and making an appropriation.

Analysis by the Legislative Reference Bureau

If titles are needed in the analysis, in the component bar:

- For the main heading, execute: create → anal: → title: → head
- For the subheading, execute: create → anal: → title: → sub
- For the sub-subheading, execute: create → anal: → title: → sub-sub

For the analysis text, in the component bar:

- For the text paragraph, execute: create → anal: → text

<attached>

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

SECTION #.

<attached>

EMPLOYMENT

Currently, the Department of Workforce Development (DWD) receives program revenue from interest and penalties assessed by DWD under the unemployment insurance law, from assessments for the purpose of making interest payments to the federal government, and from forfeitures (civil monetary penalties) imposed for violations of the unemployment insurance law. These revenues are expended by DWD for certain purposes specified by law. Expenditures are limited only by available revenues. However, there are also ⁴ sum certain appropriations made to DWD from the same program revenue for specified purposes. These appropriations are a first draw upon available revenues and are expendable only up to the maximum dollar amount for each appropriation specified by law. These appropriations relate to research relating to the condition of the unemployment reserve fund, administration of the unemployment insurance program and federal and state unemployment insurance programs authorized by the governor, renovation and modernization of unemployment insurance information technology systems, and assistance to the Department of Justice in enforcing the unemployment insurance law.

Under this bill, the sum certain appropriations for each of the above purposes are deleted and DWD is permitted to spend available moneys from this program revenue for any of the purposes specified in the current sum certain appropriations as well as for the purposes currently specified by law in whatever amounts DWD chooses subject only to available revenues.

FE-5



DOJ

four

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-0550/lins
JTK.....

SECTION 1. 20.445 (1) (gd) of the statutes is amended to read:

20.445 (1) (gd) *Unemployment interest and penalty payments.* ~~From the All~~ and (13) (c)
moneys received as interest and penalties collected under ss. 108.04 (11) (c) and (cm)
and 108.22, assessments under s. 108.19 (1m), and forfeitures under s. 103.05 (5),
all moneys not appropriated under pars. (ge), (gf), (gg), and (gi), and all moneys
transferred to this appropriation account from the appropriation account under par.
(gh) for the payment of benefits specified in s. 108.07 (5) and 1987 Wisconsin Act 38,
section 132 (1) (c), for the payment of interest to employers under s. 108.17 (3m), for
research relating to the condition of the unemployment reserve fund under s. 108.14
(6), for administration of the unemployment insurance program and federal or state
unemployment insurance programs authorized by the governor under s. 16.54, for
satisfaction of any federal audit exception concerning a payment from the
unemployment reserve fund or any federal ^{aid} disallowance concerning the
unemployment insurance program, for renovation and modernization of
unemployment insurance information technology systems, for assistance to the
department of justice in the enforcement of ch. 108, 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, and for payments made to the
unemployment reserve fund to obtain a lower interest rate or deferral of interest
payments on these advances, except as otherwise provided in s. 108.20.

History: 1971 c. 125 ss. 156, 522 (1); 1971 c. 211, 215; 1971 c. 228 s. 44; 1971 c. 259; 1973 c. 90, 180, 243, 333; 1975 c. 39, 147, 224, 274, 344; 1975 c. 404 ss. 3, 10 (1); 1975 c. 405 ss. 3, 11 (1); 1977 c. 29, 48, 203, 418; 1979 c. 34 ss. 512 to 522, 2102 (25) (a); 1979 c. 189, 221, 309; 1979 c. 329 s. 25 (1); 1979 c. 350 ss. 3, 27 (6); 1979 c. 353, 355; 1981 c. 20, 36, 92, 93, 317, 325, 364; 1983 a. 8; 1983 a. 27 ss. 411 to 425; 1983 a. 98 ss. 1, 31; 1983 a. 192, 384, 388, 410; 1985 a. 17, 29, 153, 313, 332; 1987 a. 27; 1987 a. 38 ss. 2 to 4, 136; 1987 a. 399, 403; 1989 a. 31, 44, 64, 77, 254, 284, 359; 1991 a. 39 ss. 372c, 545r, 545t, 545v, 547, 548, 548g, 548m, 549, 549b, 549g, 549p; 1991 a. 85, 89, 269, 315; 1993 a. 16, 126, 243, 437, 491; 1995 a. 27 ss. 772mm, 772mn, 776p to 778b, 778L, 778n, 778q, 778v, 778z to 780m, 781m to 782p, 782u, 841, 842, 849, 850, 854, 855, 858c, 873 to 876, 878, 880, 890 to 896, 962 to 1014c, 9126 (19), 9130 (4); 1995 a. 113 s. 2t; 1995 a. 117, 201, 216, 225, 289; 1995 a. 404 ss. 4, 6 to 8, 10 to 17; 1997 a. 3; 1997 a. 27 ss. 610 to 642m, 722; 1997 a. 35, 38, 39, 105, 112, 191, 235, 236, 237, 252; 1999 a. 9 ss. 270, 458 to 478; 1999 a. 15, 32; 2001 a. 16, 35, 43, 104, 109; 2003 a. 33, 197; 2005 a. 25, 86, 172; 2005 a. 443 s. 265.

SECTION 2. 20.445 (1) (ge) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 3. 20.445 (1) (gf) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 4. 20.445 (1) (gg) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 5. 20.445 (1) (gi) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

SECTION 6. 108.20 (2m) of the statutes is amended to read:

108.20 (2m) From the moneys not appropriated under s. 20.445 (1) (ge), (gf), (gg), and (gi) which (gd) that are received by the administrative account as interest and penalties under this chapter, the department shall pay the benefits chargeable to the administrative account under s. 108.07 (5) and the interest payable to employers under s. 108.17 (3m), and may expend the remainder to pay interest due on advances to the unemployment reserve fund from the federal unemployment account under title XII of the social security act, 42 USC 1321 to 1324, may to conduct research relating to the condition of the unemployment reserve fund under s. 108.14 (6), to administer the unemployment insurance program and federal or state unemployment insurance programs authorized by the governor under s. 16.54,

~~to satisfy any federal audit exception concerning a payment from the unemployment reserve fund or any federal disallowance concerning the unemployment insurance~~

program, to renovate and modernize unemployment insurance information technology systems, to assist the department of justice in the enforcement of this chapter, and to make payments to satisfy a federal audit exception concerning a payment from the fund or any federal aid disallowance involving the unemployment

insurance program, or ~~may~~ ^{strike} ~~make~~ ^{to} payments to the fund if such action is necessary to obtain a lower interest rate or deferral of interest payments on advances from the federal unemployment account under title XII of the social security act, except that any interest earned pending disbursement of federal employment security grants under s. 20.445 (1) (n) shall be credited to the general fund. ~~Any moneys reverting to the administrative account from the appropriations under s. 20.445 (1) (ge) and (gf) shall be utilized as provided in this subsection.~~ ^{Strike}

History: 1973 c. 90 s. 559; 1981 c. 36 ss. 38, 39, 45; 1983 a. 8, 388; 1985 a. 17, 29, 40; 1987 a. 27, 38, 403; 1989 a. 77; 1991 a. 89; 1997 a. 27, 39, 252; 1999 a. 15; 2001 a. 35; 2003 a. 33; 2005 a. 86.

SECTION 9254X. Fiscal changes; workforce development?

(1) UNEMPLOYMENT INSURANCE APPROPRIATION BALANCE TRANSFERS. The unencumbered balances ⁱⁿ ~~of~~ the appropriations ^{accounts} ~~to the department of workforce~~ ~~development~~ under section 20.445 (1) (ge), (gf), (gg), and (gi) of the statutes are transferred to the appropriation account under section 20.445 (1) (gd) of the statutes, as affected by this act.

(END)



State of Wisconsin
2007 - 2008 LEGISLATURE

LRB-0550/1

JTK:cjs:pg

DOA:.....Harshner, B0110 - Consolidation of unemployment I&P
appropriations

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: consolidation of unemployment insurance appropriations
2 derived from interest, penalties, and certain assessments and making an
3 appropriation.

Analysis by the Legislative Reference Bureau

EMPLOYMENT

Currently, DWD receives program revenue from interest and penalties assessed by DWD under the unemployment insurance law, from assessments for the purpose of making interest payments to the federal government, and from forfeitures (civil monetary penalties) imposed for violations of the unemployment insurance law. These revenues are expended by DWD for certain purposes specified by law. Expenditures are limited only by available revenues. However, there are also four sum certain appropriations made to DWD from the same program revenue for specified purposes. These appropriations are a first draw upon available revenues and are expendable only up to the maximum dollar amount for each appropriation specified by law. These appropriations relate to research relating to the condition of the unemployment reserve fund, administration of the unemployment insurance program and federal and state unemployment insurance programs authorized by the governor, renovation and modernization of unemployment insurance information technology systems, and assistance to the DOJ in enforcing the unemployment insurance law.

Under this bill, the sum certain appropriations for each of the above purposes are deleted and DWD is permitted to spend available moneys from this program revenue for any of the purposes specified in the current sum certain appropriations as well as for the purposes currently specified by law in whatever amounts DWD chooses subject only to available revenues.

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

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

1 **SECTION 1.** 20.445 (1) (gd) of the statutes is amended to read:

2 20.445 (1) (gd) *Unemployment interest and penalty payments.* ~~From the All~~
3 moneys received as interest and penalties collected under ss. 108.04 (11) (c) and (cm)
4 and (13) (c) and 108.22, assessments under s. 108.19 (1m), and forfeitures under s.
5 103.05 (5), all moneys not appropriated under pars. (ge), (gf), (gg), and (gi), and all
6 moneys transferred to this appropriation account from the appropriation account
7 under par. (gh) for the payment of benefits specified in s. 108.07 (5) and 1987
8 Wisconsin Act 38, section 132 (1) (c), for the payment of interest to employers under
9 s. 108.17 (3m), for research relating to the condition of the unemployment reserve
10 fund under s. 108.14 (6), for administration of the unemployment insurance program
11 and federal or state unemployment insurance programs authorized by the governor
12 under s. 16.54, for satisfaction of any federal audit exception concerning a payment
13 from the unemployment reserve fund or any federal aid disallowance concerning the
14 unemployment insurance program, for renovation and modernization of
15 unemployment insurance information technology systems, for assistance to the
16 department of justice in the enforcement of ch. 108, for the payment of interest due
17 on advances from the federal unemployment account under title XII of the social
18 security act to the unemployment reserve fund, and for payments made to the

1 unemployment reserve fund to obtain a lower interest rate or deferral of interest
2 payments on these advances, except as otherwise provided in s. 108.20.

3 **SECTION 2.** 20.445 (1) (ge) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

4 **SECTION 3.** 20.445 (1) (gf) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

5 **SECTION 4.** 20.445 (1) (gg) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

6 **SECTION 5.** 20.445 (1) (gi) of the statutes is repealed.

****NOTE: This SECTION involves a change in an appropriation that must be reflected in the revised schedule in s. 20.005, stats.

7 **SECTION 6.** 108.20 (2m) of the statutes is amended to read:

8 108.20 **(2m)** From the moneys not appropriated under s. 20.445 (1) ~~(ge), (gf),~~
9 ~~(gg), and (gi) which (gd) that~~ are received by the administrative account as interest
10 and penalties under this chapter, the department shall pay the benefits chargeable
11 to the administrative account under s. 108.07 (5) and the interest payable to
12 employers under s. 108.17 (3m), and may expend the remainder to pay interest due
13 on advances to the unemployment reserve fund from the federal unemployment
14 account under title XII of the social security act, 42 USC 1321 to 1324, may to conduct
15 research relating to the condition of the unemployment reserve fund under s. 108.14
16 (6), to administer the unemployment insurance program and federal or state
17 unemployment insurance programs authorized by the governor under s. 16.54, to
18 renovate and modernize unemployment insurance information technology systems,
19 to assist the department of justice in the enforcement of this chapter, to make
20 payments to satisfy a federal audit exception concerning a payment from the fund

1 or any federal aid disallowance involving the unemployment insurance program, or
2 may to make payments to the fund if such action is necessary to obtain a lower
3 interest rate or deferral of interest payments on advances from the federal
4 unemployment account under title XII of the social security act, except that any
5 interest earned pending disbursement of federal employment security grants under
6 s. 20.445 (1) (n) shall be credited to the general fund. ~~Any moneys reverting to the~~
7 ~~administrative account from the appropriations under s. 20.445 (1) (ge) and (gf) shall~~
8 ~~be utilized as provided in this subsection.~~

9 **SECTION 9254. Fiscal changes; Workforce Development.**

10 (1) UNEMPLOYMENT INSURANCE APPROPRIATION BALANCE TRANSFERS. The
11 unencumbered balances in the appropriation accounts under section 20.445 (1) (ge),
12 (gf), (gg), and (gi) of the statutes are transferred to the appropriation account under
13 section 20.445 (1) (gd) of the statutes, as affected by this act.

14 (END)