2013 Assembly Bill 684 (LRB -2855)

An Act to amend 93.135 (title), 93.135 (4), 108.04 (1) (hm), 108.22 (1) (a), 108.227 (1) (e) 6., 108.227 (1) (e) 12., 108.227 (1) (f), 108.245 (1), 202.02 (4) (c), 202.03, 628.097 (2m), 628.10 (2) (cm) and 628.93 (2) (title); and to create 108.227 (1) (e) 6m. of the statutes; relating to: various changes in the unemployment insurance law. (FE)

2014

01-29.	A.	Introduced by Representative **Knodl**; cosponsored by Senator **Lasee**.	564
01-29.	A.	Read first time and referred to Committee on Labor	564
02-04.	A.	Public hearing held	
02-07.	A.	Fiscal estimate received	
02-11.	A.	Fiscal estimate received	
02-13.	A.	Executive action taken	
02-14.	A.	Fiscal estimate received	
02-18.	A.	Report passage recommended by Committee on Labor, Ayes 9, Noes 0	650
02-18.	A.	Referred to Committee on Rules	650
02-18.	A.	Placed on calendar 2-20-2014 by Committee on Rules	
02-19.	A.	Fiscal estimate received	
02-20.	A.	Rules suspended to withdraw from calendar and take up	687
02-20.	A.	Read a second time	687
02-20.	A.	Ordered to a third reading	687
02-20.	A.	Rules suspended	687
02-20.	A.	Read a third time and **passed**	687
02-20.	A.	Ordered immediately messaged	687
02-21.	S.	Received from Assembly	706
02-24.	S.	Read first time and referred to committee on Senate Organization	711
02-24.	S.	Available for scheduling	
02-24.	S.	Fiscal estimate received	
03-31.	S.	Public hearing requirement waived by committee on Senate Organization, pursuant to Senate Rule 18 (1m), Ayes 5, Noes 0	821
03-31.	S.	Placed on calendar 4-1-2014 pursuant to Senate Rule 18(1)	822
04-01.	S.	Read a second time	
04-01.	S.	Ordered to a third reading	
04-01.	S.	Rules suspended	
04-01.	S.	Read a third time and **concurred in**	
04-01.	S.	Ordered immediately messaged	
04-02.	A.	Received from Senate concurred in	818

2013
ENROLLED BILL

13en A **B-** 684

ADOPTED DOCUMENTS:

☒ **Orig** ☐ **Engr** ___ **SubAmdt** ___ **13** -2855/1

Amendments to above (if none, write "NONE"): None

Corrections – show date (if none, write "NONE"): None

Topic Rel

4-3-14
Date

Enrolling Drafter

State of Wisconsin
2013 - 2014 LEGISLATURE

LRB-2855/1
MED&JTK:sac:jf

2013 ASSEMBLY BILL 684

January 29, 2014 – Introduced by Representative KNODL, cosponsored by Senator LASEE. Referred to Committee on Labor.

1 AN ACT ***to amend*** 93.135 (title), 93.135 (4), 108.04 (1) (hm), 108.22 (1) (a), 108.227
2 (1) (e) 6., 108.227 (1) (e) 12., 108.227 (1) (f), 108.245 (1), 202.02 (4) (c), 202.03,
3 628.097 (2m), 628.10 (2) (cm) and 628.93 (2) (title); and ***to create*** 108.227 (1)
4 (e) 6m. of the statutes; **relating to:** various changes in the unemployment
5 insurance law.

Analysis by the Legislative Reference Bureau

This bill makes various changes in the unemployment insurance (UI) law. Provisions include:

License revocations based on UI contribution delinquencies

Current law requires various state agencies and boards (licensing departments) that issue various licenses and other credentials (licenses) to revoke a license or deny an application for a license if the Department of Revenue (DOR) certifies that the license holder or applicant owes DOR delinquent taxes. Subject to certain limitations, current law, as created by 2013 Wisconsin Act 36, similarly requires licensing departments to revoke a license or deny an application for a license if the Department of Workforce Development (DWD) certifies that the license holder or applicant is liable for delinquent UI contributions. UI contributions are taxes employers must pay to DWD for deposit with the federal government, and which are then used to pay the claims of claimants for UI benefits. 2013 Wisconsin Act 20 (budget act) created and transferred the authority of various licensing departments

to issue and administer certain licenses and modified accordingly various provisions related to license revocations due to liability of the licensees for delinquent taxes owed to DOR.

This bill makes similar changes related to license revocations due to liability of the licensees for delinquent UI contributions to the changes made by the budget act. Specifically, the bill does all of the following:

1. Requires the Department of Financial Institutions (DFI) to revoke or deny a registration to operate as a charitable organization, fund–raising counsel, professional fund–raiser, or professional employer organization if DWD certifies that the registrant is liable for delinquent UI contributions. Administration of these registrations was transferred from the Department of Safety and Professional Services (DSPS) to DFI by the budget act.

2. Requires the Office of the Commissioner of Insurance (OCI) to revoke or deny a navigator license or navigator entity registration (for assistance to individuals in obtaining appropriate health insurance coverage) if DWD certifies that the license or registration holder is liable for delinquent UI contributions. The authority for OCI to issue navigator licenses and registrations was created by the budget act.

3. Requires the Department of Agriculture, Trade and Consumer Protection (DATCP) to revoke a certification or registration of a person who works with tanks that contain hazardous substances and persons who perform assessments of sites where such tanks are located. The authority to issue these certifications or registrations was transferred to DATCP from DSPS by the budget act.

Failure of claimants to comply with requests for information

Currently, if a UI claimant fails to comply with a request by DWD to provide certain information relating to the claimant's eligibility and certain demographic information, the claimant is ineligible to receive UI benefits until the claimant complies or satisfies DWD that he or she had good cause for failure to comply with the request. This bill makes a claimant ineligible to receive benefits until the claimant complies, regardless of the cause for failure to comply. Under the bill, if the claimant later complies, the claimant is eligible to receive benefits as of the week in which the failure occurred, if otherwise qualified.

Tardy filing fees

Currently, each employer must file a quarterly report with DWD identifying the name of and wages paid to each employee who is employed by the employer in employment covered by the UI law during the most recent calendar quarter. With limited exceptions, if an employer is delinquent in filing the report, the employer must pay a tardy filing fee of $100 or $20 per employee, whichever is greater, but if the employer files the report within 30 days of its due date, the fee is reduced to $50. This bill makes an employer eligible for the reduced tardy filing fee if the employer files its report within 30 days after DWD assesses a tardy filing fee to that employer.

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.** 93.135 (title) of the statutes, as affected by 2013 Wisconsin Act 20,
2 is amended to read:

3 **93.135** (title) **License denial, nonrenewal, suspension or restriction**
4 **based on failure to pay support ~~or~~, taxes, or unemployment insurance**
5 **contributions.**

6 **SECTION 2.** 93.135 (4) of the statutes, as created by 2013 Wisconsin Act 20, is
7 amended to read:

8 93.135 **(4)** The department shall deny an application for the issuance or
9 renewal of certification or registration under s. 168.23 (3), or shall suspend or restrict
10 such a certification or registration, if the department of revenue certifies under s.
11 73.0301 that the holder of the certification or registration is liable for delinquent
12 taxes or if the department of workforce development certifies under s. 108.227 that
13 the holder of the certification or registration is liable for delinquent unemployment
14 insurance contributions.

15 **SECTION 3.** 108.04 (1) (hm) of the statutes, as affected by 2013 Wisconsin Act
16 36, is amended to read:

17 108.04 **(1)** (hm) The department may require any claimant to appear before it
18 and to answer truthfully, orally or in writing, any questions relating to the claimant's
19 eligibility for benefits or to provide such demographic information as may be
20 necessary to permit the department to conduct a statistically valid sample audit of
21 compliance with this chapter. A claimant is not eligible to receive benefits for any

week in which the claimant fails to comply with a request by the department to provide the information required under this paragraph, or any subsequent week, until the claimant complies ~~or satisfies the department that he or she had good cause for failure to comply~~ with ~~a~~ the request ~~of the department under this paragraph~~. Except as provided in sub. (2) (e) and (f), if a claimant later complies with a request by the department within the period specified in s. 108.09 (2) (c), the claimant is eligible to receive benefits as of the week in which the failure occurred, if otherwise qualified.

SECTION 4. 108.22 (1) (a) of the statutes, as affected by 2013 Wisconsin Act 36, is amended to read:

108.22 **(1)** (a) Except as provided in par. (cm), if any employer, other than an employer which has ceased business and has not paid or incurred a liability to pay wages in any quarter following the cessation of business, is delinquent in making by the assigned due date any payment to the department required of it under this chapter, the employer shall pay interest on the delinquent payment at that monthly rate that annualized is equal to 9 percent or to 2 percent more than the prime rate as published in the Wall Street Journal as of September 30 of the preceding year, whichever is greater, for each month or fraction thereof that the employer is delinquent from the date such payment became due. If any such employer is delinquent in filing any quarterly report under s. 108.205 (1) by the assigned due date, the department may assess a tardy filing fee to the employer for each delinquent quarterly report in the amount of $100 or $20 per employee, as reported on the employer's most recent quarterly report, whichever is greater, or, if the report is filed within 30 days ~~of its due date~~ after the date that the department assesses a tardy filing fee, in the amount of $50. If the department cannot determine the

number of the employer's employees from the employer's most recent quarterly report, the department may reasonably estimate the number of the employer's employees for purposes of this paragraph.

SECTION 5. 108.227 (1) (e) 6. of the statutes, as created by 2013 Wisconsin Act 36, is amended to read:

108.227 **(1)** (e) 6. A license or certificate of registration issued by the department of financial institutions, or a division of it, under ss. 138.09, 138.12, 138.14, 202.12 to 202.14, 202.22, 217.06, 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93 or under subch. IV of ch. 551.

SECTION 6. 108.227 (1) (e) 6m. of the statutes is created to read:

108.227 **(1)** (e) 6m. A certificate or registration issued under s. 168.23 (3).

SECTION 7. 108.227 (1) (e) 12. of the statutes, as created by 2013 Wisconsin Act 36, is amended to read:

108.227 **(1)** (e) 12. A license issued under s. 628.04, 628.92 (1), 632.69 (2), or 633.14, a registration under s. 628.92 (2), or a temporary license issued under s. 628.09.

SECTION 8. 108.227 (1) (f) of the statutes, as created by 2013 Wisconsin Act 36, is amended to read:

108.227 **(1)** (f) "Licensing department" means the department of administration; the department of agriculture, trade and consumer protection; the board of commissioners of public lands; the department of children and families; the government accountability board; the department of financial institutions; the department of health services; the department of natural resources; the department of public instruction; the department of revenue; the department of safety and

professional services; the office of the commissioner of insurance; or the department of transportation.

SECTION 9. 108.245 (1) of the statutes, as created by 2013 Wisconsin Act 36, is amended to read:

108.245 **(1)** ~~The~~ Except as provided in sub. (2m), the department may commence an action to preserve and recover the proceeds of any payment from the fund not resulting from a departmental error, including any payment to which the recipient is not entitled, from any transferee or other person that receives, possesses, or retains such a payment or from any account, including an account at any financial institution, resulting from the transfer, use, or disbursement of such a payment. The department may also commence an action to recover from a claimant the amount of any benefits that were erroneously paid to another person who was not entitled to receive the benefits because the claimant or the claimant's authorized agent divulged the claimant's security credentials to another person or failed to take adequate measures to protect the credentials from being divulged to an unauthorized person.

SECTION 10. 202.02 (4) (c) of the statutes, as created by 2013 Wisconsin Act 20, is amended to read:

202.02 **(4)** (c) The department may not disclose a social security number obtained under par. (a) to any person except the department of children and families to administer s. 49.22 ~~and~~, the department of revenue to request certifications under s. 73.0301 and administer state taxes, and the department of workforce development to request certifications under s. 108.227.

SECTION 11. 202.03 of the statutes, as created by 2013 Wisconsin Act 20, is amended to read:

1 **202.03 Registration denial, nonrenewal, or revocation based on ~~tax~~**
2 **~~delinquency~~ delinquent taxes or unemployment insurance contributions.**
3 Notwithstanding ss. 202.12 to 202.14 and 202.22, the department shall deny an
4 application for an initial registration or for registration renewal, or revoke a
5 registration, if the department of revenue certifies under s. 73.0301 that the
6 applicant or registrant is liable for delinquent taxes~~, as defined in s. 73.0301 (1) (c)~~
7 or if the department of workforce development certifies under s. 108.227 that the
8 applicant or registrant is liable for delinquent unemployment insurance
9 contributions.

10 **SECTION 12.** 628.097 (2m) of the statutes, as affected by 2013 Wisconsin Acts
11 20 and 36, is amended to read:

12 628.097 **(2m)** FOR LIABILITY FOR DELINQUENT TAXES OR UNEMPLOYMENT INSURANCE
13 CONTRIBUTIONS. The commissioner shall refuse to issue a license, including a
14 temporary license, under this subchapter or subch. V, or to register a navigator entity
15 under subch. V, if the department of revenue certifies under s. 73.0301 that the
16 applicant for the license or registration is liable for delinquent taxes or if the
17 department of workforce development certifies under s. 108.227 that the applicant
18 for the license or registration is liable for delinquent unemployment insurance
19 contributions.

20 **SECTION 13.** 628.10 (2) (cm) of the statutes, as affected by 2013 Wisconsin Acts
21 20 and 36, is amended to read:

22 628.10 **(2)** (cm) *For liability for delinquent taxes or unemployment insurance*
23 *contributions.* The commissioner shall revoke the license of an intermediary or
24 individual navigator, including a temporary license under s. 628.09, if the
25 department of revenue certifies under s. 73.0301 that the intermediary or navigator

is liable for delinquent taxes or if the department of workforce development certifies under s. 108.227 that the intermediary or navigator is liable for delinquent unemployment insurance contributions. An intermediary who is a natural person, or an individual navigator, whose license is revoked under this paragraph may have his or her license reinstated, or may be relicensed, as provided in sub. (5).

SECTION 14. 628.93 (2) (title) of the statutes, as created by 2013 Wisconsin Act 20, is amended to read:

628.93 **(2)** (title) REFUSAL TO ISSUE LICENSE; FAILURE TO PAY SUPPORT OR TO COMPLY WITH SUBPOENA OR WARRANT; ~~TAX DELINQUENCY~~ DELINQUENT TAXES OR UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

SECTION 15. Initial applicability.

(1) The treatment of sections 93.135 (title) and (4), 108.227 (1) (e) 6., 6m., and 12. and (f), 202.02 (4) (c), 202.03, 628.097 (2m), 628.10 (2) (cm), and 628.93 (2) (title) of the statutes first applies to contributions, as defined in section 108.227 (1) (a) of the statutes, that are delinquent on the effective date of this subsection.

(2) The treatment of section 108.04 (1) (hm) of the statutes first applies with respect to determinations issued under section 108.09 of the statutes on the effective date of this subsection.

(3) The treatment of section 108.22 (1) (a) of the statutes first applies with respect to quarterly wage reports required to be filed for wages earned on the effective date of this subsection.

SECTION 16. Effective date.

(1) This act takes effect on the first Sunday after publication.

(END)