



WISCONSIN LEGISLATIVE COUNCIL ACT MEMO

2017 Wisconsin Act 157
[2017 Senate Bill 399]

Unemployment Insurance

2017 Wisconsin Act 157 makes various changes to the state unemployment insurance law. The changes were recommended by the Unemployment Insurance Advisory Council, which is statutorily directed to advise the Department of Workforce Development (DWD) on unemployment insurance law and to recommend legislative changes.

The Act addresses a number of aspects relating to collection of unemployment insurance debts. These include:

- Requiring DWD to issue a demand for payment 15 days before issuing a warrant to record a lien, for the first warrant to record a lien that is issued to that person.
- Allowing a state income tax refund intercept against both employers and employees, rather than only against employees.
- Reorganizing the collections provisions to apply equally to employers and employees, rather than repeating separate provisions.
- Revising the penalty for a failure to surrender property that is subject to levy from 25% to 50% of the amount of the debt, and specifying that the penalty applies to any person who fails to surrender property, rather than applying only to a third party who fails to surrender property. Also, requiring the amounts collected to be deposited in the unemployment program integrity fund.
- Specifying that an execution sale arranged by a DWD employee or agent may be conducted as an Internet-based auction or sale, rather than only as an in-person auction.

This memo provides a brief description of the Act. For more detailed information, consult the text of the law and related legislative documents at the Legislature's Web site at: <http://www.legis.wisconsin.gov>.

- Specifying that a private agency that is serving as a fiscal agent for a person who is performing long-term support services or vocational rehabilitation services may be found jointly and severally liable for any amounts owed by the person.
- Removing the requirement that an officer, employee, member, manager, partner, or other responsible person must have at least a 20% ownership interest in order to hold the person personally liable for willfully failing to file reports or payments.
- Specifying that DWD may charge for costs related to payments that are made to the department by debit card, credit card, or other payment method.

The Act revises certain aspects of the drug screening and testing program for persons who apply for unemployment insurance benefits. These include:

- Expanding confidentiality protections to all aspects of the drug screening and testing program, rather than only to records relating to enrollment in a substance abuse treatment program.
- Providing immunity from civil liability for submission or notification by an employer who, in good faith, submits preemployment drug testing results to DWD or notifies DWD that a person declined to submit to a preemployment drug test.
- Updating terminology and phrasing.
- Stating expressly that DWD must pay for the cost of testing, in addition to the funding allocation made under prior law.
- Requiring unused drug screening and testing funds to be transferred to the unemployment program integrity fund at the end of each fiscal biennium.

The Act also contains other various updates, including:

- Specifying that concealing holiday, vacation, sick leave, or termination pay in a weekly claim makes a person ineligible to receive benefits, in the same manner as the ineligibility under prior law for concealing wages or hours worked.
- Specifying that, in a work-share program, the receipt of holiday, vacation, sick leave, or termination pay is treated as hours worked. Also, specifying that missed work that is available in a work-share program is treated as hours worked.
- Revising the timing of ineligibility for benefits, when a person fails to provide requested information, to begin in the week about which information is requested, rather than beginning in the week in which a person fails to comply with a request.
- Allowing electronic delivery of certain documents.
- Making certain minor revisions, such as updating terminology or phrasing, correcting cross-references, and updating references to federal law.

Lastly, the Act adds five full-time positions for the purpose of conducting program integrity activities, from the segregated fund revenues allocated to that program.

Effective date: March 30, 2018, except an employee's ineligibility due to concealing holiday, vacation, sick leave, or termination pay applies to a concealment determination issued on or after April 1, 2018, and an employer's immunity from civil liability relating to a preemployment drug test also applies to a submission or notification that is made on or after April 1, 2018.

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May 4, 2018

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