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State of Wisconsin
Department of Workforce Development

Report From Agency

Rule Analysis for Legislative Review

Proposed Rules Relating to Unemployment Insurance and Temporary Help Employers
Chapter DWD 133
CR 06-032

Basis and Purpose of the Proposed Rules

For the purpose of unemployment insurance, an employment relationship normally ends when an employee is laid off without a definite return-to-work date, even if recall is anticipated. If a subsequent offer is refused, it is considered a refusal of new work. The employment relationship between a temporary help agency and its employees does not follow the patterns that apply to most other employment relationships. In the temporary help industry, it is common for employees to be assigned to a series of assignments at different locations with different duties, wages, and other conditions. It is also common for these assignments to end with little or no notice to either the employee or the employer. While the parties may fully intend to continue the relationship, the short notice that an assignment has ended may require that a short period of time pass before the employer is able to send the employee to the next assignment. This proposed rules establish standards for determining whether the employment relationship continues or is terminated for the purpose of unemployment insurance benefit eligibility.

Public Hearing Summary

A public hearing was held in Madison on May 1, 2006. A summary of the hearing comments and the department's responses is attached.

Response to Legislative Council Staff Recommendations

The Department's response is attached.

Changes to Analysis Prepared under s. 227.114 (2), Stats.

The Department corrected a cross-reference and made several non-substantive wording changes in the subsection on continuation of the employment relationship. In addition, a minor substantive change was added for clarify to provide that if a temporary help employer offers an assignment that does not conform to the conditions under which the employee offered to work, the employment relationship ends as a separation by the employer.

Final Regulatory Flexibility Analysis

The proposed rule affects small businesses but does not have a significant economic impact on a substantial number of small businesses.

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