

## Report From Agency

### Department Response to Legislative Council Comments

#### Proposed Rules Relating to Wages Exempt from Unemployment Insurance Levy Chapter DWD 136 CR 08-059

Comment 2. In s. DWD 136.001(2)(d), the phrase “but not limited to” is not necessary.

Department response: The phrase is kept to avoid the misinterpretation that the gross earnings are limited to the items listed and to express the intent that gross wages may include more than the items listed.

Comment 5.a. The rule should be more specific with regard to the applicable “federal minimum wage” and the “federal poverty guidelines” if possible. For example, would calculations be based on the amounts in effect when the exemptions are calculated, at the time of the earnings, or at another time?

Department response: Language has been added to the definitions of these terms to clarify that they are amounts in effect at the time the exemption is calculated.

Comment 5.b. An initial applicability section could aid in determining when the rule provisions will first apply.

Department response: The applicable requirements for exempting wages from levy are contained in Wis. Stat. 108.225(16). The rule merely provides the expression of the methodology for the necessary calculations and is not a new requirement.

Comment 5.c. The term “household” is defined in s. DWD 136.001(2)(e) to mean “all people who reside together and share income and expenses.” This seems as if it could be problematic in some circumstances, such as in a cooperative housing arrangement or when expenses are shared, but not income. The definition should be reviewed to assure it appropriately reflects the intended scope.

Department response: The intent of the definition is to use a broad definition of a household for exemption calculation purposes but to include only those persons who are economically co-dependent by sharing income and expenses. The definition of the term has been amended to exclude cooperatives, group homes, and similar group housing arrangements.