



## 1995 ASSEMBLY BILL 582

October 2, 1995 - Introduced by Representative GROTHMAN, cosponsored by Senator RISSER, by request of Attorney Aubrey Fowler. Referred to Committee on Finance.

- 1     **AN ACT relating to:** expenditure of a sum sufficient from the general fund for  
2             payment of a claim against the state made by Monona Restaurant, Inc.
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### *Analysis by the Legislative Reference Bureau*

This bill directs expenditure of a sum sufficient from the general fund in payment of a claim made by Monona Restaurant, Inc., against the department of industry, labor and human relations (DILHR). The claimant began business in 1987. As a result of claims by its employes, untimely contribution (tax) payments and interest and penalties assessed by DILHR for the late payments, the claimant had a negative balance in its unemployment compensation account as of July 31, 1990. Pursuant to ss. 108.17 (2) and 108.18 (4) and (9), stats., DILHR applied a 6.4% contribution rate to the claimant's taxable payroll for 1991. In December of 1990, the claimant made a substantial payment which eliminated the negative balance. The claimant then appealed DILHR's determination of its contribution rate for 1991 but an appeal tribunal ruled that the appeal was not timely filed. Upon review, the labor and industry review commission affirmed that finding. The claimant asserts that the balance of \$54,019.84 in its account as of June 30, 1993, is more than sufficient to pay the claims of its employes, based on its recent claims experience. Under current law, however, contribution rates are determined in most cases by comparing the balance in an employer's account on June 30 with its taxable payroll for the preceding 12 months, regardless of claims experience. The claimant claims \$23,994.28, plus an amount equal to any interest and penalties assessed by DILHR to its account as a result of any arrearage during the period beginning on April 1, 1992, and ending on the date of payment of the claim, based on equitable principles. On February 18, 1993, the claims board recommended denial of this claim. See 1993 *Senate Journal*, p. 91.

