

CHAPTER 108.

UNEMPLOYMENT RESERVES AND COMPENSATION.

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108.01 Public policy declaration. Without intending that this section shall supersede, alter or modify the specific provisions hereinafter contained in this chapter, the public policy of this state is declared as follows:

(1) Unemployment in Wisconsin is recognized as an urgent public problem, gravely affecting the health, morals and welfare of the people of this state. The burdens resulting from irregular employment and reduced annual earnings fall directly on the unemployed worker and his family. The decreased and irregular purchasing power of wage earners in turn vitally affects the livelihood of farmers, merchants and manufacturers, results in a decreased demand for their products, and thus tends partially to paralyze the economic life of the entire state. In good times and in bad times unemployment is a heavy social cost, directly affecting many thousands of wage earners. Each employing unit in Wisconsin should pay at least a part of this social cost, connected with its own irregular operations, by financing compensation for its own unemployed workers. Each employer's contribution rate should vary in accordance with his own unemployment costs, as shown by experience under this chapter. Whether or not a given employing unit can provide steadier work and wages for its own employes, it can reasonably be required to build up a limited reserve for unemployment, out of which benefits shall be paid to its eligible unemployed workers, as a matter of right, based on their respective wages and lengths of service.

(2) The economic burdens resulting from unemployment should not only be shared more fairly, but should also be decreased and prevented as far as possible. A sound system of unemployment reserves, contributions and benefits should induce and reward steady operations by each employer, since he is in a better position than any other agency to share in and to reduce the social costs of his own irregular employment. Employers and employes throughout the state should co-operate, in advisory committees under government supervision, to promote and encourage the steadiest possible employment. A more adequate system of free public employment offices should be provided, at the expense of employers, to place workers more efficiently and to shorten the periods between jobs. Education and retraining of workers during their unemployment should be encouraged. Governmental construction providing emergency relief through work and wages should be stimulated.

(3) A gradual and constructive solution of the unemployment problem along these lines has become an imperative public need. [*Spl. S. 1931 c. 20 s. 2; 1939 c. 186, 372; 1943 c. 181*]

Note: Where a dance-hall operator arranged with the leader of some one of several orchestras to furnish the music and a specified number of musicians for a dance at some specified date, and agreed on a lump-sum payment to be made to the leader, and had no contact with the individual musicians, and did not fix their compensation, which ordinarily was the union wage, nor have anything to say as to selecting or discharging them nor have any control over them, they were "employees" of their leader rather than of the dance-hall operator, under the unem-

ployment compensation act, so that the operator was not liable to contribute to the unemployment fund on their account. *Maloney v. Industrial Comm.*, 242 W 165, 7 NW (2d) 580.

The legislature may define the terms used in the unemployment compensation act, which is in effect a tax statute requiring deductions from pay rolls for the creation of an unemployment compensation fund. *Ernst v. Industrial Comm.* 246 W 205, 16 NW (2d) 867.

108.02 Definitions. As used in this chapter:

(1) "Benefits" means the money allowance payable to an employe as compensation for his wage losses due to unemployment as provided in this chapter.

(2) "Commission" means the industrial commission.

(3) EMPLOYEE. (a) "Employee" means any individual who is or has been performing services for an employer, in an employment, whether or not he is paid directly by such employer; except as provided in paragraph (b). If a contractor performing services for an employer is an employee under this subsection and not an employer subject to the contribution provisions of this chapter, a person employed by the contractor in fulfillment of his contract with the employer shall be considered the employee of the employer.

(b) Paragraph (a) shall not apply to an individual performing services for an employer if the employer satisfies the commission as to both the following conditions:

1. That such individual has been and will continue to be free from the employer's control or direction over the performance of his services both under his contract and in fact; and

2. That such services have been performed in an independently established trade, business or profession in which the individual is customarily engaged.

(c) This subsection shall be used in determining an employer's liability under the contribution provisions of this chapter, and shall likewise be used in determining the status of claimants under the benefit provisions of this chapter.

(4) EMPLOYER. (a) "Employer," except where the term by its context clearly applies to each employer of one or more individuals in Wisconsin, means any person, partnership, association, corporation, whether domestic or foreign (or legal representative or trustee in bankruptcy or receiver or trustee of a person, partnership, association or corporation, or legal representative of a deceased person), including this state and any city of the first class (but excluding any other political subdivision) and any fraternal benefit society as defined in section 208.01, who is subject to this chapter under the statutes of 1937, or who becomes subject hereto under the provisions of this section.

(b) Any other employer who is subject to the federal unemployment tax act for the calendar year 1945 or for any subsequent calendar year shall become an "employer" subject hereto as of the beginning of such calendar year.

(c) Any other employer shall become an "employer" subject hereto in case the wages paid or payable by him for employment occurring in any calendar quarter exceed \$10,000 (counting for this purpose not more than \$1,000 of such wages per individual employed), as of the beginning of that calendar year in which such quarter occurs.

(d) Any other employer, who has employed as many as 6 individuals in "employment" within each of 18 or more weeks lying wholly within the year 1945 or any subsequent calendar year, shall become an "employer" subject hereto as of the close of that calendar year in which such employment occurred. If an employer's records for a given calendar year do not permit accurate determination of his status on the foregoing basis, and the aggregate "wages" paid or payable for "employment" by him equalled or exceeded \$6,000 for such year, he shall become an "employer" subject hereto as of the close of such year.

(e) Any other employer, who succeeds to the business of any "employer" hereunder, shall thereby become an "employer" subject to this chapter, as provided in subsection (8) of section 108.16.

(f) Any employer, including any political subdivision of the state, not otherwise subject to this chapter, who files with the commission its written election to become an "employer" subject hereto for not less than 3 calendar years, shall, with the written approval of such election by the commission, become an "employer" fully subject to this chapter, as of the date and under the conditions stated in such approved election. The commission may refuse to approve any such election, in the interests of the proper administration of this chapter. Any election approved by the commission shall be void, in case the electing party was himself "employed" in the same enterprise as the individuals to whom such election applied. The commission may at any time by written notice to the employer terminate any election in the interests of efficient administration of this chapter. An electing employer may terminate his election and thereby cease to be an "employer" subject hereto, despite the provisions of paragraph (g), at the close of the third such year or of any subsequent year, only if he has filed a written notice to that effect with the commission at least 30 days prior to the close of the year in question and is not then subject to this chapter under paragraph (b), (c), (d) or (e) of this subsection.

(g) An employer shall cease to be subject to this chapter only upon commission action terminating his coverage. The commission may terminate an employer's coverage, on its own motion or on application by the employer, by mailing a notice of termination to the employer's last known address. If a termination of coverage is based on an employer's application, it shall be effective as of the close of the calendar month in which the application was filed. Otherwise, it shall be effective as of the close of the calendar month in which the notice of termination is mailed, subject to appeal by the employer under section 108.10 by the close of the following month. The commission shall terminate an employ-

er's coverage only if the employer would not otherwise be subject under subsection (4) (b), and only if the employer:

1. Has ceased to exist; or
2. Has transferred his entire business to another person or persons; or
3. Has not for each of the 2 most recently completed calendar years employed as many as 4 persons within at least 18 weeks per year.

(5) EMPLOYMENT. (a) "Employment", subject to the other provisions of this subsection means any service, including service in interstate commerce, performed by an individual for pay.

(b) The term "employment" shall include an individual's entire service (performed within, or partly within and partly outside, Wisconsin), if such service is "localized" in Wisconsin; and shall also include such service, if it is not "localized" in any state but is performed partly within Wisconsin, and if:

1. The base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in Wisconsin; or
2. The base of operations or place from which such service is directed or controlled is not in any state in which some part of such service is performed, but the individual's residence is in Wisconsin.

(c) An individual's entire service for an employer, whether performed partly within or entirely outside Wisconsin, shall be deemed "employment" subject to this chapter, provided both the following conditions exist:

1. Such service is deemed "employment" covered by this chapter pursuant to a reciprocal arrangement between the commission and each agency administering the unemployment compensation law of a jurisdiction in which part of such service is performed; or no contributions are required with respect to any of such service under any other unemployment compensation law; and
2. The employer so elects with the commission's approval and with written notice to the individual.

(d) An individual's entire service shall be deemed "localized" within a state, if such service is performed entirely within such state, or if such service is performed partly within and partly outside such state but the service performed outside such state is incidental to the individual's service within such state (for example, is temporary or transitory in nature or consists of isolated transactions).

(e) In determining whether an individual's entire services shall be deemed "employment" subject to this chapter, under paragraphs (b), (c) and (d) of this subsection, the commission may determine and redetermine the individual's status hereunder for such reasonable periods as it deems advisable, and may refund (as paid by mistake) any contributions which have been paid hereunder with respect to services duly covered under any other unemployment compensation law.

(f) The term "employment", as applied to work for a governmental unit, except as such unit duly elects otherwise with the commission's approval, shall not include:

1. Employment as an elected or appointed public officer;
2. Employment by a governmental unit on an annual salary basis;
3. Employment by a governmental unit on an unemployment work relief project, recognized as such by the commission;
4. Employment, by an educational institution supported wholly or substantially from public funds, of any student enrolled in such institution and carrying at least half its full-time schedule in the most recent school term, or of any person as a teacher in such institution;
5. Employment directly by the state fair during its active duration (including the week before and the week after the fair); or employment by the Wisconsin National Guard directly and solely in connection with its summer training camps or for emergencies; or employment directly by the conservation commission for emergency fire fighting;
6. Employment by a governmental unit in a given week, for the removal of snow or ice or for work connected with floods, of an individual who has worked for such governmental unit in six or less of the fifty-two weeks preceding the given week.

(g) The term "employment," except as a given employer elects otherwise with the commission's approval, shall not include:

1. Employment in agricultural labor;
2. Domestic service in the employ of an individual in his private home, or domestic service in the employ of a local college club or of a local chapter of a college fraternity or sorority;
3. Employment as a caddy on a golf course;
4. Employment as a newsboy, selling or distributing newspapers or magazines on the street or from house to house;

5. Service performed after June 30, 1939, with respect to which unemployment compensation is payable under the Railroad Unemployment Insurance Act (52 Stat. 1094).

6. Any type of maritime service specifically excluded from the coverage of the federal unemployment tax act.

7. Employment of any person by a corporation, community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation.

8. Employment in logging operations.

9. Service in the employ of any fraternal beneficiary society, order or association (exempt from federal income tax under section 101 of the internal revenue code), if such service is in connection with its collection of dues or premiums and is performed away from its home office, or is ritualistic service.

10. Service in the employ of an agricultural or horticultural organization exempt from federal income tax under section 101 (1) of the internal revenue code.

11. Service as an unpaid officer of a corporation or association.

12. Employment as an athlete by an employer who has submitted written evidence satisfying the commission that the enterprise in question was not subject to the federal unemployment tax act in the preceding calendar year.

13. Service covered by any other unemployment compensation law pursuant to a reciprocal arrangement made by the commission under subsection (8m) of section 108.14.

14. Service for an employer who would otherwise be subject to this chapter solely because of subsection (4) (b), if and while the employer, with written notice to and approval by the commission, duly covers, under the unemployment compensation law of another jurisdiction, all services for him which would otherwise be covered under this chapter.

15. Service performed in any calendar quarter as an officer or representative of any organization exempt from federal income tax under section 101 of the Internal Revenue Code, if the remuneration for such service does not exceed \$45.

(h) If the federal unemployment tax act is so amended after 1944 as to make subject thereto remuneration paid for any employment excluded under paragraph (g), such exclusion under this chapter shall cease as of the date when said federal act first applies to such remuneration, except as provided in section 108.14 (8m) (b).

(6) WAGES. "Wages" means every form of remuneration payable for a given period (or paid within such period, if this basis is permitted or prescribed by the commission) to an individual for personal services, including salaries, commissions, vacation pay, dismissal wages, bonuses and the reasonable (actual or estimated average) value of board, rent, housing, lodging, payments in kind, and any other similar advantage received from the individual's employer or directly with respect to work for him; but there shall not be treated as "wages" the actual (or reasonably estimated average) amount of any required or necessary expenses incurred by an individual on his job. Tips shall be counted as "wages" solely for benefit purposes.

(7) AVERAGE WEEKLY WAGE. (a) An employe's "average weekly wage" with respect to a given employer means the average weekly amount determined by dividing the employe's total wages (paid or payable with respect to his services performed for the employer in the calendar year, or other one-year period prescribed by the commission, which precedes a given determination date) by the total number of those weeks (completed in such year) within which the employe performed some wage-earning services for the employer or for which he received from the employer vacation pay or dismissal wages at least equal to his weekly benefit rate (or, in case no such rate applied, equal to fifteen dollars).

(b) In lieu of the foregoing standard procedure for determining an employe's average weekly wage, the commission may by general rule prescribe reasonable substitute procedure to apply to those employes (or to some class of those employes) for whom such total wages were less than one hundred dollars, or for whom the total number of such weeks was less than ten, or who had no such wages or weeks in such year; provided, moreover, that the commission may, on application of an employe or his employer or on its own motion, prescribe reasonable substitute procedure for determining or redetermining the average weekly wage of any employe if it finds, after consulting the employe and the given employer, that application of the standard procedure would be inequitable in such case.

(c) In applying the provision of paragraph (b), the commission may prescribe that those weeks shall be ignored for which the employe's wages were less than \$5, in any case

where he earned \$10 or more from the employer in each of 12 or more weeks within the year in question.

(d) Each employer shall, for the purpose of computing the weekly benefit rates applicable to his employees, determine and redetermine the average weekly wage of some or all of his employees at such times and in accordance with such procedure as the commission may prescribe.

(8) (a) An employer's "pay roll" shall include all wages paid within a given period to the employer's employees for their "employment" by him.

(b) But an employer's "pay roll" for any calendar year shall not include more than the first \$3,000 of wages paid by him during such year to an individual with respect to "employment" (including any employment covered by the unemployment compensation law of any other state).

(9) "Fund" means the unemployment reserve fund established in section 108.16.

(10) "Employer's account" means a separate account in the fund, reflecting the employer's experience with respect to contribution credits and benefit charges under this chapter.

(11) "Reserve percentage" shall for contribution purposes refer to the status of an employer's account, as determined finally by the commission as of the close of the most recent December 31 "computation date". In calculating an employer's net reserve as of any computation date, his account shall be charged with benefits for weeks ending on or before said date, if paid by the close of the month which follows said date, and shall be credited with contributions, on his pay roll through said date, if paid by the close of said month, consistently with section 108.16. The employer's "reserve percentage" means his account's net reserve as of the computation date, stated as a percentage of the higher one of the following amounts: (a) his "pay roll" for the year ending on such date, or (b) 20 per cent of his pay roll for the next preceding year.

(11m) "Computation date" means that date as of the close of which the commission computes reserve percentages and determines contribution rates for the next calendar year; and the "year" preceding the computation date means the period of 12 consecutive calendar months ending on that date. The computation date shall be December 31, except as the commission may by general rule prescribe any other date (occurring at least once in each calendar year and within 27 weeks prior to the effective date of new rates of contributions) as of which such rates shall be computed.

(12) "Week" means calendar week (starting Sunday and ending Saturday), except as the commission may by special order prescribe (with respect to an employer whose operations are continuous) a seven-day period starting within twelve hours of midnight on Saturday.

(13) An employee's "weeks of employment" by an employer means all those weeks within each of which the employee has performed any wage-earning services for the employer in employment subject to this chapter.

(14) "Credit week" means a week of employment (of an employee by an employer) counted in computing benefits under section 108.06.

(15) WEEKLY BENEFIT RATE. An employee's "weekly benefit rate" from a given employer means the amount determined in accordance with subsection (1) of section 108.05.

(16) PARTIAL UNEMPLOYMENT. An employee shall be deemed "partially unemployed", with reference to any given employer, in any week for which he receives some wages from such employer but for which his total wages (from any and all employers) are less than his weekly benefit rate from the given employer.

(16m) PART-TOTAL UNEMPLOYMENT. An employee shall be deemed "part-totally unemployed" with respect to a past employer in any week for which he receives no wages from such employer but does receive other wages, if his weekly benefit rate as to such employer exceeds not only his wages for such week but also any weekly benefit rate then applicable as to a current employer.

(17) TOTAL UNEMPLOYMENT. An employee shall be deemed "totally unemployed" in any week for which he receives no wages.

(18) ELIGIBILITY. An employee shall be deemed "eligible" for benefits for any given week of his unemployment unless he is disqualified by a specific provision of this chapter from receiving benefits for such week of unemployment, and shall be deemed "ineligible" for any week to which such a disqualification applies.

(19) An employee's "waiting period" means any period of time (for which no total or part-total benefits are payable) required of the employee pursuant to section 108.04 (3), as a condition precedent to his receipt of such benefits.

(20) "Administration fund" means the fund established in section 108.20.

(21) UNDEFINED TERMS. Any word or phrase used in this chapter and not specifically defined herein shall be interpreted in accordance with the common and approved usage

thereof and in accordance with other accepted rules of statutory construction. No legislative enactment shall control the meaning or interpretation of any such word or phrase, unless such enactment specifically refers to this chapter or is specifically referred to in this chapter.

(22) SELF-EMPLOYMENT. An individual shall be deemed to be "self-employed" if he is engaged (not in the employ of another) in a business or enterprise which he has undertaken for the purpose of producing a substantial part of his gross income.

(23) AGRICULTURAL LABOR. "Agricultural labor" means service performed:

(a) On a farm, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training and management of live stock, bees, poultry, and fur-bearing animals and wildlife.

(b) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(c) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 15 (g) of the federal Agricultural Marketing Act, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes.

(d) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(e) As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards. [*Spl. S. 1931 c. 20 s. 2; 1933 c. 383 s. 1, 5; 1935 c. 192, 272, 446; 1937 c. 95 s. 4; 1937 c. 162, 343; 1939 c. 186, 245, 372; 1941 c. 288; 1943 c. 181; 1945 c. 354, 376; 1947 c. 527*]

Note: Cemetery corporations, even if non-profit in character, are not exempted from the operation of the unemployment compensation act, cemetery corporations not being charitable corporations or corporations organized and operated exclusively for charitable purposes within the contemplation of the cited exemption provision, particularly in view of its legislative history. *Industrial Comm. v. Woodlawn Cemetery Ass'n*, 232 W 527, 287 NW 750.

Under the unemployment compensation act, Stats. 1937, a person, employing ten or more persons for eighteen or more weeks in the calendar year in the performance of work for a contractor, was himself an "employer" subject to the act, if he was an independent subcontractor, and in such case his employees were not employees of the contractor and they would not be entitled to unemployment compensation from the contractor's fund. A person could not be an "independent subcontractor" in relation to a contractor and at the same time be an "employee" subject to the contractor's control within the act. Many of the definitions in 108.02 are explained. *Wisconsin B. & J. Co. v. Industrial Comm.* 233 W 467, 290 NW 199.

Under 108.02 (18) and 108.09 (1) it was intended that an unemployed worker, otherwise eligible for benefits, shall be deemed eligible unless the employer in rejecting his claim asserts some valid reason because of which the employe must be considered disqualified. *Boynton Cab Co. v. Giese*, 237 W 237, 296 NW 630.

If an unemployment compensation proceeding involving a salesman selling stock food for a manufacturer under a contract whereby he had specific territory to work in when and as he pleased, used his own auto-

mobile and paid his own expenses, and was paid a commission on his sales, the industrial commission properly determined that the claimant was not "customarily engaged in an independently established trade or business" within 108.02 (5) (a), Stats. 1937, and that he was an "employee" of the manufacturer under the act, hence entitled to unemployment compensation, although he may have been an "independent contractor" under common-law concepts. The legislature cannot by a later act establish or affect the construction of a former act, and the interpretation to be given to the unemployment compensation act of 1937 cannot be determined by amendments made by the legislatures of 1939 and 1941. *Moorman Mfg. Co. v. Industrial Comm.*, 241 W 200, 5 NW (2d) 743.

Employees on plaintiff's fox farm were not "farm laborers," within the meaning of that term as used in 108.02 (e) 1, from 1933 and until amendments of 1939, and hence such employees were not exempted from the unemployment compensation act during the period prior to such amendments. *Cedarburg Fox Farms, Inc. v. Industrial Comm.*, 241 W 604, 6 NW (2d) 604.

The provision in 108.02 (3m), Stats. 1939, that any individual performing services for pay shall be presumed to be "employed" unless the employer has satisfied the industrial commission of the existence of certain specified conditions, is not a conclusive presumption, and must yield to facts proved that establish the contrary. *Maloney v. Industrial Comm.*, 242 W 185, 7 NW (2d) 580.

In view of the definition of the terms "wages" in (6), Stats. 1943, tips received by employees are to be included in the wages on which an employer's pay roll contributions to the unemployment compensation fund are

assessed. *Ernst v. Industrial Comm.* 246 W 205, 16 NW (2d) 867.

A nonprofit unincorporated association may be an "employer" within the unemployment compensation act, and where a labor union, which is a nonprofit voluntary association, pays its members out of the union treasury for services performed by them for the union, the union is an "employer" within (4) (a) and such members are its "employees" within (3) (a), and the remuneration so received is "wages" within (6), so that the union is liable under the act for pay-roll contributions based on such remuneration, if the union otherwise comes within the act. *International Union v. Industrial Comm.* 248 W 364, 21 NW (2d) 711.

Employees of refrigerator car company whose stock is owned indirectly by railroad are not in employ of railroad engaged in interstate transportation so as to be exempt from provisions of unemployment reserve and compensation act. (Stats. 1933). 23 Atty. Gen. 564.

Subsidiary company of railroad companies organized to handle express business of railroads is not subject to unemployment compensation act. (Stats. 1933). 23 Atty. Gen. 566.

Employment of persons by county to construct fire lanes, plant trees, etc., on county-

owned forest crop lands is subject to chapter 108, Stats. 1935, where such employes are not hired on annual salary basis. 25 Atty. Gen. 255.

Students regularly attending university and employed by it are not eligible for unemployment compensation benefits and are not included in pay roll on which contributions are made under chapter 108, Stats. 1935. 25 Atty. Gen. 591.

Where member of county board has been illegally employed as quarry foreman by county highway committee, he is not eligible for unemployment compensation. 26 Atty. Gen. 55.

Legislative employes of sergeant-at-arms are covered by unemployment compensation act. 26 Atty. Gen. 118.

Firms engaged in construction of dams, locks, etc., in Mississippi valley within state under contract with federal government in pursuance of flood control are subject to chapter 108, Stats. 1937. 26 Atty. Gen. 476.

Special deputy banking commissioners in charge of liquidation of state banks and their assistants are employes of commission and not of bank under provisions of 220.08 (4) and (7) and 108.02 (3), (4) and (5), Stats. 1937. 27 Atty. Gen. 769.

108.021 [Repealed by 1937 c. 343]

108.03 Payment of benefits. (1) Benefits shall be paid to each unemployed and eligible employe from his employer's account, under the conditions and in the amounts stated in (or approved by the commission pursuant to) this chapter, and at such times, at such places, and in such manner as the commission may from time to time approve or prescribe.

(2) (a) The benefit liability of each employer's account shall begin to accrue under section 108.06 in the first week completed on or after the first day of that calendar year within which his contributions first began to accrue under this chapter.

(b) Benefits shall become payable from each employer's account beginning with the first week completed 12 months after the first day of that calendar year within which his contributions first began to accrue under this chapter.

(3) Benefits for an eligible employe's weeks of partial unemployment with respect to a given employer shall become due for payment under this chapter only when the aggregate amount of such benefits equals or exceeds the employe's weekly benefit rate with respect to such employer, except as the commission may in its discretion pay such partial benefits at an earlier date. [*Spl. S. 1931 c. 20 s. 2; 1933 c. 383 s. 1; 1935 c. 192, 446; 1937 c. 343; 1939 c. 186; 1943 c. 181*]

108.04 Eligibility for benefits. (1) **AVAILABILITY FOR WORK.** (a) An employe shall be ineligible for benefits for any week in which he is with due notice called on by his current employer to report for work actually available within such week and is unavailable for work or physically unable to do his work.

(b) An employe shall be ineligible for benefits from an employer's account for any given week if his employment with such employer was suspended or terminated by such employer because the employe was unavailable for work or physically unable to do his work, in case such unavailability or inability continues during the week in question.

(c) An employe who has left or lost her employment by reason of her employer's policy not to employ married women shall, unless she establishes to the satisfaction of the commission that she is available for work, be ineligible for benefits based on employment by such employer for the week in which such termination occurs and thereafter until she accepts employment and works for a substantial period under circumstances evidencing to the satisfaction of the commission that she is available for work.

(2) **REGISTRATION FOR WORK.** An employe shall be deemed eligible, for waiting period or benefit purposes with respect to a given employer's account, as to any given week for which he receives no wages from such employer, only if he has within such week registered for work in such manner as may then be prescribed by commission rules; provided that, if the commission finds that there are conditions under which an employe cannot reasonably be required to comply with the foregoing registration requirement, the commission may by general rule waive this requirement under such stated conditions. Each employer shall inform his employes of the foregoing registration requirement, in such reasonable manner as the commission may from time to time prescribe.

(3) **WAITING PERIOD FOR TOTAL AND PART-TOTAL UNEMPLOYMENT BENEFITS.** An employe shall become eligible to receive benefits for total or part-total unemployment only after

a waiting period, consisting of the first 2 weeks of such unemployment next following the close of the most recent week for which wages are payable or have been paid to the employe by (or with respect to) an employer, subject to the following conditions:

(a) Not more than 2 of the weeks ending within a given calendar year shall be required of an employe under this subsection as his waiting period for such benefits under this chapter.

(b) An employe shall not, within the last 5 weeks ending within one calendar year and the first 5 weeks ending within the next calendar year, be required to serve more than 2 waiting period weeks under this subsection.

(c) After an employe has become eligible to receive benefits for a given week of total or part-total unemployment, no further waiting period shall be required until he has had one or more subsequent weeks of employment for which no benefits were payable.

(d) There shall be counted as waiting period weeks under this subsection only those weeks of the employe's unemployment for which he would otherwise be eligible to receive benefits.

(4) QUALIFYING CONDITIONS. (a) An employe shall not be eligible to receive benefits for any given week of unemployment unless he has had a total of 14 or more "weeks of employment" from one or more employers within the 52 weeks preceding the close of his most recent week of employment.

(b) An employe shall be ineligible for benefits, based on his past employment by a given employer, while his applicable "average weekly wage" as to such employer is under \$10.

(c) An employe shall not be eligible to receive benefits from the account of an employer who is engaged in the canning of fresh perishable fruits or vegetables, based on his weeks of employment by such employer ending within a given calendar year, if during such year he has been employed by such employer solely within the active canning season or seasons (as determined by the commission) of the establishment in which he has been employed by such employer, unless he had earned wages (for services other than those performed for such employer) of \$100 or more during the 52 weeks preceding his first week of employment by such employer ending within such year.

(d) An employe shall not be eligible for benefits from a given employer's account for any given week, if he is customarily self-employed, and there have been not more than 20 weeks in which he worked as much as 15 hours per week for such employer, and he has worked at his self-employment 30 or more weeks, out of the 52 weeks preceding termination of his employment by such employer, and can at such termination reasonably return to his customary (or other similar) self-employment.

(e) In no case shall any employe employed by any bowling alley as a pin boy be eligible to receive any benefits, based on such employment, for unemployment during May, June, July or August.

(f) An employe shall not be eligible for benefits from a given employer's account for any given week, nor shall such week be counted as a credit week for benefit purposes, if such employe is or was a student (regularly attending an established educational institution in the most recent school term) and his employment in such week occurred:

1. Solely within the customary vacation days or periods of schools, colleges and universities;

2. Outside of school hours for not more than 4 hours on any full school day;

3. By such educational institution;

4. By a separate employer as a formal and accredited part of the regular curriculum of such educational institution.

(5) DISCHARGE FOR MISCONDUCT. An employe's eligibility, for benefits based on those credit weeks then accrued with respect to an employer, shall be barred for any week of unemployment completed after:

(a) He has been discharged by the employer for misconduct connected with his employment; provided, moreover, that such employe shall be deemed ineligible for benefits (from other previous employer accounts) for the week in which such discharge occurred and for the 3 next following weeks.

(6) DISCIPLINARY SUSPENSION. As to an employe's weeks of unemployment by reason of a disciplinary suspension by a given employer, the employe shall be ineligible for benefits from such employer's account as follows:

1. If the suspension was for misconduct connected with his employment, he shall be ineligible for each such week.

2. If the suspension was for other good cause connected with his employment, he shall be ineligible for the first three such weeks ending within any calendar year.

(7) VOLUNTARY TERMINATION OF EMPLOYMENT. (a) If an employe terminates his employment with an employer, he shall be ineligible for any benefits based on such

employment, and ineligible for benefits based on other previous employment for the week of termination and the 4 next following weeks, except as hereinafter provided.

(b) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment with good cause attributable to the employer.

(c) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment for compelling personal reason; provided that, if the commission determines that he is physically unable to work or substantially unavailable for work, he shall be ineligible while such inability or unavailability continues.

(d) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment to take another job; provided, that he shall be ineligible, for benefits based on the employment terminated, until he has been employed within at least 7 subsequent weeks.

(8) **SUITABLE WORK.** (a) If an employe fails either to apply for work when notified by a public employment office or to accept work when offered to him, and such failure was without good cause as determined by the commission, he shall be ineligible for the week in which such failure occurs and thereafter until he has again been employed within at least 4 weeks and has earned wages equalling at least 4 times his weekly benefit rate.

(b) If the commission determines that such a failure has occurred with good cause, but that the employe is physically unable to work or substantially unavailable for work, he shall be ineligible for the week in which such failure occurred and while such inability or unavailability continues.

(9) **PROTECTION OF LABOR STANDARDS.** Benefits shall not be denied under this chapter to any otherwise eligible individual for refusing to accept new work under any of the following conditions:

(a) If the position offered is vacant due directly to a strike, lockout or other labor dispute;

(b) If the wages, hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality;

(c) If as a condition of being employed the individual would be required to join a company union or to resign from or refrain from joining any bona fide labor organization.

(10) **LABOR DISPUTE.** An employe who has left (or partially or totally lost) his employment with an employer because of a strike or other bona fide labor dispute shall not be eligible for benefits from such (or any previous) employer's account for any week in which such strike or other bona fide labor dispute is in active progress in the establishment in which he is or was employed.

(11) **FRAUDULENT CLAIMS.** (a) In case it is determined, under section 108.09, that a claimant has concealed any part of his wages earned for a given week, he shall be ineligible as to such week; and any benefits for such week or for a subsequent week paid to him, because of such concealment, prior to the date of such determination shall be recovered as provided in this chapter. Under each such determination, moreover, he shall forfeit such benefits as would otherwise become payable to him for one week of otherwise compensable unemployment completed within the 2 years following such determination date; and such benefits shall be duly charged against the claimant's benefit credits and against the proper employer's account and shall be credited to the fund's balancing account.

(b) In case it is determined, under section 108.09, that a claimant has concealed his refusal (within any week covered by his claim) of a job offer, he shall be ineligible as to such week; and any benefits for such week or for a subsequent week paid to him by mistake (because such ineligibility had not yet been established) prior to the date of such determination shall be recovered as provided in this chapter. Under each such determination, moreover, he shall forfeit such benefits as would otherwise become payable to him for 2 weeks of otherwise compensable unemployment completed within the 2 years following such determination date. The benefits thus forfeited by a claimant shall be duly charged against his benefit credits and against the proper employer's account and shall be credited to the fund's balancing account. This paragraph shall not affect the application of subsection (6) [(8)] of this section, in case said subsection applies.

(12) **PREVENTION OF DUPLICATE PAYMENTS.** (a) Any individual who is entitled to federal readjustment allowances under the Servicemen's Readjustment Act of 1944 may nevertheless claim benefits based on his available credit weeks under this chapter, and may receive such benefits if otherwise eligible; but any individual who receives a federal readjustment allowance for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(b) Similarly, any individual who receives, through the commission, any other type of unemployment benefit or allowance for a given week shall be ineligible for benefits paid or payable for that same week under this chapter.

(13) NOTIFICATION AS TO INELIGIBILITY. (a) The commission may take administrative notice of any fact indicating an employe's ineligibility, whether or not the employer has reported such fact or asserted the employe's ineligibility under this chapter, except where the employer is contributing at less than the standard rate under section 108.18.

(b) Unless an employer has duly notified the commission (in such manner and within such time limit as the commission's rules and regulations may prescribe) that he believes a designated provision of this section or of the "employment" definition of section 108.02 should operate to deny benefits from his account to the given employe for the week or weeks in question, or unless the commission applies the provisions of paragraph (a) of this subsection, no provision of this section or of such definition shall operate to deny such benefits to such employe; provided, however, that this subsection shall not affect the application of subsections (2), (3), (4) (a) and (b), (8) and (11), even though the commission has not been thus notified; and provided, further, that said subsection (2) shall not apply to a case for which the employer in question expressly waives its application by written notice to and with the approval of the commission.

(c) In case an employer after due notice fails to file the required report on the eligibility, weekly benefit rate and credit weeks of an employe who has claimed benefits from the employer's account, and such report has not been received within four days after the employe has completed claim as to a week for which benefits are apparently payable, there shall be added to the employe's next benefit check from such account, without affecting in any way the application of section 108.24, an extra benefit amount of one dollar (to be charged against the employer's account, but not against the employe's credit weeks). This paragraph shall not apply in any case with respect to which the employer establishes (within said four days) that the delay in filing such report could not reasonably have been avoided. [*Spl. S. 1931 c. 20 s. 2; 1933 c. 383 s. 2, 6; 1935 c. 192, 446; 1937 c. 343; 1939 c. 186; 1941 c. 134, 142, 288; 1943 c. 181; 1945 c. 354; 1947 c. 527*]

Note: In determining an employe's eligibility for unemployment compensation benefits the motive or cause of the employer discontinuing the work is immaterial. *Rhea Mfg. Co. v. Industrial Commission, 231 W 643, 285 NW 749.*

As used in the unemployment compensation act, the provision that an employe who has lost his employment because of a labor dispute shall not be eligible for benefits from such employer's account for any week in which such labor dispute is in active progress in the "establishment in which he is or was employed," the meaning of the word "establishment" is to be drawn from the whole act, and the whole act indicates that the word "establishment" was not used in the restricted sense of a definite place. The evidence warranted findings and conclusions of the industrial commission that, by reason of functional integrality, general unity and physical proximity, a body plant and a chassis and assembly plant of an automobile manufacturer, located forty miles apart in different cities, constituted a single "establishment," and that the two assembly plants of an automobile manufacturer, located ten miles apart in different cities, constituted a single "establishment," within the meaning of (5) (a). *Spielmann v. Industrial Comm., 236 W 240, 295 NW 1.*

Picketing of one of the employer's assembly plants, ordered by the local union, and based on a contention of the union and the employes that the employer should not cease the operation of such plant or remove the machinery to its other assembly plant, although technically not constituting a "strike," nevertheless constituted a "labor dispute," within the meaning of the unemployment compensation act, 108.04 (5) (a). *Spielmann v. Industrial Comm., 236 W 240, 295 NW 1.*

Where an employer had agreed with ineligible employes that they should receive benefits under the unemployment compensation act for loss of employment, but the requirements of (8) (a) for an employer's waiver of restrictions in the act were not fully complied with, and there were no equitable considerations in favor of the ineligible employes, in that the proposed payments to such employes would have to be made initially from the general balancing account of the unemployment reserve fund to the possible prejudice of many other workers throughout the state, the industrial commission properly refused to approve the waiver offered by such employer. *Spielmann*

v. Industrial Comm., 236 W 240, 295 NW 1.

The meaning of the term "misconduct," as used in (4) (a), barring an employe's eligibility for unemployment benefits where he has been discharged by the employer for "misconduct" connected with his employment, is limited to conduct evincing such wilful or wanton disregard of an employer's interests as is found in deliberate violations or disregard of standards of behavior which the employer has the right to expect of his employe, or in carelessness or negligence of such degree or recurrence as to manifest equal culpability, wrongful intent or evil design, or to show an intentional and substantial disregard of the employer's interests or of the employe's duties and obligations to his employer. Conversely, mere inefficiency, unsatisfactory conduct, failure in good performance as the result of inability or incapacity, inadvertencies or ordinary negligence in isolated instances, or good faith errors in judgment or discretion are not to be deemed "misconduct." *Boynton Cab Co. v. Neubeck, 237 W 249, 296 NW 636.*

A finding in an unemployment compensation proceeding that a taxicab driver's violation of company rules with respect to "checking in short" did not constitute "misconduct" was correct, where the tribunal found, on sufficient evidence, that the practice of "checking in short" had been tolerated by the employer notwithstanding its regulations and bulletins to the contrary, without any specific warnings to the employe to stop the practice, and that the employe's conduct in "checking in short" did not amount to improper conduct constituting a lack of regard for his duties and obligations to his employer. A finding in an unemployment compensation proceeding that a taxicab driver's failure to conform to the standard of earnings set by the employer did not constitute "misconduct" was correct, where the tribunal found, on sufficient evidence, that the employe's failure to attain the standard set by the employer was due at most to inefficiency. *Boynton Cab Co. v. Schroeder, 237 W 264, 296 NW 642.*

The evidence in an unemployment compensation proceeding required the conclusion that a cabdriver, guilty of a number of violations of company rules, and involved in 6 accidents within a period of 6 months, although not discharged until after the sixth accident and not to blame for that accident, had been discharged for "misconduct" connected with his employment, within the meaning of (4) (a), hence was ineligible for

unemployment benefits. *Checker Cab Co. v. Industrial Comm.*, 242 W 429, 8 NW (2d) 236. Sec. 108.04 (5) (d), Stats. 1941, does not render ineligible for benefits an employe employed and paid on a fixed weekly salary basis, even though he is paid \$200 or more each month. The statute, in classifying persons employed on a fixed monthly salary

basis as ineligible for unemployment compensation benefits, is not unconstitutional as making a classification not based on reasonable differences or distinctions distinguishing the members of one class from those of another in respects germane to some general public purpose. *Dumore Co. v. Smader*, 245 W 300, 13 NW (2d) 915.

108.05 Amount of benefits. (1) **WEEKLY BENEFIT RATE, FOR TOTAL UNEMPLOYMENT.** Each eligible employe shall be paid benefits from his employer's account for each week of his total unemployment at the weekly benefit rate, based on the employe's "average weekly wage" from the given employer, shown by the following schedule:

Line	Average Weekly Wage Class	SCHEDULE	Weekly Benefit Rate
1.	Under \$10.00.....		\$ None
2.	\$10.00 to 13.00.....		8
3.	13.01 to 15.00.....		9
4.	15.01 to 17.00.....		10
5.	17.01 to 19.50.....		11
6.	19.51 to 22.00.....		12
7.	22.01 to 24.50.....		13
8.	24.51 to 27.00.....		14
9.	27.01 to 29.50.....		15
10.	29.51 to 32.00.....		16
11.	32.01 to 34.00.....		17
12.	34.01 to 36.00.....		18
13.	36.01 to 38.00.....		19
14.	38.01 to 40.00.....		20
15.	40.01 to 42.00.....		21
16.	42.01 to 44.00.....		22
17.	44.01 to 46.00.....		23
18.	46.01 or more.....		24

(1m) **FINAL PAYMENTS IN CERTAIN CASES.** Whenever an employe's benefit credits under a given determination are nearly exhausted, so that paying the benefits normally due him for a given week of unemployment would reduce such credits below his applicable weekly benefit rate, his actual benefits for such week shall equal all benefit credits remaining under said determination.

(2) **DETERMINATION AND NOTICE OF BENEFIT RATES.** Weekly benefit rates, based on average weekly wages, shall be determined for employes generally once each year, except as the commission's rules may prescribe otherwise. The commission shall by general rules prescribe at what times and under what conditions weekly benefit rates shall be determined and redetermined by each employer for some or all of his employes, and for what periods such rates shall apply to benefits from such employer's account, and by what date each employer shall notify his employes of their weekly benefit rates on forms supplied by the commission. The commission may by general rules or by special order require any employer to retain a copy or record of each such notice form, bearing the employe's signed and dated acknowledgment that he received the notice, and to submit such copy or record to the commission upon request. Each employer shall determine weekly benefit rates and notify his employes thereof in accordance with such rules and any applicable order.

(2m) **DEFERRED NOTICE AND ELIGIBILITY.** In the case of a new employe, namely an employe who has not yet had more than 4 weeks of employment from a given employer since the start of the preceding calendar year, no benefits for partial unemployment shall be or become payable to such new employe from such employer's account for any one of such first 4 weeks of employment, and the calculation of his weekly benefit rate from such employer may be deferred accordingly.

(3) **BENEFITS FOR PARTIAL OR PART-TOTAL UNEMPLOYMENT.** (a) If an eligible employe's total wages for a given week are less than his applicable weekly benefit rate, but are at least one-half of said rate, he shall be paid one-half of his weekly benefit rate for such week.

(b) If an eligible employe's total wages for a given week are less than one-half of his applicable weekly benefit rate, he shall be paid his full weekly benefit rate for such week.

(c) If, during a given week, an employe is partially unemployed with respect to a current employer and part totally unemployed with respect to a previous employer, his weekly benefit rate as to his current employer shall be used, in lieu of his wages from that employer, in computing his benefits for part-total unemployment for such week. [*Sp. S.*]

1931 c. 20 s. 2; 1935 c. 192; 1937 c. 95 s. 2; 1937 c. 343; 1939 c. 186, 372; 1941 c. 288; 1943 c. 181; 1945 c. 354; 1947 c. 527]

108.06 Benefit liability of employer's account. (1) **BENEFIT CREDIT WEEKS.** (a) Except as this section or section 108.04 provides otherwise, there shall be counted as a credit week for benefit purposes each week of employment, of a given employe by a given employer, which is or has been completed:

1. After the benefit liability of the employer's account has begun to accrue; and
2. Within the 52 weeks preceding the close of the employe's most recent week of employment by the employer; or within any 53 such weeks which include the fifty-third week ending within a single calendar year.

(b) In case an employe has had more than 40 weeks of employment by an employer within the period specified in paragraph (a) 2, only 40 of such weeks shall be counted as "credit weeks" with respect to such employer.

(2) **DURATION OF BENEFITS, BASED ON CREDIT WEEKS.** (a) Benefits to an employe shall be based on the number of his available credit weeks with respect to an employer, as shown on a benefit determination issued under section 108.09.

(b) Based on each such credit week, the fund shall be liable to pay benefits to the employe (if otherwise eligible) in an amount equal to six-tenths of the weekly benefit rate applicable under the given benefit determination; except that the sum of the benefit credits thus resulting, based on all credit weeks under said determination, shall be adjusted to the nearest multiple of one-half of said weekly benefit rate.

(3) **DURATION OF LIABILITY.** (a) In no case shall the fund remain or be liable to pay benefits to an employe, based on his employment by a given employer, for any unemployment occurring more than 52 weeks after the close of the employe's most recent week of employment by such employer.

(b) Once a determination has been made under section 108.09 as to the amount of benefits potentially payable to an employe based on his available credit weeks with respect to a given employer, all benefits thereafter payable to the employe based on credit weeks from that employer shall be paid in accordance with that determination, until it ceases to apply.

(c) A given determination shall cease to apply only when all benefit credits available thereunder have been charged or canceled, or as to unemployment occurring more than 52 weeks after the close of the employe's most recent credit week included in such determination.

(d) Credit weeks included in a given benefit determination shall not be available for use in any subsequent benefit determination.

(e) To determine qualifying employment under section 108.04 (4) (a), the commission may count all weeks of employment covered by an employer's report as if they had all occurred consecutively during the most recent part of the period covered by that report. [S^{pl.} S. 1931 c. 20 s. 2; 1933 c. 383 s. 3; 1935 c. 192; 1937 c. 95 s. 2; 1937 c. 343; 1939 c. 186; 1941 c. 288; 1943 c. 181; 1945 c. 354; 1947 c. 527]

108.07 Liability of several employers. (1) (a) In case an employe is totally or part-totally unemployed and eligible with respect to 2 or more employers in the same week, and has claimed benefits, he shall, for the purposes of this subsection and section 108.04 (13), be deemed to have claimed benefits from the account of each such employer; but his benefits for such unemployment in such week shall be paid only from the account of that one of such employers by whom he was most recently employed, except as provided in paragraph (b).

(b) After an employe has become eligible for a benefit check under a given benefit determination, he shall, while it remains valid under section 108.06 (3), be eligible for benefits solely under that determination, except that he may also be paid benefits under subsection (2) for any given week of partial unemployment. Whenever a determination ceases to be valid and there is more than one employer with respect to whom the employe is eligible, paragraph (a) shall govern in issuing or selecting the next benefit determination to apply under this paragraph.

(2) In case an employe is partially unemployed and eligible with respect to an employer in a given week, he shall be paid benefits for such week from such employer's account without regard to any benefits payable or paid to him for such week from any other employer's account. [S^{pl.} S. 1931 c. 20 s. 2; 1935 c. 196; 1937 c. 343; 1939 c. 186; 1941 c. 288; 1943 c. 181; 1947 c. 527]

108.08 Notification. (1) To receive benefits for any given week of his unemployment an employe shall give notice to the commission with respect to such week of unemployment, through a public employment office, within such time limit and in such manner as the commission may by rule prescribe.

(2) The commission may require from any or each employer notification of the partial or total unemployment of his employes, within such time, in such form, and in accordance with such rules as the commission may prescribe. [*Spl. S. 1931 c. 20 s. 2; 1935 c. 192; 1937 c. 343; 1939 c. 186*]

108.09 Settlement of benefit claims. (1) **FILING.** Claims for benefits shall be filed pursuant to general commission rules, either at the public employment office for the district or as the commission's rules may otherwise direct; provided that the commission may waive the filing of a claim directly by the employe himself, for benefits from a given employer's account, where due notice of the employe's unemployment is given the employer by the commission or is given the commission by the employer, which notice shall in either of such cases serve as a claim for benefits. The employer from whose account benefits are claimed (whether directly by the employe or through the commission) shall promptly inform the commission in writing of his acceptance or rejection of such claim, together with his reasons therefor.

(2) **INITIAL DETERMINATION.** A deputy designated by the commission shall promptly determine whether or not the claim is valid and the amount of benefits apparently payable thereunder, and shall also determine whenever necessary whether or not the employe's eligibility for benefits has been suspended or terminated; provided, however, that the deputy may set aside or amend a determination at any time on the basis of subsequent information or to correct a clerical mistake. A copy of each determination shall be mailed to the last known address of each of the parties. Either party to the determination may request a hearing as to any matter therein, by filing such request within seven days after such mailing and in accordance with procedure prescribed by the commission; except that the employer may not request a hearing with respect to benefits already paid in accordance with his concession of liability.

(2m) **DETERMINATION ON EMPLOYE'S STATEMENT.** In any case in which an employe has filed a claim for benefits from an employer's account, the employe's statement may be taken as to his eligibility, weekly benefit rate, and credit weeks. In any such case a commission deputy may issue a determination as to the employe's benefit rights, based on the employe's statement and on any other information then available. In accordance with subsection (2) of this section, such determination shall be mailed to the last known address of each of the parties, and either party to the determination may request a hearing as to any matter therein, by filing such request within seven days after such mailing and in accordance with procedure prescribed by the commission; but the employer's request shall be valid only if his report (as to the eligibility, weekly benefit rate, and credit weeks of the employe) is included in (or, if filed earlier, incorporated by specific reference in) such request.

(3) **APPEALS.** Unless such request for a hearing is withdrawn, each of the parties shall be afforded reasonable opportunity to be heard, and the claim thus disputed shall be promptly decided by such appeal tribunal as the commission may designate or establish for this purpose, or by the commission as provided in subsection (6). If the party requesting a hearing fails to appear at the hearing, a commission examiner designated for this purpose may dismiss the appeal, provided that due notice of the hearing was mailed to the party's last known address and good cause for his failure to appear has not been shown said examiner within 10 days after the hearing date. If the other party fails to appear at the hearing, the appeal tribunal shall proceed with the hearing, provided that due notice of the hearing was mailed to said party's last known address, and may issue its decision without further hearing, provided that good cause for his failure to appear has not been shown said examiner within 10 days after the hearing date.

(4) **APPEAL TRIBUNALS.** To hear and decide a disputed claim, the commission shall establish an appeal tribunal. Any such tribunal may consist of one or three full-time salaried examiners; or it may consist of an appeal board composed of one full-time salaried examiner who shall serve as chairman, and of two other members appointed by the commission, namely an employer or representative of employers and an employe or representative of employes, who shall each be paid a fee of not more than ten dollars per day of active service on such tribunal (plus necessary expenses). No person shall hear any case in which he is a directly interested party. The chairman of such an appeal board shall act for it at any session in the absence of one or both other members, provided they have had due notice of such session.

(5) **PROCEDURE.** The manner in which claims shall be presented, the reports thereon required from the employe and from employers, and the conduct of hearings and appeals shall be governed by general commission rules (whether or not they conform to common law or statutory rules of evidence and other technical rules of procedure) for determining the rights of the parties. All testimony at any hearing under this section shall be taken down by a stenographer, but need not be transcribed unless either of the parties requests

a transcript prior to expiration of his right to further appeal hereunder and pays to the commission in advance a fee of five dollars therefor, plus ten cents for each page by which the transcript exceeds fifty pages. When a transcript is thus furnished one of the parties at his request, a copy of the transcript shall be furnished the other party free of charge. The transcript fee thus collected shall be paid to the administration fund.

(6) COMMISSION REVIEW. (a) At any time before a deputy's determination or an appeal tribunal's decision on a claim is mailed to the parties, the commission may transfer the proceedings on the claim from such deputy or appeal tribunal to itself.

(b) Either party may petition the commission for review of an appeal tribunal decision, pursuant to general commission rules, within ten days after it was mailed to his last known address. Within ten days after the filing of such a petition, the commission may affirm, reverse, change, or set aside such decision, on the basis of the evidence previously submitted in such case, or direct the taking of additional testimony. The failure of the commission to act on such a petition within such ten days shall constitute an affirmation of the appeal tribunal decision.

(c) Within ten days after expiration of the right of the parties to request a hearing by an appeal tribunal or to petition for review by the commission, or within ten days after a decision of the commission was mailed to the parties, the commission may on its own motion reverse, change, or set aside the determination or decision, on the basis of evidence previously submitted in such case, or direct the taking of additional testimony.

(d) After an employe's eligibility for benefits has been established by a commission decision or affirmation of the appeal tribunal decision, benefits then due the employe shall be payable to him on the eleventh day after such commission decision or affirmation, except where judicial review has been commenced prior to said day and where the commission finds, by resolution duly entered in its minutes, that such judicial review involves an issue of precedencing importance or a labor dispute issue or the actual or potential eligibility of a substantial number or percentage of the employer's employes. In case final adjudication determines that benefits paid under this subsection were improperly charged against the employer's account, subsection (2m) of section 108.16 shall apply to the charging and recovery of such payments.

(7) JUDICIAL REVIEW. Either party may commence judicial action for the review of a decision of the commission hereunder, provided said party (after exhausting the remedies provided hereunder) has commenced such judicial action within ten days after a decision of the commission was mailed to his last known address (or within ten days after the appeal tribunal decision has been affirmed by the commission through its failure to act). Any judicial review hereunder shall be confined to questions of law, and the other provisions of chapter 102 [Stats. 1935; see 1943 c. 181 s. 22] with respect to judicial review of orders and awards shall likewise apply to any decision of the commission reviewed under this section. Any such judicial action may be defended, in behalf of the commission, by any qualified attorney who is a regular salaried employe of the commission and has been designated by it for this purpose, or at the commission's request by the attorney-general.

(8) LIMITATION OF FEES. No employe shall be charged fees of any kind by the commission or its representatives, in any proceeding under this act. Any employe claiming benefits in any proceeding or court action may be represented by counsel or other duly authorized agent; but no such counsel or agents shall together charge or receive from the employe for such services more than 10 per centum of the maximum benefits at issue in such proceedings or court action, unless the commission has first approved a specified higher fee. [1935 c. 192; 1937 c. 343; 1939 c. 186; 1941 c. 288; 1943 c. 181; 1945 c. 354]

Note: Under the unemployment compensation act, a finding of fact by the industrial commission that the picketing of one of the employer's assembly plants prevented the removal of necessary automobile parts and materials to its other assembly plant and caused the latter plant to shut down, supported by credible evidence, is conclusive. *Spielmann v. Industrial Comm.*, 236 W 240, 295 NW 1.

Under 108.02 (18) and 108.09 (1) where an employer rejected a discharged employe's claim for unemployment compensation on the ground that the employe had been discharged for dishonesty, and the stipulated sole question on the hearing before the

appeal tribunal was whether the employe had been discharged for dishonesty, the burden of proof was on the employer to establish the matters so asserted in its rejection of the claim, in order to render the employe ineligible for benefits and defeat the claim. *Boynton Cab Co. v. Giese*, 237 W 237, 296 NW 630.

Under the unemployment compensation act with respect to judicial review of orders and awards of the commission the findings of fact made in an unemployment compensation proceeding must be considered conclusive if there is any credible evidence to support them. *Boynton Cab Co. v. Giese*, 237 W 237, 296 NW 630.

108.10 [Repealed by 1937 c. 343]

108.10 [Renumbered 108.09 (9) by 1941 c. 288]

108.10 Settlement of issues other than benefit claims. (1) In connection with any issue arising under this chapter as to any liability, of an employer of one or more persons

in Wisconsin, for which no review is provided under section 108.09 and with respect to which no penalty is provided in section 108.24, the following procedure shall apply:

(2) A deputy designated by the commission for the purpose shall investigate the existence and extent of any such liability, and may issue an initial determination accordingly; provided, however, that such a deputy may set aside or amend any such determination at any time on the basis of subsequent information or to correct a clerical mistake. A copy of each determination shall be mailed to the last known address of the employer affected thereby. The employer may request a hearing as to any matter therein, by filing such request with the deputy within 30 days after such mailing and in accordance with such procedure as the commission may by rule prescribe.

(3) Any hearing duly requested shall be held before an appeal tribunal established in the manner provided by section 108.09 (4), and section 108.09 (5) shall be applicable to the proceedings before such tribunal. Within 20 days after the appeal tribunal's decision has been mailed to the employer's last known address, he may petition the commission for review thereof pursuant to general commission rules, or the commission on recommendation of counsel may on its own motion transfer the proceedings to itself and reverse, change, or set aside the decision of the appeal tribunal on the basis of evidence previously submitted in such case, or direct the taking of additional testimony.

(4) The commission's authority to take action as to any issue or proceeding under this section shall be the same as that specified in paragraphs (a), (b) and (c) of subsection (6) of section 108.09, except that the commission may take action in the manner provided in paragraph (c) of said subsection (6) at any time within 20 days after the mailing of a commission decision under this section to the employer affected thereby.

(5) The employer may commence action for the judicial review of a commission decision hereunder, provided said employer, after exhausting the remedies provided hereunder, has commenced such action within 20 days after such decision was mailed to his last known address or within 20 days after the appeal tribunal decision has been affirmed by the commission through its failure to act. The scope of judicial review, and the manner thereof in so far as applicable shall be the same as that provided in subsection (7) of section 108.09.

(6) The mailing of determinations and decisions provided in subsections (2), (3), (4) and (5) shall be first class, and may include the use of services performed by the postal department requiring the payment of extra fees.

(7) Any determination by a deputy or any decision by an appeal tribunal or by the commission shall become conclusive with respect to the employer unless he has acted to secure a hearing or review as hereinbefore provided, but shall be binding on the commission only in so far as the relevant facts were included in the record which was before the deputy, appeal tribunal or commission at the time the determination or decision was issued. [1941 c. 288; 1945 c. 354]

108.101 [Renumbered section 108.10 by 1937 c. 343]

108.11 Agreement to contribute by employes void. (1) No agreement by an employe or by employes to pay any portion of the contributions required under this chapter from employers shall be valid. No employer shall make a deduction for such purpose from wages. Any employe claiming a violation of this provision may, to recover wage deductions wrongfully made, have recourse to the method set up in section 108.10 [108.09] for settling disputed claims.

(2) But nothing in this chapter shall affect the validity of voluntary arrangements whereby employes freely agree to make contributions to a fund for the purpose of securing unemployment compensation additional to the benefits provided in this chapter. [Spl. S. 1931 c. 20 s. 2]

108.12 Waiver of benefit void. No agreement by an employe to waive his right to benefits or any other rights under this chapter shall be valid. No employe shall, in any proceeding involving benefits under this chapter, be prevented from asserting all facts relevant to his eligibility, regardless of any prior erroneous representation with respect to such facts. [1941 c. 288]

108.13 Assignment. (1) No claim for benefit under this chapter nor any interest in any unemployment benefit fund or reserve maintained under this chapter shall be assignable before payment, but this provision shall not affect the survival thereof; nor shall any claim for benefit awarded, adjudged or paid, nor any interest in any such unemployment benefit fund or reserve, be subject to be taken for the debts of the party entitled thereto.

(2) In case an employe dies after the close of a week of unemployment in which he was eligible and for which benefits are payable under this chapter, the commission may designate any person who might in its judgment properly receive such benefits, and a

receipt or an indorsement from the person so designated shall fully discharge the fund from liability for such benefits. [S^{pl.} S. 1931 c. 20 s. 2; 1933 c. 383 s. 3; 1937 c. 343]

108.14 Administration. (1) This chapter shall be administered by the industrial commission.

(2) The commission shall have power and authority to adopt and enforce all rules and regulations which it finds necessary or suitable to carry out the provisions of this chapter. All such general rules shall be published in the state's official newspaper and shall take effect ten days after such publication, and shall be filed by the commission with the secretary of state. A copy of such rules and regulations shall be delivered to every person making application therefor. The commission may require from employers, whether subject to this chapter or not, any reports on employment, wages, hours and related matters which it deems necessary to carry out the provisions of this chapter.

(2m) In the discharge of their duties under this chapter any member of an appeal tribunal, and any deputy, examiner, commissioner or other duly authorized representative of the commission shall have power to administer oaths to persons appearing before them, take depositions, certify to official acts, and by subpoenas (served in the manner in which circuit court subpoenas are served) to compel attendance of witnesses and the production of books, papers, documents and records necessary or convenient to be used by them in connection with any investigation, hearing or other proceeding under this chapter. Provided, that in any investigation, hearing or other proceeding involving the administration of oaths or the use of subpoenas under this subsection due notice shall be given to any interested party involved, who shall be given an opportunity to appear and be heard at any such proceeding and to examine witnesses and otherwise participate therein. Witness fees and other expenses involved in proceedings under this chapter, including a party's traveling expenses, may be allowed by the appeal tribunal or representative of the commission at rates specified by general commission rules, and shall be paid from the unemployment administration fund.

(3) The commission may appoint, employ and pay as many persons as it deems necessary to administer and to carry out the purposes of this chapter, and may make all other expenditures of any kind and take any other action consistent herewith which it deems necessary or suitable to this end.

(3m) In any court action to enforce the provisions of this chapter the commission and the state may be represented by any qualified attorney who is a regularly salaried employe of the commission and is designated by it for this purpose, and/or at the commission's request by the attorney-general. In case the governor designates special counsel to defend, in behalf of the state, the validity of this chapter or of any provision of Title IX of the federal Social Security Act, the expenses and compensation of such special counsel and of any experts employed by the commission in connection with such proceeding may be charged to the administration fund.

(4) The commission may create as many employment districts and district appeal boards and may establish and maintain as many free public employment offices as it deems necessary to carry out the provisions of this chapter. The commission shall have power to finance either partly or completely such public employment offices as it deems necessary under this chapter, from the funds appropriated to the commission for its expenses under this chapter, whether or not the political subdivision in which such office is located agrees to pay or does pay any part of the expenses of such office.

(5) The commission shall appoint a state advisory committee on this chapter, and may appoint additional committees for industries or local districts. Each such committee shall consist of a salaried commission employe, who shall serve as chairman, and of one or more representatives of employers, and an equal number of representatives of employes, who shall receive for each day of active service such reasonable compensation as the commission may determine and reimbursement of necessary expenses, and shall assist the commission in administering and carrying out the purposes of this chapter.

(5m) The state advisory committee appointed by the commission under subsection (5) of this section shall submit its recommendations with respect to amendments of this chapter to each regular session of the legislature, and shall report its views on any pending bill relating to this chapter to the proper legislative committee.

(6) It shall be one of the purposes of this chapter to promote the regularization of employment in enterprises, localities, industries and the state. The commission, with the advice and aid of its advisory employment committees, shall take all appropriate steps within its means to reduce and prevent unemployment. To this end the commission may employ experts, and may carry on and publish the results of any investigations and research which it deems relevant, whether or not directly related to the other purposes and specific provisions of this chapter. At least once a year the commission shall compile and publish a summary report stating the experience of employer accounts (without naming any em-

ployer) and covering such other material as it deems significant in connection with the operations and purposes of this chapter.

(7) The reports, records, files, accounts, papers and memoranda, of any nature whatsoever, received or made or maintained by the commission in connection with the administration of this chapter shall be open to public inspection only when and to the extent that the commission may allow such inspection as it deems advisable in the interests of effective administration. The commission may provide for the printing and distribution of such number of copies of any forms, records, decisions, regulations, rules, pamphlets or reports, related to the operation of this chapter, as it deems advisable for the effective operation thereof.

(7m) The commission may at any time destroy or dispose of any material in its files which it deems no longer necessary for the proper administration of this chapter, except that paid benefit checks shall be retained at least 3 years after their issue date. If any moneys are received from such disposal, they shall be deposited to the credit of the administration fund.

(8) (a) The commission may enter into administrative arrangements with any agency similarly charged with the administration of any other unemployment compensation law, for the purpose of assisting the commission and such agencies in paying benefits under the several laws to employes while outside their territorial jurisdictions. Such arrangements may provide that the respective agencies shall, for and on behalf of each other, act as agents in effecting registration for work, notices of unemployment, and any other certifications or statements relating to an employe's claim for benefits, in making investigations, taking depositions, holding hearings, or otherwise securing information relating to coverage or contribution liability or benefit eligibility and payments; and in such other matters as the commission may consider suitable in effecting the purpose of these administrative arrangements.

(b) The eligibility of an employe with respect to a benefit claim (based on past credit weeks under this chapter) may be established through arrangements authorized in this subsection, and he shall then be paid the benefits due him under this chapter.

(c) Any person who wilfully makes a false statement or misrepresentation regarding a benefit claim, to the commission (or its representative) acting under any administrative arrangement authorized herein, shall on conviction be deemed guilty of a misdemeanor and be punished in the manner provided in section 108.24.

(8m) (a) The commission may enter into reciprocal arrangements, with any agency administering another unemployment compensation law, whereby all the services performed by an individual for a single employing unit, which services are customarily performed in more than one state or jurisdiction, shall be deemed to be employment covered by the law of a specified state or jurisdiction (a) in which a part of such services are performed, or (b) in which such individual has his residence, or (c) in which such employing unit maintains a place of business; provided there is in effect, as to such services, an election by such employing unit, approved by the agency administering the specified law, pursuant to which all the services performed by such individual for such employing unit are deemed to be employment covered by such law.

(b) If the federal unemployment tax act is so amended as to make subject thereto remuneration paid for any maritime employment excluded under section 108.02 (5) (g) 6, such exclusion under this chapter shall cease if the commission enters into a reciprocal arrangement with respect to such employment pursuant to this paragraph, as of the effective date of such arrangement. The commission may enter into reciprocal arrangements with the appropriate agencies of other states with respect to such maritime services, whereby all such services by an individual for a single employer, wherever performed, shall be deemed performed wholly within this state or within any such other state. Any such services thus deemed performed in Wisconsin shall also be deemed "employment" covered by this chapter, and the election requirement of section 108.02 (5) (c) 2 shall not apply.

(8n) (a) The commission may enter into reciprocal arrangements, with any agency administering an unemployment compensation law, to provide more equitable benefit coverage for individuals whose recent work has been covered by the unemployment compensation laws of two or more jurisdictions.

(b) Such arrangements may provide, as to any individual whose employment has been covered by this chapter and by the unemployment compensation law of one or more other participating jurisdictions, for transfer by the commission to another agency of relevant records or information, and the acceptance and use thereof (in combination with similar data from other jurisdictions) by such other agency, as a basis for determining and paying benefits under the law administered by such other agency. Reciprocally, such arrange-

ments may provide for similar acceptance, combination and use by the commission of data received from other jurisdictions to determine and pay benefits under this chapter.

(c) Such arrangements shall provide for mutual acceptance by the participating agencies of data thus supplied, including reasonable estimates of relevant data not otherwise available in the transferring agency.

(d) Such arrangements shall specify an equitable basis for reimbursing the unemployment fund of each participating jurisdiction for any benefits paid therefrom on the basis of covered employment in (and data supplied by the agency of) another such jurisdiction, out of the unemployment fund of such other jurisdiction.

(e) Any reimbursement under this subsection shall if paid from the fund be charged to its balancing account and if paid to the fund be credited to that account.

(f) To facilitate the application of such arrangements to this chapter, the commission may make reasonable estimates to convert into weekly benefit rates and credit weeks the data received by it under such arrangements, and may determine and pay benefits accordingly.

(8r) (a) To permit simpler and better handling of interstate benefit cases, the commission may, in lieu of the arrangements authorized by subsection (8), enter into reciprocal arrangements, with any other agency charged with the administration of an unemployment compensation law, whereby:

1. An employe's benefit credits under this chapter, duly determined by the commission under section 108.09, may, when he is claiming outside Wisconsin, be transferred to such other agency and be used by it as the basis for payments to be made by it to such employe on behalf of the commission but under the provisions applicable to individuals whose benefit credits are earned, determined and paid out solely under the law administered by such other agency.

2. Similarly, an individual's benefit credits, duly determined under the law administered by such other agency, may, when he is claiming within Wisconsin, be transferred to the commission and be used by it as the basis for payments to be made by it to such individual on behalf of such other agency but under the provisions applicable to employes whose benefit credits are earned, determined and paid out solely under this chapter.

3. The commission shall periodically reimburse such other agency, up to the amount of benefit credits thus transferred to it by the commission, for payments actually made by such other agency based on such transfers.

4. Similarly, such other agency shall periodically reimburse the commission for payments made by it based on the benefit credits transferred to it by such other agency.

(b) Amounts paid under this subsection by another agency on behalf of the commission shall, when reimbursed by the commission, be charged to the proper employer's account.

(c) Amounts paid under this subsection by the commission on behalf of another agency shall be charged to the fund's balancing account, and the corresponding reimbursements shall be credited to that account.

(9) The commission may make its records relating to the administration of this chapter available to the Railroad Retirement Board, and may furnish the Railroad Retirement Board, at the expense of said board, such copies thereof as said board deems necessary for its purposes. The commission may afford reasonable co-operation with every agency of the United States charged with the administration of any unemployment compensation law. The commission may make arrangements or agreements with the Railroad Retirement Board, or any other agency of the United States charged with the administration of an unemployment compensation law, with respect to the establishment, maintenance and use of free employment service facilities, the taking and certifying of claims, the making of investigations, and the supplying of other information or services related to unemployment compensation. But the commission shall not make or renew any such arrangement or agreement unless it finds that its resulting administrative costs are approximately covered or offset by the facilities, services and payments to be made available thereunder by such federal agency. Any moneys received by the commission under this subsection shall be paid into the administration fund under section 108.20.

(9m) The commission may afford reasonable co-operation with any government agency charged with war-effort or post-war planning responsibilities or with the administration of any system of unemployment allowances or unemployment assistance or of any other program designed to prevent or relieve unemployment.

(10) For the purposes of section 108.161 the commission's functions financed from the unemployment administration fund shall be treated as a separate budget subdivision, and any election made by the commission pursuant to paragraph (f) of subsection (5) of section 108.02 may be limited to individuals engaged in such functions.

(11) The commission may require any employer of one or more individuals in Wisconsin to make such arrangements as will reasonably assure the commission that the employer will keep such records, make such reports, and pay such contributions as are required under this chapter. Any employer whom the commission has notified, through notice served on him or sent by registered mail to his last known address or served on him through the secretary of state pursuant to subsection (7) of section 226.02, that he is required to make such arrangements, if he fails to do so within 20 days after such notification, may, through proceedings instituted by the commission in the circuit court of Dane county, be restrained from doing business in Wisconsin until he has made such arrangements.

(12) (a) Consistently with the provisions of paragraphs (8) and (9) of section 303 (a) of Title III of the federal social security act, all moneys received in the administration fund from the federal social security board under section 302 of said Title III or under the Wagner-Peyser Act, and all moneys made available by this state or its political subdivisions which are provided and necessary to match federal grants under the Wagner-Peyser Act, shall be expended solely for the purposes and in the amounts found necessary by said board for the proper and efficient administration of this chapter.

(b) Consistently with said provisions of said Title III, any such moneys, received prior to July 1, 1941, and remaining unincumbered on said date or received on or after said date, which, because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by said board for the proper administration of this chapter, shall be replaced within a reasonable time. This paragraph is the declared policy of this state, as enunciated by the 1941 legislature, and shall be implemented as further provided in this subsection.

(c) If it is believed that any amount of money thus received has been thus lost or improperly expended, the commission on its own motion or on notice from said board shall promptly investigate and determine the matter and shall, depending on the nature of its determination, take such steps as it may deem necessary to protect the interests of the state.

(d) If it be finally determined that moneys thus received have been thus lost or improperly expended, then the commission shall either make the necessary replacement from those administration fund moneys specified in subsection (2) of section 20.573 or shall submit, at the next budget hearings conducted by the governor and at the budget hearings conducted by the next legislature convened in regular session, a request that the necessary replacement be made by an appropriation from the general fund.

(e) This subsection shall not be construed to relieve this state of any obligation existing prior to its enactment with respect to moneys received prior to July 1, 1941, pursuant to said Title III.

(13) The commission may, with the advice of its state advisory committee on this chapter, by general rule modify or suspend any provision of this chapter if and to the extent necessary to permit continued certification of this chapter under Title III of the federal social security act and under sections 1602 and 1603 of the federal unemployment tax act.

(14) The commission shall fully co-operate with the agencies of other states, and shall make every proper effort within its means, to oppose and prevent any further action which would in its judgment tend to effect complete or substantial federalization of state unemployment compensation funds or state employment security programs.

(15) The commission may make, and may co-operate with other appropriate agencies in making, studies as to the practicality and probable cost of possible new state-administered social security programs, and the relative desirability of state (rather than national) action in any such field.

(16) With reference to the state employment service facilities and functions loaned to the federal government for the war emergency, the governor and the commission shall make every proper effort within their means to secure the return thereof to state operation and control at the earliest practicable date. [*Spl. S. 1931 c. 20 s. 2; 1935 c. 192, 446; 1937 c. 95 s. 2, 3; 1937 c. 343; 1939 c. 186; 1941 c. 288; 1943 c. 181; 1945 c. 354; 1947 c. 527*]

108.15 Benefit payments for employes of certain government units. (1) The fund's balancing account is made available for the payment of benefits under this section to individuals employed by certain government units, within the limits and subject to the conditions set forth in this section.

(2) Solely for the purpose of paying benefits under this section, each "government unit" (as defined in this section) shall be deemed an "employer" subject to this chapter on and after July 1, 1941, and each individual employed by it in "employment" on or after said date shall be deemed an "employee" and shall accrue benefit credits and may become eligible for benefits accordingly, except as otherwise provided in this section.

(3) The provisions of subsection (2), authorizing benefit payments under this section, shall cease to apply to a government unit, and no benefit credits hereunder shall remain with respect to employment by such unit:

(a) If and when the "payment limit" has been reached as to such unit; or

(b) If and when the commission, after giving such unit 20 days' notice and opportunity to be heard, terminates the application to such unit of subsection (2) by reason of the failure of such unit:

1. To file or distribute promptly such reports or notices as the commission may duly require it to file or distribute for benefit purposes under this section, or

2. To pay to the commission promptly after notice from it any amount due from such unit under subsection (4); or

(c) If and when such unit files with the commission, pursuant to subsection (5), a valid contrary election as to subsection (2), unless such election has been duly withdrawn by such unit within 60 days after such filing; or

(d) If and when subsection (11) applies to such unit.

(4) In case the "special account" maintained as to any government unit shows that the benefits based on employment by such unit paid under this section through the last day of any calendar month have exceeded such unit's "balance" plus its "contributions paid" through such day, the commission shall bill such unit for the amount of such excess; and such unit shall promptly pay such amount to the commission, to reimburse the fund's balancing account, unless and until its "contributions payable" have been fully paid.

(5) Any government unit may at any time file with the commission a contrary election as to subsection (2). The commission shall accept as valid any such election which it finds has been executed on behalf of such unit by an appropriate officer thereof and has either been authorized in advance by such unit's governing board or has been ratified by such board within 160 days after its filing.

(6) Any liability of a government unit to pay any interest which would otherwise be or become payable by it under section 108.22, by reason of its tardy payment of "contributions paid" or "contributions payable" to the fund, is hereby abated.

(7) Any "contributions payable" by a government unit as of the date on which subsection (2) ceases to apply to it, under subsection (3) or subsection (8), are hereby abated as of such date.

(8) This section shall be inoperative if and to the extent that the commission finds that its application would prevent the continued certification of this chapter under section 1602(b) or section 1603(c) of the federal unemployment tax act.

(9) No provision of this section shall prevent any government unit from voluntarily electing at any time to become an employer fully subject to this chapter, pursuant to paragraph (f) of subsection (4) of section 108.02; but each such approved election shall duly provide for maintaining and continuing any then current benefit credit accruals and benefit payments. In any such case, the commission shall close any "special account" as to such unit then maintained under this section; and the commission, subject to subsection (8) of this section, may abate any "contributions payable" by such electing unit for past periods, and may credit to the account of such unit the amount by which all its past contributions received for the fund under section 108.18 have exceeded all the past benefits duly paid from the fund based on employment by such unit.

(10) As used in this section:

(a) "Government unit" means any such unit which ceased in 1939 to be an "employer" subject to this chapter, because of the enactment of chapter 245 or chapter 372, laws of 1939, which has not elected to remain or become an "employer" subject hereto and whose "balance" plus its "contributions paid" and its "contributions payable" to the funds have not been fully utilized for the payment from the fund of benefits based on employment by such government unit.

(b) A government unit's "balance" means its net cash balance in the fund as of that 1939 termination date on which it ceased to be an "employer" subject hereto, less any benefits based on employment by it paid from the fund after such termination date and before July 1, 1941.

(c) A government unit's "contributions payable" means the contributions under section 108.18 due from it to the commission for the fund on or after such termination date, including the amount payable to the fund by such unit under subsection (7) of section 108.15 of the 1937 statutes, to the extent that such contributions have not yet been paid.

(d) The "contributions paid" by a government unit means so much of its contributions payable on or after such termination date as have been paid to the commission for the fund at any given time after such termination date.

(e) A "special account" as to a government unit means a sub-account within the fund's balancing account, to be set up by the fund's treasurer as of July 1, 1941, in view of the closing out of the employer's account previously maintained for such unit, to indicate the "payment limit" within which benefits based on employment by such unit may be financed under this section by the fund's balancing account.

(f) The "payment limit" shall be that point at which such benefits, thus financed, have equalled the government unit's balance plus its contributions paid and its contributions payable.

(11) In case the federal unemployment tax act is so amended that the refunding of contributions received by the fund from a government unit will not prevent the continued certification of this chapter under section 1603(c) of said act, the fund's treasurer shall refund to each government unit the amount by which all its past contributions received for the fund under section 108.18 have exceeded all past benefits duly paid from the fund based on employment by such unit. [1941 c. 288]

108.16 Unemployment reserve fund. (1) For the purpose of carrying out the provisions of this chapter there is established a fund to be known as the "Unemployment Reserve Fund," to be administered by the commission without liability on the part of the state beyond the amount of the fund. This fund shall consist of all contributions and moneys paid into and received by the fund pursuant to this chapter and of properties and securities acquired by and through the use of moneys belonging to the fund.

(2) (a) A separate employer's account shall be maintained by the commission as to each employer contributing to said fund.

(b) Each employer's account shall be credited with all his contributions paid into the fund, and shall be charged with all benefits duly paid from the fund to his employes based on their past employment by him, except as otherwise specified in this chapter.

(c) Any reference in this chapter to eligibility for, or to payment of, benefits "from an employer's account", or any similar reference, shall mean benefits payable or paid from the fund based on past employment by the employer in question.

(d) The fund shall be mingled and undivided, and nothing in this chapter shall be construed to grant to any employer or employe any prior claim or right to any part of the fund.

(e) Benefits to be "charged" against a given employer's account shall be so charged as of the date shown by the check covering such benefits; and such check shall be promptly mailed and shall, in determining the experience or status of such account for contribution purposes, be deemed "paid" on said date.

(2m) If a commission deputy finds that any benefits charged to an employer's account have been erroneously paid to an individual without fault by the employer, such individual and such employer and the fund's treasurer shall be notified as to such erroneous payment. In case benefits are currently payable to such individual from such employer's account, the deputy may correct the error by adjusting such benefits accordingly. To correct any error not thus adjusted, the fund's treasurer shall correct the fund's records by restoring the proper amount to the employer's account and by charging such amount to the fund's balancing account, and may at any time within 2 years thereafter reimburse the balancing account by crediting to it benefits which would otherwise be payable to the individual in question or cash recovered from such individual.

(4) Consistently with subsection (10) of this section, all contributions payable to the unemployment reserve fund shall be paid to the industrial commission, and shall promptly be deposited by the commission to the credit of the unemployment reserve fund, with such custodians as the commission may from time to time select, who shall hold, release and transfer the fund's cash in a manner approved by the commission. Payments from said fund shall be made upon vouchers or drafts authorized by the industrial commission, in such manner as the commission may from time to time approve or prescribe. Any procedure thus approved or prescribed shall be deemed to satisfy (and shall be in lieu of) any and all statutory requirements (for specific appropriation or other formal release by state officers of state moneys prior to their expenditure) which might otherwise be applicable to withdrawals from the fund. The commission shall designate a treasurer of the unemployment reserve fund, who shall be either a regular salaried employe of the commission or the state treasurer and shall serve as treasurer of the fund until a successor designated by the commission has assumed the duties of this office. He shall give a separate bond conditioned upon his faithful performance of these duties pursuant to subsection (2) of section 19.01, which bond shall be deemed likewise conditioned upon the faithful performance by his subordinates of their duties, in such amount as may be fixed by the industrial commission. All premiums upon the bond required pursuant to this section when furnished by an authorized surety company or by a duly constituted governmental bonding fund shall (except as otherwise provided in this section) be paid from the interest earnings of the

unemployment reserve fund, but shall not exceed one-fourth of one per cent, per annum, of the amount of said bond.

(4m) In the event that the "Unemployment Trust Fund" ceases to be available for the purposes of this section, the fund shall thenceforth be invested in accordance with subsection (5) of this section, except that approximately twenty per cent, as determined from time to time by the commission, shall be deposited with federal reserve banks, if authorized to receive such deposits, and the fund's current cash balances shall be deposited by the commission pursuant to subsection (4) of this section.

(5) The unemployment reserve fund shall be invested by the annuity and investment board in the following readily marketable classes of securities: (a) bonds or other interest-bearing obligations of the United States of America; (b) bonds which are the direct obligations of this state, or of any Wisconsin city, county or other governmental subdivision of this state, which has not defaulted in the payment of any of its bonded indebtedness during the twenty years preceding such investment, provided that such bonds shall mature within five years from the date of purchase except where the board acquires for the fund an entire new issue of such bonds maturing in serial instalments and within twenty years from their date of issue. The investments of the fund shall be so made that all the assets of the fund shall always be readily convertible into cash when needed. When so directed by the industrial commission, the board shall dispose of securities belonging to the fund to secure cash needed for the payment of benefits. All expenses of the annuity and investment board in the investment of the unemployment reserve fund shall be paid from the interest earnings of said fund, as provided in subsection (1) of section 20.725.

(6) The commission shall maintain within the fund a "balancing account," to which shall be credited:

(a) All net earnings, on moneys belonging to the fund, accruing and received by (or duly apportioned to) the fund after March 31, 1937;

(b) Any reimbursement made pursuant to subsection (2m) of this section;

(c) Any balance credited to an employer's account, if and when he ceases to be subject to this chapter, except as provided in subsection (8);

(d) All amounts transferred from employer accounts pursuant to subsection (12) of this section;

(e) The amount of any benefit check duly issued and delivered or mailed to an employe, if such check has not been presented for payment within one year after its date of issue; provided that a substitute check may be issued and charged to the balancing account, at any time within the next following year;

(f) Any amount available for such crediting under subsection (11) of section 108.04.

(7) (a) All benefits shall be paid from the fund. All benefits duly chargeable to an employer's account shall be so charged, whether or not such account is overdrawn. All other benefits shall be charged to the fund's balancing account.

(b) In determining the status of the fund's balancing account as of any date, the fund's treasurer shall take account of the total of such debit balances as of such date, consisting of overdraft charges, duly made to employer accounts while such accounts were exhausted, which have neither been offset by employer contributions credited to such accounts (with corresponding reimbursement of the balancing account) nor written off. Benefit payments made with respect to an employer's account shall be charged directly against the fund's balancing account only when such payments cannot under this chapter be or remain charged against the account of any employer.

(c) Whenever, as of any computation date, the net overdrafts then charged against an employer's account would, even if reduced by any contributions known or subsequently discovered to be then payable but unpaid to such account, exceed two per cent of his annual pay roll (namely, the pay roll amount used in determining his reserve percentage as of that computation date), the fund's treasurer shall, solely for the purpose of computing future reserve percentages, write off (by charging directly to the fund's balancing account) the amount by which such overdrafts would (if thus reduced) exceed 2 per cent of said pay roll; provided, however, that any employer whose account is affected thereby may at any time elect to cancel such write-off, by reimbursing the balancing account in such manner as the commission may prescribe.

(8) (a) If the business of any "employer" is transferred in whole or in part, the transferee shall be deemed a successor for the purposes of this chapter. An employing unit shall not be deemed a successor, however, if the commission finds that there were less than eighteen weeks ending within the calendar year in which the transfer occurred (and also less than eighteen weeks ending within the preceding calendar year) within which the transferring "employer" employed as many as four persons in employment subject to this chapter in connection with the business or portion thereof transferred. In case of the transfer of any of the assets of a covered employer's business by any means what-

ever, otherwise than in the ordinary course of trade, such transfer shall be deemed a transfer of business and shall constitute the transferee a successor hereunder, unless the commission, on its own motion or on application of an interested party, finds that all the following conditions exist:

1. The transferee has not assumed any of the transferor's obligations; and
2. The transferee has not acquired any of the transferor's good will; and
3. The transferee has not continued or resumed the business of the transferor, either in the same establishment or elsewhere; and

4. The transferee has not employed substantially the same employes as those the transferor had employed in connection with the assets transferred.

(b) The successor, if not already subject to this chapter, shall become an "employer" subject hereto on the date of such transfer, and shall accordingly become liable for contributions hereunder from and after said date.

(c) The successor shall take over and continue the employer's account, including its plus or minus balance and all other aspects of its experience under this chapter, in proportion to the pay roll or employes assignable to the transferred business as determined for the purposes of this chapter by the commission. The successor shall be secondarily liable for any amounts owed by the employer to the fund (and to the administration fund) at the time of such transfer; but such liability shall be proportioned to the extent of the transfer of business and shall not exceed the value of the assets transferred.

(d) The benefit liability of a successor's account under section 108.06, if it has not accrued before the transfer date, shall begin to accrue on the transfer date, in case the transferor's benefit liability was then accruing; or shall begin to accrue on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor's benefit liability was not accruing on the transfer date. Similarly, benefits from a successor's account, if not payable before the transfer date, shall become payable on the transfer date, in case the transferor was then liable for benefit payments; or shall become payable on the date otherwise applicable to the successor, or on the date otherwise applicable to the transferor, whichever is earlier, in case the transferor was not liable for benefit payments on the transfer date.

(e) The account taken over by the successor employer shall remain liable with respect to accrued benefit and related rights based on employment [in] the transferred business, and all such employment shall be deemed employment performed for such employer.

(f) The contribution rates applicable with respect to the accounts of the successor employer and the transferring employer shall be respectively determined or redetermined as of the next preceding December 31 computation date, to apply from the date of transfer of business until the close of the current calendar year, and shall thereafter be redetermined whenever required by section 108.18, as follows: For the purposes of section 108.18, the commission shall determine the "experience under this chapter" of the successor employer's account and of the transferring employer's account by allocating to the successor employer's account for each period in question the respective proportions of the transferring employer's pay roll and benefits which the commission determines to be properly assignable to the business transferred.

(9) (a) Consistently with section 1606 of the federal internal revenue code, relating to federal instrumentalities which are neither wholly owned by the United States nor otherwise exempt from the tax imposed by section 1600 of said code:

1. Any contributions required and paid under this chapter for 1939 or any subsequent year by any such instrumentality, including any national bank, shall be refunded to such instrumentality in case this chapter is not certified with respect to such year under section 1603 of said code.

2. No national banking association which is subject to this chapter shall be required to comply with any of its provisions or requirements to the extent that such compliance would be contrary to section 1606 of said code.

(b) Nothing in this subsection shall be construed as limiting or restricting in any way the authority of this state to apply the provisions of this chapter (pursuant to its regulatory and police powers) to national banks for any period preceding the enactment of this subsection.

(10) All money received in the fund shall promptly upon such receipt be deposited in (or invested in the obligations of) the "Unemployment Trust Fund" of the United States, in such manner as the secretary of the treasury of the United States (or other authorized custodian of said trust fund) may approve, so long as said trust fund exists and maintains for this state a separate book account (for contribution and benefit purposes) from which no other state or agency can make withdrawals, any other statutory provision to the contrary notwithstanding. The commission shall requisition from this state's account in the

"Unemployment Trust Fund" necessary amounts from time to time, shall hold such amounts consistently with any applicable federal regulations, and shall make withdrawals therefrom solely for benefits and other unemployment compensation payments under this chapter. While the state has an account in the "Unemployment Trust Fund," public deposit insurance charges on the fund's balances held in Wisconsin banks, the premiums on surety bonds required of the fund's treasurer under this section, and any other expense of administration otherwise payable from the fund's interest earnings, shall be paid from the administration fund.

(11) All money withdrawn from the fund shall be used solely in the payment of benefits, exclusive of expenses of administration, and for refunds of sums erroneously paid into the fund and for refunds payable under subsection (9) of this section, and for transfers consistently with section 5 of chapter 186, laws of 1939.

(12) If and when the fund's balancing account, as of the close of any month, has a net balance (after allowing for the debit balances of any employer accounts then overdrawn) of less than \$2,000,000, the fund's treasurer shall promptly make a finding to that effect, which shall be published forthwith in the official state paper. As of the start of the first business day (hereinafter called "transfer date") which follows the close-of-month to which such a finding applies, the fund's treasurer shall transfer from employer accounts to the fund's balancing account such amounts as he determines pursuant to this subsection. The fund's treasurer shall compute a "transfer percentage," namely the lowest multiple of one per cent which would, if applied to the fund's net balance as of the start of the transfer date, produce a result of at least \$1,000,000, and shall apply such transfer percentage to the net balance (as of the start of the transfer date) of each employer's account whose net balance is then positive, and shall transfer the amount resulting in each such case from the given employer's account to the fund's balancing account, as of the start of the transfer date, and shall promptly notify each such employer accordingly.

(13) The amount standing to the credit of an employer's "post-war reserve" (maintained under this subsection of the statutes of 1945) shall be included in the employer's account, for all the purposes of this chapter, for the December 31, 1947 computation date. Such inclusion shall be recorded by the commission, and the employer shall be notified thereof, not later than November 1, 1947. [*Spl. S. 1931 c. 20 s. 2; 1933 c. 333 s. 4, 8; 1935 c. 192, 446; 1937 c. 95 s. 1, 4; 1937 c. 343; 1939 c. 186, 372; 1941 c. 288; 1943 c. 181; 1945 c. 354; 1947 c. 527*]

108.161 State compliance and appropriation. Each of the state's budget subdivisions shall be and remain an employer subject hereto, throughout each fiscal year in which it employs any individual in employment subject hereto; and its contributions to the unemployment reserve fund shall be duly paid from the general fund, upon filing by the commission with the director of budget and accounts of a certificate specifying the amount due and the appropriation to be charged, and each of the state's boards, commissions, departments and other budget subdivisions shall have charged to and deducted from its proper appropriation the amount of contributions paid on its account, unless the director of budget and accounts certifies that a stated amount of contributions cannot thus be charged, in which event such amount shall be charged to the general fund in accordance with such certification. Each budget subdivision of the state shall be a separate employer and have a separate employer's account in the fund for all purposes. The benefit liability of each such account with the fund shall commence on the date applicable to all other employers who become subject to this chapter on July 1, 1934. [*1935 c. 192; 1937 c. 95 s. 3; 1937 c. 343; 1943 c. 177; 1947 c. 9*]

108.17 Payment of contributions. (1) Contributions shall accrue and become payable by each employer then subject to this chapter on the first day of July, 1934, and shall be paid thenceforth in accordance with this chapter. Thereafter contributions shall accrue and become payable by any employer on and after the date on which he becomes newly subject to this chapter.

(1m) In the case of an employer who becomes, as of the beginning of 1937 or of any subsequent calendar year, newly subject to this chapter based on his employment during the given year, his contributions based on payrolls prior to the date on which his employment made him subject hereto shall not be considered as payable for the purposes of section 108.22 until such subsequent date (occurring within sixty days) as the commission may determine.

(2) All contributions required under this chapter from employers shall be paid to the industrial commission, at such times and in such manner as the commission may prescribe.

(3) If an employer (of any person) makes application to the commission to adjust an alleged overpayment by him of contributions or interest under this chapter, and files

such application within 3 years after the close of the calendar year in which such payment was made, a commission deputy shall make a determination under section 108.10 as to the existence and extent of any such overpayment, and the provisions of said section shall apply to such determination. As to any amount determined under said section to have been erroneously paid by the employer, the commission shall allow him a corresponding credit, without interest, against his future contribution payments; or, if the commission finds it impracticable to allow the given employer such a credit, it shall refund such overpayment to him, without interest, from the fund or the administration fund, as the case may be.

(4) However, in case an employer's contribution rate for any year has been incorrectly determined, it shall be corrected (and contributions shall be adjusted or become payable accordingly) only if due notice of such error is given during, or within 6 months after the close of, the calendar year to which such rate applies. [*Spl. S. 1931 c. 20 s. 2; 1933 c. 186 s. 3; 1935 c. 192; 1937 c. 95 s. 3; 1941 c. 288; 1943 c. 177; 1945 c. 354*]

108.18 Contributions to the fund. (1) **STANDARD RATE.** Each employer shall pay contributions to the fund at the "standard rate" of 2.7 per cent on his pay roll for each calendar year, except as the commission duly assigns the employer a different rate (based on his experience under this chapter) pursuant to this section.

(2) **INITIAL RATES.** An employer's contribution rate shall be 2.7 per cent on his pay roll for each of the first 4 calendar years with respect to which contributions are credited to his account.

(3) **REQUIREMENTS FOR REDUCED RATE.** As to any calendar year, an employer shall be permitted to pay contributions to the fund at a rate lower than the standard rate only when, as of the applicable computation date:

(a) Benefits have been chargeable to the employer's account during the 3 consecutive years preceding such date; and

(b) Such lower rate applies under subsection (4) or (5); and

(c) Permitting him to pay such lower rate is consistent with the conditions applicable to additional credit allowance for such year under section 1602 (a) (1) of the federal unemployment tax act, any other provision to the contrary notwithstanding.

(4) **EXPERIENCE RATES.** Except as otherwise specified in this section, an employer's contribution rate on his pay roll for a given calendar year shall be based on the reserve percentage of his account as of the applicable computation date, as follows:

(a) If such reserve percentage is less than zero (because his account is overdrawn), such rate shall be 4 per cent.

(b) If such reserve percentage is zero or more, but less than 2 per cent, such rate shall be 3.5 per cent.

(c) If such reserve percentage is 2 per cent or more, but less than 4 per cent, such rate shall be 3 per cent.

(d) If such reserve percentage is 4 per cent or more, but less than 6 per cent, such rate shall be 2.5 per cent.

(e) If such reserve percentage is 6 per cent or more, but less than 7 per cent, such rate shall be 2 per cent.

(f) If such reserve percentage is 7 per cent or more, but less than 8 per cent, such rate shall be 1.5 per cent.

(g) If such reserve percentage is 8 per cent or more, but less than 9 per cent, such rate shall be one per cent.

(h) If such reserve percentage is 9 per cent or more, but less than 10 per cent, such rate shall be one-half of one per cent.

(i) If such reserve percentage is 10 per cent or more, such rate shall be zero per cent.

(5) **LIMITATION.** To prevent unduly sharp increases in contribution rates during bad years, an employer's contribution rate for any calendar year shall in no case exceed by more than one per cent (on pay roll) the rate which applied to him at the close of the preceding calendar year. If the rate otherwise applicable to an employer under subsection (4) exceeds this limitation, his rate for the given calendar year shall be reduced to the next lower multiple of one-half of one per cent which is within this limitation.

(6) **COMPUTATION IN SPECIAL CASES.** If during the 2 years preceding a computation date an employer has been liable for contributions but has had no pay roll, his reserve percentage as of that date shall be computed on the basis of his most recent year of some pay roll; but his contribution rate for the year following the computation date shall in no case be less than one per cent.

(7) **VOLUNTARY CONTRIBUTIONS.** Any employer may at any time make payments to the fund, in excess of the other requirements of this section. Each such payment shall be credited to the employer's account as of the date when paid, except that any such payment made during January shall be credited thereto as of the immediately preceding

computation date; and each such payment shall be treated as a contribution required and irrevocably paid under this chapter with respect to pay rolls preceding the date as of which it is thus credited. [1935 c. 192, 446; 1937 c. 95 s. 4; 1937 c. 343; 1939 c. 186, 372; 1941 c. 288; 1943 c. 181; 1945 c. 354; 1947 c. 527]

108.19 Contributions to the administration fund. (1) Each employer subject to this chapter shall regularly contribute to the unemployment administration fund created in section 108.20 at the rate of two-tenths of one per cent per annum on his pay roll as defined in section 108.02. But the commission may prescribe at the close of any fiscal year such lower rates of contribution under this section, to apply to classes of employers throughout the ensuing fiscal year, as will in the commission's judgment adequately finance the administration of this chapter, and as will in the commission's judgment fairly represent the relative cost of the services rendered by the commission to each such class.

(2) If the commission finds, at any time within a fiscal year for which it has prescribed lower contribution rates to the administration fund than the maximum rate permitted hereunder, that such lower rates will not adequately finance the administration of this chapter or are excessive for that purpose, the commission may by general rule prescribe a new schedule of rates (in no case exceeding the specified maximum) to apply under this section for the balance of the fiscal year.

(3) If the Federal Unemployment Tax Act is amended to permit a maximum rate of credit against said federal tax higher than the 90 per cent maximum rate of credit now permitted under section 1601 (c) of the Internal Revenue Code, to an employer with respect to any state unemployment compensation law whose standard contribution rate on pay roll under said law is more than 2.7 per cent, in that event the standard contribution rate as to all employers under this chapter shall, by a commission rule to be issued with the governor's approval, be increased from 2.7 per cent on pay roll to that percentage on pay roll which corresponds to the higher maximum rate of credit thus permitted against the federal unemployment tax; and such increase shall become effective on the same date as such higher maximum rate of credit becomes permissible under such federal amendment.

(4) If section 303 (a) (5) of Title III of the Social Security Act and section 1603 (a) (4) of the Internal Revenue Code are amended to permit a state agency to use, in financing administrative expenditures incurred in carrying out its employment security functions, some part of the moneys collected or to be collected under the state unemployment compensation law, in partial or complete substitution for grants under said Title III, in that event this chapter shall, by a commission rule to be issued with the governor's approval, be modified in the manner and to the extent and within the limits necessary to permit such use by the commission under this chapter; and such modifications shall become effective on the same date as such use becomes permissible under such federal amendments. [Spl. S. 1931 c. 20 s. 2; 1935 c. 192; 1943 c. 177, 181]

Note: In setting up reserves and paying assessment for administrative fund under unemployment reserves and compensation act, municipalities may charge amount thereof to appropriations made for maintenance, construction, machinery repairs, etc., in case of county highway employes. In case of highway maintenance or construction work performed by county for state, county is not authorized to directly charge these items to state. 23 Atty. Gen. 773.

108.20 Unemployment administration fund and appropriation. (1) To finance the administration of this chapter and to carry out its provisions and purposes there is established the "Unemployment Administration Fund." This fund shall consist of all contributions and moneys paid to or transferred by the industrial commission for the administration fund as provided in section 20.57 and 108.19, and of all moneys received for this fund by the state or by the commission from any source, including all federal moneys allotted or apportioned to the state or the commission for the Wisconsin state employment service or for administration of this chapter, or for services, facilities or records supplied to any federal agency; and the commission is hereby directed to make to federal agencies such reports as are necessary in connection with or because of such federal aid.

(2) All amounts received by the commission for such fund shall be paid over to the state treasurer and credited to the unemployment administration fund, and, as provided in section 20.573 of the statutes, are appropriated to the commission for the administration of this chapter and the Wisconsin state employment service.

(3) There shall be included in the moneys governed by section 20.573 (2) any amounts collected by the commission under section 108.19 (1) or (2), or under section 108.22 (1) as tardy filing fees or as interest on delinquent payments. [Spl. S. 1931 c. 20 s. 2; 1935 c. 446; 1937 c. 95 s. 4; 1939 c. 186; 1947 c. 527]

Note: Travel expense of members of industrial commission in administering unemployment compensation law is chargeable to unemployment administration fund created by 108.20 and 20.573. 26 Atty. Gen. 154.

108.21 Record and audit of pay rolls. (1) Every employer of one or more persons in Wisconsin shall keep such a true and accurate employment record for each individual employed by him, including full name, address and social security number, as will permit determination of the weekly wages earned by each such individual from him, and shall furnish to the commission upon demand a sworn statement of the same. Such record and any other records which may show any wages paid by the employer shall be opened to inspection by any authorized commission representative at any reasonable time.

(2) The findings of any such authorized representative of the commission, based on examination of the records of any such employer and embodied in an audit report mailed to the employer, shall constitute a determination within the meaning of section 108.10 and the provisions of said section shall apply accordingly.

(3) In the event that any such employer fails to keep adequate employment and pay roll records under this section or fails to file such reports as the commission may require under this chapter, the employer's contribution liability with respect to the period for which such records are lacking or deficient or for which such reports have not been filed may be estimated by a commission deputy in a determination made pursuant to section 108.10, and the provisions of said section shall apply to any such determination. [S^{pl.} S. 1931 c. 20 s. 2; 1937 c. 343; 1941 c. 288]

108.22 Delinquent payments. (1) If any employer is delinquent in making by the assigned due-date any contribution report or payment to the commission required of him under this chapter, he shall be liable for a tardy filing fee of one dollar for each such delinquency and shall become additionally liable for interest on such delinquent payment at the rate of one-half per cent per month (or fraction thereof) from the date such payment became due, except that said fee shall apply in lieu of such interest in any case where such interest (accrued up to the date on which such delinquent contribution and said fee are paid) is less than one dollar. Such tardy filing fees and interest shall be paid to the commission and credited to the unemployment administration fund.

(2) If any employer fails to pay to the commission any amount found to be due it in proceedings pursuant to section 108.10, provided that no appeal or review permitted by said section is pending and that the time for taking an appeal or review has expired, the commission or any duly authorized representative may issue a warrant directed to the sheriff of any county of the state, commanding him to levy upon and sell sufficient of the real and personal property which may be found within his county of the employer who has defaulted in the payment of any amount thus found to be due to pay such amount, together with interest and costs and other fees, and to proceed upon the same in all respects and in the same manner as upon an execution against property issued out of a court of record, and to return such warrant to the commission and pay to it the money collected by virtue thereof within 60 days after the receipt of such warrant. The sheriff shall, within 5 days after the receipt of the warrant, file with the clerk of the circuit court of his county a copy thereof, unless the employer shall make satisfactory arrangements for the payment thereof with the commission, in which case the sheriff shall at the direction of the commission return such warrant to it. The clerk shall enter in the judgment docket the name of the employer mentioned in the warrant and the amount of the contributions, interest, costs and other fees for which the warrant is issued and the date when such copy is filed. Thereupon the amount of such warrant so docketed shall become a lien upon the title to and interest in real property of the employer against whom it is issued in the same manner as a judgment duly docketed in the office of such clerk.

(3) In the discretion of the commission, a warrant of like terms, force and effect may be issued and directed to any employe or agent of the commission duly authorized by it as a deputy, who may file a copy of such warrant with the clerk of circuit court of any county in the state, and thereupon such clerk shall docket the same and it shall become a lien in the same manner, and with the same force and effect as hereinbefore provided with respect to a warrant issued and directed to and filed by a sheriff. In the execution thereof such employe or agent shall have all the powers conferred by law upon a sheriff, but shall not be entitled to collect from the employer any fee or charge for the execution of such warrant in excess of the actual expenses paid in the performance of his duty.

(4) If a warrant be returned not satisfied in full, the commission shall have the same remedies to enforce the amount due for contributions, interest, and costs and other fees as if the commission had recovered judgment against the employer for the same and an execution returned wholly or partially not satisfied.

(5) When the contributions set forth in a warrant together with interest and other fees to date of payment and all costs due the commission have been paid to it, the commission shall issue a satisfaction of the warrant and deliver or mail it to the employer,

and the warrant shall be satisfied of record by the clerk upon presentation to him of such satisfaction and payment by the employer of the fees due such clerk.

(6) The commission, if it finds that the interests of the state will not thereby be jeopardized, and upon such conditions as it may exact, may issue a release of any warrant with respect to any real property upon which said warrant is a lien or cloud upon title, and such release shall be entered of record by the clerk upon presentation to him and payment of the fee for filing said release and the same shall be held conclusive that the lien or cloud upon the title of the property covered by the release is extinguished.

(7) As an alternative to any other remedy provided in this section the commission may in its own name collect any delinquent payments due it, together with interest and costs and other fees. A statement of the amount of such delinquent payments certified by the commission shall be prima facie evidence of the employer's liability for such amount. At any time before judgment in an action for the collection of such delinquent payments, the commission may commence and maintain a garnishee action as provided by chapter 267 for actions founded on contract, or may use the remedy of attachment as provided by chapter 266 for actions founded on contract. The place of trial of an action for the collection of such delinquent payments shall not be changed from the county in which such action is commenced, except upon consent of the parties.

(8) (a) In case benefits have been overpaid or improperly paid to an individual, an initial determination may be issued setting forth the individual's liability to reimburse the fund for such overpayment. In that event the individual may appeal therefrom, within 30 days after a copy thereof was mailed to his last known address; and the procedures and limitations prescribed in section 108.10 shall apply to any such appeal.

(b) To recover any overpayment for which liability has been thus established, the commission may file a warrant against the liable individual in the same manner as is provided in this section for collecting delinquent payments from employers. [*Spl. S. 1931 c. 20 s. 2; 1937 c. 95 s. 2; 1937 c. 343; 1941 c. 288; 1945 c. 354; 1947 c. 527*]

108.23 Preference of required payments. In the event of an employer's dissolution, reorganization, bankruptcy, receivership, assignment for benefit of creditors, judicially confirmed extension proposal or composition, or any analogous situation including the administration of estates in courts of probate, the payments required of the employer under this chapter shall have preference over all claims of general creditors and shall be paid next after the payment of preferred claims for wages. Provided, however, that if the employer is indebted to the federal government for taxes due under the federal unemployment tax act and a claim for such taxes has been duly filed, the amount of contributions which should be paid to allow the employer the maximum offset against such taxes shall have preference over preferred claims for wages and shall be on a par with debts due the United States, if by establishing such preference the offset against the federal tax can be secured under section 1601 (a) (3) of the federal unemployment tax act. [*Spl. S. 1931 c. 20 s. 2; 1933 c. 383 s. 4; 1935 c. 192; 1937 c. 95 s. 2; 1941 c. 288*]

Note: Unemployment compensation payments due from bank prior to time it was closed and taken over by banking commission constitute preferred claims in liquidation by terms of this section. 27 Atty. Gen. 769.

108.24 Penalties. (1) Any person who knowingly makes a false statement or representation to obtain any benefit payment under this chapter, either for himself or for any other person, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than ten dollars nor more than fifty dollars, or by imprisonment in the county jail not longer than thirty days, or by both such fine and imprisonment; and each such false statement or representation shall constitute a separate and distinct offense. The commission may by civil action recover any benefits obtained by means of any statement or representation which is untrue.

(2) Any person who knowingly makes a false statement or representation in connection with any report or as to any information duly required by the commission hereunder, or who knowingly refuses or fails to keep any records or to furnish any reports or information duly required by the commission hereunder, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than \$25 nor more than \$100, or by imprisonment in the county jail not longer than 30 days, or by both such fine and imprisonment; and each such false statement or representation and every day of such refusal or failure shall constitute a separate and distinct offense.

(3) Any person who makes any deduction from the wages of any employe because of liability for contributions hereunder or because of the employe's potential right to benefits, or who knowingly refuses or fails to furnish to an employe any notice, report or information duly required hereunder by the commission to be furnished to such employe, or who, directly or indirectly by promise of reemployment or by threat not to employ or

not to reemploy or by any other means, attempts to induce any employe to refrain from claiming or accepting benefits or to waive any other right hereunder, or whose rehiring policy has discriminated against former employes by reason of their having claimed benefits, shall upon conviction be deemed guilty of a misdemeanor and be punished by a fine of not less than twenty-five dollars nor more than one hundred dollars, or by imprisonment in the county jail not longer than thirty days, or by both such fine and imprisonment; and each such deduction from wages, and every day of such refusal or failure, and each such attempt to induce shall constitute a separate and distinct offense. [*Spl. S. 1931 c. 20 s. 2; 1935 c. 192; 1937 c. 95 s. 2; 1939 c. 186; 1941 c. 288*]

108.25 [*Repealed by 1937 c. 343*]

108.25 Separability of provisions. If any provision of this chapter, or the application thereof to any person or circumstance, is held invalid, the remainder of the chapter and the application of such provision to other persons or circumstances shall not be affected thereby. [*Spl. S. 1931 c. 20 s. 2; 1937 c. 343*]

108.26 [*Repealed by 1937 c. 343*]

108.26 Saving clause. The legislature reserves the right to amend or repeal all or any part of this chapter at any time; and there shall be no vested private right of any kind against such amendment or repeal. All the rights, privileges or immunities conferred by this chapter or by acts done pursuant thereto shall exist subject to the power of the legislature to amend or repeal this chapter at any time. [*1935 c. 446; 1937 c. 343*]

108.27 [*Renumbered section 108.25 by 1937 c. 343*]

108.28 [*Renumbered section 108.26 by 1937 c. 343*]