



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-3992/1
JTK&DAK:kmg:kjf

2001 SENATE BILL 276

October 12, 2001 – Introduced by Senators HANSEN and A. LASEE, cosponsored by Representatives HUNDERTMARK and TURNER. Referred to Committee on Labor and Agriculture.

1 **AN ACT** *to renumber* 108.02 (12m) (c) and (d); *to renumber and amend* 108.02
2 (12m) (intro.), 108.02 (12m) (a) and (b), 108.02 (12m) (e) and 108.09 (3) (a); *to*
3 **amend** 20.445 (1) (gh) (title), 20.445 (1) (nb) (title), 49.45 (10), 108.02 (10m),
4 108.02 (13) (a), 108.02 (15) (f) (intro.), 108.02 (15) (g) (intro.), 108.02 (15) (j) 4.
5 and 5., 108.02 (15) (k) 18. c., 108.02 (15) (k) 19. b., 108.02 (15) (n), 108.02 (22m),
6 108.04 (2) (a) 3., 108.04 (7) (h), 108.04 (8) (c), 108.04 (13) (d) 4. (intro.), 108.04
7 (16) (b), 108.04 (17) (b), 108.04 (17) (e), 108.04 (17) (h), 108.05 (1) (L) (intro.),
8 108.05 (7) (a) 1., 108.05 (7) (f) 1., 108.065 (1), 108.16 (6) (g), 108.16 (6m) (a),
9 108.16 (8) (b) (intro.), 108.16 (8) (b) 2., 108.16 (8) (b) 3., 108.16 (8) (c) 3., 108.16
10 (8) (e) 3., 108.16 (8) (f), 108.17 (2), 108.19 (1e) (a) and (d), 108.19 (1m), 108.20
11 (3), 108.22 (1) (am), 108.22 (1) (b), 108.22 (1) (e), 108.22 (1m), 108.225 (1) (a) to
12 (c) and 108.225 (16) (intro.); and *to create* 108.02 (15) (gm), 108.02 (15) (j) 6.,
13 108.02 (15) (k) 20., 108.02 (17m), 108.02 (20g), 108.02 (21c), 108.02 (21e), 108.02
14 (23g), 108.02 (29), 108.05 (1) (m) and (n), 108.065 (1m), 108.067, 108.09 (3) (a)

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1 2., 108.14 (2e), 108.14 (19), 108.141 (7) (c), 108.152, 108.16 (8) (c) 4., 108.16 (8)
2 (e) 4., 108.16 (8) (L), 108.17 (2c), 108.17 (2g), 108.22 (1) (ad) and 230.12 (1) (g)
3 of the statutes; **relating to:** various changes in the unemployment insurance
4 law, appointment of temporary reserve appeal tribunals, requiring the exercise
5 of rule-making authority, and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill makes various changes in the unemployment insurance law. Significant provisions include:

BENEFIT RATE CHANGES

Currently, weekly unemployment insurance benefit rates for total unemployment range from \$46 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,150 during at least one quarter of the employee's base period (period preceding a claim during which benefit rights accrue) to \$313 for an employee who earns wages (or certain other amounts treated as wages) of at least \$7,825 during any such quarter. This bill adjusts weekly benefit rates for weeks of unemployment beginning on or after December 30, 2001, and before December 29, 2002, to rates ranging from \$48 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,200 during at least one quarter of the employee's base period to \$324 for an employee who earns wages (or certain other amounts treated as wages) of at least \$8,100 during any such quarter; and beginning on or after December 29, 2002, to rates ranging from \$49 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,225 during at least one quarter of the employee's base period to \$329 for an employee who earns wages (or certain other amounts treated as wages) of at least \$8,225 during any such quarter.

OTHER BENEFIT CHANGES***Offset of social security benefits***

Currently, with certain exceptions, if benefits are payable to a claimant for any week for which the claimant receives a pension payment from a governmental or other retirement system (including the social security system) maintained or contributed to by an employer for which the claimant worked during his or her base period (recent work period during which benefit rights accrue), the benefits received by the claimant for each week are reduced by the amount of the pension payment received for that week, except that if the payment is received under the Social Security Act the benefits received by the claimant for each week are reduced by 50% of the gross amount of the social security payment received for that week. This bill provides that, beginning with the first full week of 2003, all payments received by a claimant under the Social Security Act are not included in determining the amount of any required unemployment insurance benefit reduction.

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The bill also provides that for all weeks beginning in 2002 the benefits received by a claimant for each week in which the claimant receives a payment under the Social Security Act are reduced by only 25% of the gross amount of the social security payment received by the claimant for that week.

Search for work

Currently, during the 104-week period that began on January 2, 2000, in order to receive benefits for a week in which a claimant earns no wages, the claimant must conduct a reasonable search for suitable work during that week, unless otherwise permitted by the department of workforce development (DWD) by rule. The search must include at least two actions each week that constitute a reasonable search as prescribed by DWD by rule. After this period, a claimant must simply seek suitable work in order to remain eligible for benefits, but there are no specific statutory requirements concerning what constitutes a reasonable search. This bill extends this period during which the specific statutory requirements apply to 156 weeks, and also directs DWD, by rule, to require claimants to conduct a reasonable search for work after this 156-week period, and to prescribe, by rule, standards for the search to be considered reasonable.

Requalification for employees receiving certain training

Currently, with certain exceptions, if an employee is unable to work or unavailable for work, has not registered for work, or is not seeking suitable work, the employee's benefits are reduced or the employee is ineligible to receive benefits. Also currently with certain exceptions, if an employee fails, without good cause, to accept suitable work when offered or to return to work when recalled by his or her employer, the employee is ineligible to receive benefits for the next 4 full weeks and until the employee requalifies by earning a specified amount of wages in certain employment. One exception permits an employee to receive benefits without requalifying if the employee enrolls in or leaves work to participate in training approved under the federal Trade Readjustment Act. This bill also permits an employee to receive benefits without requalifying if the employee enrolls in or leaves work to participate in training under a state plan approved under the federal Workforce Investment Act. The cost of benefits paid to an employee under the current exception is generally charged to the employer or employers that employed the employee during his or her base period. Under this bill, the cost of benefits resulting from the current exception and the proposed exception is charged to the balancing account of the unemployment reserve fund, which is financed from contributions (taxes) of all employers that are subject to a requirement to pay contributions, unless the employee's employer or employers do not pay contributions, in which case the cost of benefits is generally chargeable to the employee's employer or employers.

Charging of certain benefits paid after recall

Currently, if an employee fails, without good cause, to return to work with a former employer that recalls the employee within 52 weeks after the employee last worked for the employer, the employee is ineligible to receive benefits for the next 4 full weeks and until the employee requalifies by earning a specified amount of wages in certain employment. Currently, the cost of benefits paid to an employee who fails, without good cause, to return to work with an employer after the employee

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requalifies is generally charged to the employer or employers that employed the employee during his or her base period. Under this bill, the cost of benefits that would otherwise be chargeable to the recalling employer is charged to the balancing account of the unemployment reserve fund, unless the employee's employer or employers do not pay contributions, in which case the cost of benefits is generally chargeable to the employee's employer or employers.

Rule making

The bill directs DWD to submit proposed rule changes to the legislative council staff no later than the first day of the 11th month beginning after the day the bill becomes law to:

1. Decrease the number of hours per week that a claimant must remain available for work in order to receive benefits from 35 to 32.

2. Establish a specified level of repeated absenteeism or repeated tardiness that will permit an employer to terminate an employee without being required to pay the cost of any benefits for which the employee may qualify resulting from the base period applicable to the date of termination, and that will preclude the employee from receiving benefits without requalifying by working for a specified period and receiving a specified amount. (Currently, the degree of absenteeism or tardiness that permits such action varies depending upon the facts of each case.)

3. Specify, in accordance with applicable administrative and judicial interpretations, what constitutes an "establishment" for purposes of a current disqualification from receipt of benefits because of a labor dispute in the establishment in which an employee is or was employed.

The bill also directs DWD to promulgate an emergency rule no later than the 90th day after the bill becomes law to extend the current deadline for filing an initial claim for benefits from the end of the initial week for which benefits are payable to the end of the following week. Currently, emergency rules are generally effective for no more than 150 days. Under the bill, this emergency rule is effective until the first day of the 11th month after the day on which the bill becomes law or the day on which a permanent rule relating to this subject matter becomes effective, whichever is sooner, and no finding of emergency is required to promulgate the emergency rule.

TAX CHANGES***Claimant eligibility reviews***

This bill directs DWD to conduct reviews of claimants for unemployment insurance benefits in the 2001-03 fiscal biennium to verify adherence to work search requirements and other conditions of eligibility.

Deferral of first quarter contribution liability

Currently, if an employer is liable for the payment of contributions (taxes), the employer must make regular payments for the periods specified by DWD. This bill codifies the existing requirement that these payments be made on a quarterly basis. The bill also permits an employer that has a first quarter contribution liability of at least \$5,000 and that is not delinquent in making its contribution payments or in paying any interest, penalties or fees assessed against the employer for unemployment insurance purposes to defer payment of up to 60% of the contribution

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liability of the employer for the first quarter of the year in which the liability accrues (normally payable by April 30) without payment of interest, if the employer pays at least 30% of that liability by the following July 31, an additional 20% of that liability by the following October 31 and any remaining liability by the following January 31. Under the bill, if an employer fails to make a deferred payment of contribution liability when due, the employer must pay interest on all contribution liability for the calendar year in which the liability accrues retroactive to April 30 of that year.

Special assessments for information technology systems

Currently, each employer that is subject to a contribution requirement must pay an annual special assessment for each year prior to 2002 in an amount that may not exceed the lesser of 0.01% of the employer's annual taxable payroll for unemployment insurance purposes or the employer's solvency contribution for that year for the purpose of financing the renovation and modernization of the unemployment insurance tax and accounting system. DWD must reduce the solvency rate that an employer must pay in each year prior to 2002 by the special assessment rate applicable to that employer for that year. (The solvency rate is the portion of an employer's contribution rate that is used to maintain the solvency of the unemployment reserve fund.) This bill makes the special assessment requirement and solvency rate offset applicable to calendar years 2002 and 2003. The bill also permits DWD to use the revenue generated by the assessments for the design, or development of, unemployment insurance information technology systems generally, including the tax and accounting system.

OTHER CHANGES***Coverage of and financing of benefits by Indian tribes and tribal units***

Currently, the unemployment insurance law of this state applies to Indian tribes so that the tribes or units are generally subject to the requirement to pay contributions (taxes) to this state on services performed for them and employees of the tribes are potentially eligible to claim benefits. However, under federal law, tribes that are recognized by the federal government are not generally subject to the jurisdiction of this state except as federal law permits or requires. On December 20, 2000, the federal government required this state to make Indian tribes subject to the unemployment insurance law of this state and to pay benefits to employees of the tribes to the same extent as other employers and employees generally.

This bill specifically applies the unemployment insurance law of this state to Indian tribes and their employees. However, in accordance with federal requirements, the bill accords Indian tribes, tribal units, or combinations of tribal units the privilege of financing the payment of benefits to their employees on a reimbursement basis after benefits are claimed in lieu of payment of regular contributions as is generally required of most other employers. The bill also prescribes procedures for and restrictions on the election of reimbursement financing by Indian tribes, tribal units, and combinations of tribal units.

Coverage of certain services provided to medical assistance recipients

Currently, under the medical assistance (MA) program administered by the department of health and family services (DHFS), this state provides assistance to

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finance certain health care costs of needy individuals. Private-duty nursing service or part-time intermittent care provided to an MA recipient by an individual who is certified by DHFS as a nurse in independent practice or an independent nurse practitioner and respiratory care service provided to an MA recipient by an individual who is certified by DHFS as a provider of respiratory care services in independent practice are generally subject to contribution requirements (taxation) under the state unemployment insurance law and the individuals who perform these services are potentially eligible to claim benefits. This bill eliminates coverage of these services under the state unemployment insurance law if they are provided by an individual who is not an employee of a home health agency (an organization licensed by DHFS that provides skilled nursing and other therapeutic services). Under the bill, the recipients of these services are no longer subject to contribution requirements and claimants are no longer eligible to claim benefits based on the performance of these services.

Coverage of certain nonresident aliens

Currently, the services of nonresident aliens who are lawfully admitted to the United States for certain purposes, as well as the services of their spouses and minor children who are admitted for the same purposes, are subject to contribution requirements (taxes) under the state unemployment insurance law, but the employees who perform these services are generally not eligible to claim benefits. This bill eliminates coverage of services performed by certain kinds of nonresident aliens who are lawfully admitted to the United States under certain specified visas, thereby eliminating contribution requirements for services performed by these individuals. The change does not affect coverage of services performed by spouses or minor children of these aliens if the spouses or children are not admitted to the United States for the same purposes as their spouses or parents. The change applies retroactively to January 1, 1999.

Contribution report format

Currently, each employer that is subject to the unemployment insurance law must file with DWD periodic reports of contributions (taxes). This bill provides that, if an employer retains an agent to file contribution reports and the agent files contribution reports on behalf of 25 or more employers, the agent must file the contribution reports electronically. Under the bill, employer agents that are subject to this requirement and that fail to file their reports electronically may be assessed a penalty of \$25 for each employer whose report is not filed electronically.

Temporary reserve appeal tribunals

Currently, DWD employs individuals to serve as "appeal tribunals," who hear and decide appeals of initial determinations made by employees of DWD with respect to unemployment insurance matters. With limited exceptions, these individuals must be permanent employees of DWD. This bill permits DWD to employ an individual who formerly served as an appeal tribunal, and who retired from state service as a permanent employee, to serve as a temporary reserve appeal tribunal. The individual must be an attorney who is licensed to practice in this state. Currently, the rates of pay for limited term state employees are fixed under the state compensation plan. This bill provides that the compensation plan must include a

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provision specifying that, if an individual receives a limited term appointment as a temporary reserve appeal tribunal, DWD may compensate the individual at a rate not more than the base pay rate that the individual was paid at the time of his or her separation from DWD, plus any intervening adjustment made since that separation.

Treatment of employee leasing arrangements

Currently, an employer is generally liable for contributions (taxes) or benefit reimbursements based on an individual's employment if the individual is subject to the employer's control or direction over the performance of the individual's services. However, if an individual performs services for a client or customer of an employee service company under contract, the employee service company is liable for the contributions (taxes) or benefit reimbursements based on those services under certain specified conditions. This bill discontinues the existing category of "employee service company" and replaces it with two new categories called "professional employer organization" and "temporary help company." Under the bill, a professional employer organization or a temporary help company is treated as the employer of individuals who perform services for the entities with whom the organizations or companies contract under certain specified conditions. Professional employer organizations generally engage individuals on an ongoing basis to perform services for the entities with whom they contract, whereas temporary help companies engage individuals on a temporary basis to support or supplement the workforce of the entities with whom they contract.

Electronic submissions

Under current state law, unless otherwise provided, any document that may be submitted in writing to a state agency and that requires a signature may, with the consent of the agency, be submitted in electronic format. Federal law may also require or permit state agencies to accept certain documents electronically. This bill specifically permits DWD to provide a secure means of electronic interchange between itself and employing units, claimants, and other persons which, upon request to and with prior approval by DWD, may be used for departmental transmission or receipt of any document that is related the administration of the unemployment insurance law in lieu of any other means of submission or receipt currently provided. The bill also provides that, if a due date is established by statute for the receipt of any document that is submitted electronically to DWD, then that submission is timely only if the document is submitted by midnight of that due date.

Liens for unpaid reimbursements and certain forfeitures

Currently, if an employer owes any contributions (taxes), interest, or fees to DWD, DWD has a lien on the employer's real and personal property located in this state at the time that DWD issues any initial determinations of liability, unless the lien is temporarily barred or stayed under bankruptcy or other insolvency law. This bill provides that DWD has a lien under the same conditions for any unpaid civil penalties imposed by DWD under the unemployment insurance law and for unpaid reimbursements of benefits payable by an employer that has elected to reimburse the unemployment reserve fund for benefits paid on its behalf instead of making contributions to the fund.

SENATE BILL 276***Administrative levies to collect certain liabilities***

Currently, a governmental or nonprofit employer is generally permitted to elect to finance benefit payments by reimbursing the unemployment reserve fund for the cost of benefits charged to its account rather than by paying regular contributions (taxes) to finance these benefits. If a reimbursement is not paid when due, DWD may collect the reimbursement by bringing a lawsuit against the debtor in circuit court. This bill permits DWD to administratively levy against any property other than realty of a person who fails to pay a reimbursement when due. Under the levy procedure, the person in possession of property that is subject to levy must surrender the property to DWD and DWD applies the property to offset the amount owed by the owner, plus the expenses of the levy.

Currently, DWD may proceed against any third party that has in its possession property that is subject to levy for payment of delinquent contributions or penalties administratively assessed by DWD, or for repayment of benefit overpayments. A third party is not liable for more than 25% of the debt owed by the original debtor. This bill permits DWD to use the levy procedure to recover property owed to DWD by third parties, subject to the current limitations, for unpaid contributions and penalties and benefit overpayments that have not been repaid, as well as for unpaid reimbursements.

The bill also permits DWD to administratively levy against the property of any person who fails to pay fees assessed by DWD under the unemployment insurance law.

Partial successorship

Currently, if at least 25% of a business is transferred from one employer to another employer and the transferee requests DWD to treat it as a successor to the transferor for purposes of unemployment insurance experience, including contribution and benefit liability, DWD must treat the transferee as a successor, instead of treating it as a new employer, under certain conditions. This bill precludes a transferee from requesting that it be treated as a successor to a transferor unless 100% of the transferor's business is transferred to a single transferee, except that the bill requires that a transferee be treated as a successor, under certain conditions, if 100% of the transferor's business is transferred to the transferee or if the transferor's unemployment insurance account is overdrawn on the date of the transfer.

Fraud detection and prosecution

This bill requires DWD to furnish annually to the council on unemployment insurance a report summarizing DWD's activities related to detection and prosecution of unemployment insurance fraud. Currently, no such report is required.

Funding and position changes

This bill authorizes 15.0 federally funded project positions for DWD to carry out unemployment insurance information technology system redesign projects. The bill also appropriates \$250,000 from revenue received by DWD for interest, penalties,

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and fees for unemployment insurance purposes to be used to pay for employment service expenses that were disallowed as federally aided costs.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 20.445 (1) (gh) (title) of the statutes is amended to read:

2 20.445 (1) (gh) (title) *Unemployment tax and accounting system information*
3 *technology systems; assessments.*

4 **SECTION 2.** 20.445 (1) (nb) (title) of the statutes is amended to read:

5 20.445 (1) (nb) (title) *Unemployment tax and accounting system information*
6 *technology systems; federal moneys.*

7 **SECTION 3.** 49.45 (10) of the statutes is amended to read:

8 49.45 (10) **RULE-MAKING POWERS AND DUTIES.** The department is authorized to
9 promulgate such rules as are consistent with its duties in administering medical
10 assistance. The department shall promulgate a rule defining the term “part-time
11 intermittent care” for the purpose of s. 49.46.

12 **SECTION 4.** 108.02 (10m) of the statutes is amended to read:

13 108.02 (10m) **EDUCATIONAL SERVICE AGENCY.** “Educational service agency”
14 means a governmental entity or Indian tribal unit which is established and operated
15 exclusively for the purpose of providing services to one or more educational
16 institutions.

17 **SECTION 5.** 108.02 (12m) (intro.) of the statutes is renumbered 108.02 (24m)
18 (intro.) and amended to read:

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1 108.02 (24m) ~~EMPLOYEE SERVICE~~ TEMPORARY HELP COMPANY. (intro.) “Employee
2 service “Temporary help company” means ~~a leasing company or temporary help~~
3 service an entity which contracts with ~~clients or customers~~ a client to supply
4 individuals to perform services for the client ~~or customer~~ on a temporary basis to
5 support or supplement the workforce of the client in situations such as personnel
6 absences, temporary personnel shortages, and workload changes resulting from
7 seasonal demands or special assignments or projects, and which, both under
8 contract and in fact:

9 **SECTION 6.** 108.02 (12m) (a) and (b) of the statutes are renumbered 108.02
10 (24m) (a) and (b) and amended to read:

11 108.02 (24m) (a) Negotiates with clients ~~or customers~~ for such matters as time,
12 place, type of work, working conditions, quality, and price of the services;

13 (b) Determines assignments or reassignments of individuals to its clients ~~or~~
14 customers, even if the individuals retain the right to refuse specific assignments;

15 **SECTION 7.** 108.02 (12m) (c) and (d) of the statutes are renumbered 108.02
16 (24m) (c) and (d).

17 **SECTION 8.** 108.02 (12m) (e) of the statutes is renumbered 108.02 (24m) (e) and
18 amended to read:

19 108.02 (24m) (e) Hires and terminates individuals who perform services for the
20 clients ~~or customers~~.

21 **SECTION 9.** 108.02 (13) (a) of the statutes is amended to read:

22 108.02 (13) (a) “Employer” means every government unit and Indian tribe, and
23 any person, association, corporation, whether domestic or foreign, or legal
24 representative, debtor in possession or trustee in bankruptcy or receiver or trustee
25 of a person, partnership, association, or corporation, or guardian of the estate of a

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1 person, or legal representative of a deceased person, any partnership or partnerships
2 consisting of the same partners, except as provided in par. (L), any limited liability
3 company or limited liability companies consisting of the same members, except as
4 provided in par. (kL), and any fraternal benefit society as defined in s. 614.01 (1) (a),
5 which is subject to this chapter under the statutes of 1975, or which has had
6 employment in this state and becomes subject to this chapter under this subsection
7 and, notwithstanding any other provisions of this section, any service insurance
8 corporation organized or operating under ch. 613, except as provided in s. 108.152
9 (6) (a) 3.

10 **SECTION 10.** 108.02 (15) (f) (intro.) of the statutes is amended to read:

11 108.02 (15) (f) (intro.) “Employment” as applied to work for a government unit
12 or Indian tribe, except as such unit or tribe duly elects otherwise with the
13 department’s approval, does not include service:

14 **SECTION 11.** 108.02 (15) (g) (intro.) of the statutes is amended to read:

15 108.02 (15) (g) (intro.) “Employment” as applied to work for a government unit,
16 an Indian tribe, or a nonprofit organization, except as such unit, tribe, or
17 organization duly elects otherwise with the department’s approval, does not include
18 service:

19 **SECTION 12.** 108.02 (15) (gm) of the statutes is created to read:

20 108.02 (15) (gm) “Employment,” as applied to work for an Indian tribe, does not
21 include service performed after the department terminates application of this
22 chapter to the tribe under s. 108.152 (6) (a) 3.

23 **SECTION 13.** 108.02 (15) (j) 4. and 5. of the statutes are amended to read:

24 108.02 (15) (j) 4. In the employ of a hospital by a patient of such hospital; ~~or~~

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1 5. In any quarter in the employ of any organization exempt from federal income
2 tax under section 501 (a) of the internal revenue code, other than an organization
3 described in section 401 (a) or 501 (c) (3) of such code, or under section 521 of the
4 internal revenue code, if the remuneration for such service is less than \$50; or

5 **SECTION 14.** 108.02 (15) (j) 6. of the statutes is created to read:

6 108.02 (15) (j) 6. By a nonresident alien for the period that he or she is
7 temporarily present in the United States as a nonimmigrant under 8 USC 1101 (a)
8 (15) (F), (J), (M), or (Q), if the service is performed to carry out the purpose for which
9 the alien is admitted to the United States, as provided in 8 USC 1101 (a) (15) (F), (J),
10 (M), or (Q), or by the spouse or minor child of such an alien if the spouse or child was
11 also admitted to the United States under 8 USC 1101 (a) (15) (F), (J), (M), or (Q) for
12 the same purpose.

13 **SECTION 15.** 108.02 (15) (k) 18. c. of the statutes is amended to read:

14 108.02 (15) (k) 18. c. The amount of the lease payment is not contingent upon
15 the income generated through the use of the motor vehicle or equipment during the
16 lease term; ~~or~~

17 **SECTION 16.** 108.02 (15) (k) 19. b. of the statutes is amended to read:

18 108.02 (15) (k) 19. b. The individual has been paid or is treated as having been
19 paid wages or other remuneration of \$500 or more during his or her base period for
20 services performed for at least one employer other than the seasonal employer which
21 is subject to the unemployment insurance law of any state or the federal
22 government; or

23 **SECTION 17.** 108.02 (15) (k) 20. of the statutes is created to read:

24 108.02 (15) (k) 20. Provided to a recipient of medical assistance under ch. 49
25 by an individual who is not an employee of a home health agency, if the service is:

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1 a. Private duty nursing service or part-time intermittent care authorized
2 under s. 49.46 (2) (b) 6. g., for which medical assistance reimbursement is available
3 as a covered service, provided by an individual who is certified by the department of
4 health and family services under s. 49.45 (2) (a) 11. as a nurse in independent
5 practice or as an independent nurse practitioner; or

6 b. Respiratory care service for ventilator-dependent individuals authorized
7 under s. 49.46 (2) (b) 6m., for which medical assistance reimbursement is available
8 as a covered service, provided by an individual who is certified by the department of
9 health and family services under s. 49.45 (2) (a) 11. as a provider of respiratory care
10 services in independent practice.

11 **SECTION 18.** 108.02 (15) (n) of the statutes is amended to read:

12 108.02 (15) (n) If any employment for a government unit, Indian tribe, or
13 nonprofit organization excluded under other paragraphs of this subsection is
14 required by the federal unemployment tax act, the social security act, or any other
15 federal law, to be employment covered by this chapter as a condition for approval of
16 this chapter for full tax credit against the tax imposed by the federal unemployment
17 tax act, such exclusion shall not apply under this chapter.

18 **SECTION 19.** 108.02 (17m) of the statutes is created to read:

19 108.02 (17m) “Indian tribe” has the meaning given in 25 USC 450b (e), and
20 includes any subdivision, subsidiary, or business enterprise that is wholly owned by
21 such an entity.

22 **SECTION 20.** 108.02 (20g) of the statutes is created to read:

23 108.02 (20g) PART-TIME INTERMITTENT CARE. “Part-time intermittent care”, as
24 defined by the department of health and family services under s. 49.45 (10), means
25 skilled nursing service that is provided in the home of a recipient of medical

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1 assistance under ch. 49 under a written plan of care that specifies the medical
2 necessity of the care.

3 **SECTION 21.** 108.02 (21c) of the statutes is created to read:

4 108.02 (21c) PRIVATE-DUTY NURSING SERVICE. "Private-duty nursing service"
5 means skilled nursing service under a written plan of care that specifies the medical
6 necessity of the care, which is provided to a recipient of medical assistance under ch.
7 49 whose medical condition requires more continuous skilled nursing service than
8 may be provided as part-time intermittent care.

9 **SECTION 22.** 108.02 (21e) of the statutes is created to read:

10 108.02 (21e) PROFESSIONAL EMPLOYER ORGANIZATION. "Professional employer
11 organization" means any person who contracts to provide the nontemporary, ongoing
12 employee workforce of a client under a written leasing contract and who under
13 contract and in fact:

14 (a) Has the right to hire and terminate the employees who perform services for
15 the client and to reassign the employees to other clients;

16 (b) Sets the rate of pay of the employees, whether or not through negotiations;

17 (c) Has the obligation to and pays the employees from its own accounts;

18 (d) Has a general right of direction and control over the employees, including
19 corporate officers, which right may be shared with the client to the degree necessary
20 to allow the client to conduct its business, meet any fiduciary responsibility, or
21 comply with any applicable regulatory or statutory requirements;

22 (e) Assumes responsibility for the unemployment insurance coverage of the
23 employees, files all required reports, pays all required contributions or
24 reimbursements due on the wages of the employees, and otherwise complies with all

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1 of the provisions of this chapter that are applicable to employers on behalf of the
2 client;

3 (f) Has the obligation to establish, fund, and administer employee benefit plans
4 for the employees; and

5 (g) Provides notice of the employee leasing arrangement to the employees.

6 **SECTION 23.** 108.02 (22m) of the statutes is amended to read:

7 108.02 (**22m**) SCHOOL YEAR EMPLOYEE. "School year employee" means an
8 employee of an educational institution or an educational service agency, or an
9 employee of a government unit, Indian tribe, or nonprofit organization which
10 provides services to or on behalf of an educational institution, who performs services
11 under an employment contract which does not require the performance of services
12 on a year-round basis.

13 **SECTION 24.** 108.02 (23g) of the statutes is created to read:

14 108.02 (**23g**) SKILLED NURSING SERVICE. "Skilled nursing service" means
15 professional nursing service that is provided under a physician's order, that requires
16 the skills of a licensed registered nurse or licensed practical nurse, and that is
17 provided directly by the licensed registered nurse or licensed practical nurse or
18 directly by the licensed practical nurse under the supervision of the licensed
19 registered nurse.

20 **SECTION 25.** 108.02 (29) of the statutes is created to read:

21 108.02 (**29**) WORKING DAY. "Working day" has the meaning given in s. 227.01
22 (14).

23 **SECTION 26.** 108.04 (2) (a) 3. of the statutes is amended to read:

24 108.04 (**2**) (a) 3. The individual is seeking suitable work during that week or,
25 during the ~~104-week~~ 156-week period beginning on January 2, 2000, the individual

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1 conducts a reasonable search for suitable work during that week. The work
2 reasonable search required under during the period specified in this subdivision
3 must include 2 actions that constitute a reasonable search as prescribed by rule of
4 the department. The department shall, by rule, require claimants to conduct a
5 reasonable search for suitable work during the period beginning after the 156-week
6 period specified in this subdivision and shall, by rule, prescribe standards for the
7 search to be considered reasonable.

8 **SECTION 27.** 108.04 (7) (h) of the statutes is amended to read:

9 108.04 (7) (h) The department shall charge to the fund's balancing account
10 benefits paid to an employee that are otherwise chargeable to the account of an
11 employer that is subject to the contribution requirements of ss. 108.17 and 108.18
12 if the employee voluntarily terminates employment with that employer and par. (a),
13 (c), (d), (e), (k), (L), (o), (p), (q), or (s) or sub. (16) (b) applies.

14 **SECTION 28.** 108.04 (8) (c) of the statutes is amended to read:

15 108.04 (8) (c) If an employee fails, without good cause, to return to work with
16 a former employer that recalls the employee within 52 weeks after the employee last
17 worked for that employer, the employee is ineligible to receive benefits until 4 weeks
18 have elapsed since the end of the week in which the failure occurs and the employee
19 earns wages after the week in which the failure occurs equal to at least 4 times the
20 employee's weekly benefit rate under s. 108.05 (1) in employment or other work
21 covered by the unemployment insurance law of any state or the federal government.
22 For purposes of requalification, the employee's weekly benefit rate shall be that rate
23 which would have been paid had the failure not occurred. This paragraph does not
24 preclude an employee from establishing a benefit year during a period in which the
25 employee is ineligible to receive benefits under this paragraph if the employee

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1 qualifies to establish a benefit year under s. 108.06 (2) (a). The department shall
2 charge to the fund's balancing account any benefits otherwise chargeable to the
3 account of any employer that is subject to the contribution requirements under ss.
4 108.17 and 108.18 whenever an employee of that employer fails, without good cause,
5 to return to work with that employer. If an employee receives actual notice of a recall
6 to work, par. (a) applies in lieu of this paragraph.

7 **SECTION 29.** 108.04 (13) (d) 4. (intro.) of the statutes is amended to read:

8 108.04 (13) (d) 4. (intro.) To correct any erroneous payment not so adjusted from
9 the account of an employer which is a government unit, an Indian tribe, or a nonprofit
10 organization and which has elected reimbursement financing, the department shall:

11 **SECTION 30.** 108.04 (16) (b) of the statutes is amended to read:

12 108.04 (16) (b) The requalifying employment requirement under subs. (7) and
13 (8) and the general qualifying requirements under sub. (2) do not apply to an
14 individual as a result of the individual's enrollment in training or leaving unsuitable
15 work to enter or continue training under 19 USC 2296 or a plan approved under 29
16 USC 2822.

17 **SECTION 31.** 108.04 (17) (b) of the statutes is amended to read:

18 108.04 (17) (b) A school year employee of a government unit, Indian tribe, or
19 nonprofit organization which provides services to or on behalf of an educational
20 institution who performs services in an instructional, research, or principal
21 administrative capacity is ineligible for benefits based on such services for any week
22 of unemployment which occurs:

23 1. During the period between 2 successive academic years or terms, if the school
24 year employee performed such services for such a government unit, Indian tribe, or
25 nonprofit organization in the first such year or term and if there is reasonable

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1 assurance that he or she will perform such services for such a government unit,
2 Indian tribe, or nonprofit organization in the 2nd such year or term; or

3 2. During the period between 2 regular but not successive academic terms,
4 when an agreement between an employer and a school year employee provides for
5 such a period, if the school year employee performed such services for such a
6 government unit, Indian tribe, or nonprofit organization in the first such term and
7 if there is reasonable assurance that he or she will perform such services for such a
8 government unit, Indian tribe, or nonprofit organization in the 2nd such term.

9 **SECTION 32.** 108.04 (17) (e) of the statutes is amended to read:

10 108.04 (17) (e) A school year employee of a government unit, Indian tribe, or
11 nonprofit organization which provides services to or on behalf of an educational
12 institution who performs services other than in an instructional, research or
13 principal administrative capacity is ineligible for benefits based on such services for
14 any week of unemployment which occurs during a period between 2 successive
15 academic years or terms if the school year employee performed such services for such
16 a government unit or nonprofit organization in the first such year or term and there
17 is reasonable assurance that he or she will perform such services for such a
18 government unit, Indian tribe, or nonprofit organization in the 2nd such year or
19 term.

20 **SECTION 33.** 108.04 (17) (h) of the statutes is amended to read:

21 108.04 (17) (h) A school year employee of a government unit, Indian tribe, or
22 nonprofit organization which provides services to or on behalf of an educational
23 institution who performs the services described in par. (b) or (e) is ineligible for
24 benefits based on such services for any week of unemployment which occurs during
25 an established and customary vacation period or holiday recess if the school year

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1 employee performed such services for such a government unit, Indian tribe, or
2 nonprofit organization in the period immediately before the vacation period or
3 holiday recess, and there is reasonable assurance that the school year employee will
4 perform the services described in par. (b) or (e) for such a government unit, Indian
5 tribe, or nonprofit organization in the period immediately following the vacation
6 period or holiday recess.

7 **SECTION 34.** 108.05 (1) (L) (intro.) of the statutes is amended to read:

8 108.05 (1) (L) (intro.) Each eligible employee shall be paid benefits for each
9 week of total unemployment that commences on or after October 1, 2000, and before
10 December 30, 2001, at the weekly benefit rate specified in this paragraph. Unless
11 sub. (1m) applies, the weekly benefit rate shall equal 4% of the employee's base
12 period wages that were paid during that quarter of the employee's base period in
13 which the employee was paid the highest total wages, rounded down to the nearest
14 whole dollar, except that, if that amount is less than the minimum amount shown
15 in the following schedule, no benefits are payable to the employee and, if that amount
16 is more than the maximum amount shown in the following schedule, the employee's
17 weekly benefit rate shall be the maximum amount shown in the following schedule
18 and except that, if the employee's benefits are exhausted during any week under s.
19 108.06 (1), the employee shall be paid the remaining amount of benefits payable to
20 the employee in lieu of the amount shown in the following schedule: [See Figure
21 108.05 (1) (L) following]

22 **SECTION 35.** 108.05 (1) (m) and (n) of the statutes are created to read:

23 108.05 (1) (m) Each eligible employee shall be paid benefits for each week of
24 total unemployment which commences on or after December 30, 2001, and before
25 December 29, 2002, at the weekly benefit rate specified in this paragraph. Unless

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1 sub. (1m) applies, the weekly benefit rate shall equal 4% of the employee's base
 2 period wages which were paid during that quarter of the employee's base period in
 3 which the employee was paid the highest total wages, rounded down to the nearest
 4 whole dollar, except that, if that amount is less than the minimum amount shown
 5 in the following schedule, no benefits are payable to the employee and, if that amount
 6 is more than the maximum amount shown in the following schedule, the employee's
 7 weekly benefit rate shall be the maximum amount shown in the following schedule
 8 and except that, if the employee's benefits are exhausted during any week under s.
 9 108.06 (1), the employee shall be paid the remaining amount of benefits payable to
 10 the employee in lieu of the amount shown in the following schedule: [See Figure
 11 108.05 (1) (m) following]

Figure 108.05 (1) (m):

Line	Highest Quarterly Wages Paid	Weekly Benefit Rate
1.	Under \$1,200.00	\$ 0
2.	1,200.00 to 1,224.99	48
3.	1,225.00 to 1,249.99	49
4.	1,250.00 to 1,274.99	50
5.	1,275.00 to 1,299.99	51
6.	1,300.00 to 1,324.99	52
7.	1,325.00 to 1,349.99	53
8.	1,350.00 to 1,374.99	54

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1	9.	1,375.00	to	1,399.99	55
2	10.	1,400.00	to	1,424.99	56
3	11.	1,425.00	to	1,449.99	57
4	12.	1,450.00	to	1,474.99	58
5	13.	.....	1,475.00	to	1,499.99	.....	59
6	14.	.....	1,500.00	to	1,524.99	.....	60
7	15.	.....	1,525.00	to	1,549.99	.....	61
8	16.	.....	1,550.00	to	1,574.99	.....	62
9	17.	.....	1,575.00	to	1,599.99	.....	63
10	18.	.....	1,600.00	to	1,624.99	.....	64
11	19.	.....	1,625.00	to	1,649.99	.....	65
12	20.	.....	1,650.00	to	1,674.99	.....	66
13	21.	.....	1,675.00	to	1,699.99	.....	67
14	22.	.....	1,700.00	to	1,724.99	.....	68
15	23.	.....	1,725.00	to	1,749.99	.....	69
16	24.	.....	1,750.00	to	1,774.99	.....	70
17	25.	.....	1,775.00	to	1,799.99	.....	71
18	26.	.....	1,800.00	to	1,824.99	.....	72
19	27.	.....	1,825.00	to	1,849.99	.....	73
20	28.	.....	1,850.00	to	1,874.99	.....	74
21	29.	.....	1,875.00	to	1,899.99	.....	75
22	30.	1,900.00	to	1,924.99	76
23	31.	1,925.00	to	1,949.99	77
24	32.	1,950.00	to	1,974.99	78

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1	33.	1,975.00	to	1,999.99	79
2	34.	2,000.00	to	2,024.99	80
3	35.	2,025.00	to	2,049.99	81
4	36.	2,050.00	to	2,074.99	82
5	37.	.....	2,075.00	to	2,099.99	.....	83
6	38.	.....	2,100.00	to	2,124.99	.....	84
7	39.	.....	2,125.00	to	2,149.99	.....	85
8	40.	.....	2,150.00	to	2,174.99	.....	86
9	41.	.....	2,175.00	to	2,199.99	.....	87
10	42.	.....	2,200.00	to	2,224.99	.....	88
11	43.	.....	2,225.00	to	2,249.99	.....	89
12	44.	.....	2,250.00	to	2,274.99	.....	90
13	45.	.....	2,275.00	to	2,299.99	.....	91
14	46.	.....	2,300.00	to	2,324.99	.....	92
15	47.	.....	2,325.00	to	2,349.99	.....	93
16	48.	.....	2,350.00	to	2,374.99	.....	94
17	49.	.....	2,375.00	to	2,399.99	.....	95
18	50.	.....	2,400.00	to	2,424.99	.....	96
19	51.	.....	2,425.00	to	2,449.99	.....	97
20	52.	.....	2,450.00	to	2,474.99	.....	98
21	53.	.....	2,475.00	to	2,499.99	.....	99
22	54.	2,500.00	to	2,524.99	100
23	55.	2,525.00	to	2,549.99	101
24	56.	2,550.00	to	2,574.99	102

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1	57.	2,575.00	to	2,599.99	103
2	58.	2,600.00	to	2,624.99	104
3	59.	2,625.00	to	2,649.99	105
4	60.	2,650.00	to	2,674.99	106
5	61.	.....	2,675.00	to	2,699.99	.....	107
6	62.	.....	2,700.00	to	2,724.99	.....	108
7	63.	.....	2,725.00	to	2,749.99	.....	109
8	64.	.....	2,750.00	to	2,774.99	.....	110
9	65.	.....	2,775.00	to	2,799.99	.....	111
10	66.	.....	2,800.00	to	2,824.99	.....	112
11	67.	.....	2,825.00	to	2,849.99	.....	113
12	68.	.....	2,850.00	to	2,874.99	.....	114
13	69.	.....	2,875.00	to	2,899.99	.....	115
14	70.	.....	2,900.00	to	2,924.99	.....	116
15	71.	.....	2,925.00	to	2,949.99	.....	117
16	72.	.....	2,950.00	to	2,974.99	.....	118
17	73.	.....	2,975.00	to	2,999.99	.....	119
18	74.	.....	3,000.00	to	3,024.99	.....	120
19	75.	.....	3,025.00	to	3,049.99	.....	121
20	76.	.....	3,050.00	to	3,074.99	.....	122
21	77.	.....	3,075.00	to	3,099.99	.....	123
22	78.	3,100.00	to	3,124.99	124
23	79.	3,125.00	to	3,149.99	125
24	80.	3,150.00	to	3,174.99	126

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1	81.	3,175.00	to	3,199.99	127
2	82.	3,200.00	to	3,224.99	128
3	83.	3,225.00	to	3,249.99	129
4	84.	3,250.00	to	3,274.99	130
5	85.	.....	3,275.00	to	3,299.99	.....	131
6	86.	.....	3,300.00	to	3,324.99	.....	132
7	87.	.....	3,325.00	to	3,349.99	.....	133
8	88.	.....	3,350.00	to	3,374.99	.....	134
9	89.	.....	3,375.00	to	3,399.99	.....	135
10	90.	.....	3,400.00	to	3,424.99	.....	136
11	91.	.....	3,425.00	to	3,449.99	.....	137
12	92.	.....	3,450.00	to	3,474.99	.....	138
13	93.	.....	3,475.00	to	3,499.99	.....	139
14	94.	.....	3,500.00	to	3,524.99	.....	140
15	95.	.....	3,525.00	to	3,549.99	.....	141
16	96.	.....	3,550.00	to	3,574.99	.....	142
17	97.	.....	3,575.00	to	3,599.99	.....	143
18	98.	.....	3,600.00	to	3,624.99	.....	144
19	99.	.....	3,625.00	to	3,649.99	.....	145
20	100.	.....	3,650.00	to	3,674.99	.....	146
21	101.	.....	3,675.00	to	3,699.99	.....	147
22	102.	3,700.00	to	3,724.99	148
23	103.	3,725.00	to	3,749.99	149
24	104.	3,750.00	to	3,774.99	150

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1	105.	3,775.00	to	3,799.99	151
2	106.	3,800.00	to	3,824.99	152
3	107.	3,825.00	to	3,849.99	153
4	108.	3,850.00	to	3,874.99	.....	154
5	109.	3,875.00	to	3,899.99	.....	155
6	110.	3,900.00	to	3,924.99	.....	156
7	111.	3,925.00	to	3,949.99	.....	157
8	112.	3,950.00	to	3,974.99	.....	158
9	113.	3,975.00	to	3,999.99	.....	159
10	114.	4,000.00	to	4,024.99	.....	160
11	115.	4,025.00	to	4,049.99	.....	161
12	116.	4,050.00	to	4,074.99	.....	162
13	117.	4,075.00	to	4,099.99	.....	163
14	118.	4,100.00	to	4,124.99	.....	164
15	119.	4,125.00	to	4,149.99	.....	165
16	120.	4,150.00	to	4,174.99	.....	166
17	121.	4,175.00	to	4,199.99	.....	167
18	122.	4,200.00	to	4,224.99	.....	168
19	123.	4,225.00	to	4,249.99	.....	169
20	124.	4,250.00	to	4,274.99	.....	170
21	125.	4,275.00	to	4,299.99	.....	171
22	126.	4,300.00	to	4,324.99	172
23	127.	4,325.00	to	4,349.99	173
24	128.	4,350.00	to	4,374.99	174

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1	129.	4,375.00	to	4,399.99	175
2	130.	4,400.00	to	4,424.99	176
3	131.	4,425.00	to	4,449.99	177
4	132.	4,450.00	to	4,474.99	.....	178
5	133.	4,475.00	to	4,499.99	.....	179
6	134.	4,500.00	to	4,524.99	.....	180
7	135.	4,525.00	to	4,549.99	.....	181
8	136.	4,550.00	to	4,574.99	.....	182
9	137.	4,575.00	to	4,599.99	.....	183
10	138.	4,600.00	to	4,624.99	.....	184
11	139.	4,625.00	to	4,649.99	.....	185
12	140.	4,650.00	to	4,674.99	.....	186
13	141.	4,675.00	to	4,699.99	.....	187
14	142.	4,700.00	to	4,724.99	.....	188
15	143.	4,725.00	to	4,749.99	.....	189
16	144.	4,750.00	to	4,774.99	.....	190
17	145.	4,775.00	to	4,799.99	.....	191
18	146.	4,800.00	to	4,824.99	.....	192
19	147.	4,825.00	to	4,849.99	.....	193
20	148.	4,850.00	to	4,874.99	.....	194
21	149.	4,875.00	to	4,899.99	.....	195
22	150.	4,900.00	to	4,924.99	196
23	151.	4,925.00	to	4,949.99	197
24	152.	4,950.00	to	4,974.99	198

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1	153.	4,975.00	to	4,999.99	199
2	154.	5,000.00	to	5,024.99	200
3	155.	5,025.00	to	5,049.99	201
4	156.	5,050.00	to	5,074.99	.....	202
5	157.	5,075.00	to	5,099.99	.....	203
6	158.	5,100.00	to	5,124.99	.....	204
7	159.	5,125.00	to	5,149.99	.....	205
8	160.	5,150.00	to	5,174.99	.....	206
9	161.	5,175.00	to	5,199.99	.....	207
10	162.	5,200.00	to	5,224.99	.....	208
11	163.	5,225.00	to	5,249.99	.....	209
12	164.	5,250.00	to	5,274.99	.....	210
13	165.	5,275.00	to	5,299.99	.....	211
14	166.	5,300.00	to	5,324.99	.....	212
15	167.	5,325.00	to	5,349.99	.....	213
16	168.	5,350.00	to	5,374.99	.....	214
17	169.	5,375.00	to	5,399.99	.....	215
18	170.	5,400.00	to	5,424.99	.....	216
19	171.	5,425.00	to	5,449.99	.....	217
20	172.	5,450.00	to	5,474.99	.....	218
21	173.	5,475.00	to	5,499.99	.....	219
22	174.	5,500.00	to	5,524.99	220
23	175.	5,525.00	to	5,549.99	221
24	176.	5,550.00	to	5,574.99	222

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1	177.	5,575.00	to	5,599.99	223
2	178.	5,600.00	to	5,624.99	224
3	179.	5,625.00	to	5,649.99	225
4	180.	5,650.00	to	5,674.99	.....	226
5	181.	5,675.00	to	5,699.99	.....	227
6	182.	5,700.00	to	5,724.99	.....	228
7	183.	5,725.00	to	5,749.99	.....	229
8	184.	5,750.00	to	5,774.99	.....	230
9	185.	5,775.00	to	5,799.99	.....	231
10	186.	5,800.00	to	5,824.99	.....	232
11	187.	5,825.00	to	5,849.99	.....	233
12	188.	5,850.00	to	5,874.99	.....	234
13	189.	5,875.00	to	5,899.99	.....	235
14	190.	5,900.00	to	5,924.99	.....	236
15	191.	5,925.00	to	5,949.99	.....	237
16	192.	5,950.00	to	5,974.99	.....	238
17	193.	5,975.00	to	5,999.99	.....	239
18	194.	6,000.00	to	6,024.99	.....	240
19	195.	6,025.00	to	6,049.99	.....	241
20	196.	6,050.00	to	6,074.99	.....	242
21	197.	6,075.00	to	6,099.99	.....	243
22	198.	6,100.00	to	6,124.99	244
23	199.	6,125.00	to	6,149.99	245
24	200.	6,150.00	to	6,174.99	246

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1	201.	6,175.00	to	6,199.99	247
2	202.	6,200.00	to	6,224.99	248
3	203.	6,225.00	to	6,249.99	249
4	204.	6,250.00	to	6,274.99	.....	250
5	205.	6,275.00	to	6,299.99	.....	251
6	206.	6,300.00	to	6,324.99	.....	252
7	207.	6,325.00	to	6,349.99	.....	253
8	208.	6,350.00	to	6,374.99	.....	254
9	209.	6,375.00	to	6,399.99	.....	255
10	210.	6,400.00	to	6,424.99	.....	256
11	211.	6,425.00	to	6,449.99	.....	257
12	212.	6,450.00	to	6,474.99	.....	258
13	213.	6,475.00	to	6,499.99	.....	259
14	214.	6,500.00	to	6,524.99	.....	260
15	215.	6,525.00	to	6,549.99	.....	261
16	216.	6,550.00	to	6,574.99	.....	262
17	217.	6,575.00	to	6,599.99	.....	263
18	218.	6,600.00	to	6,624.99	.....	264
19	219.	6,625.00	to	6,649.99	.....	265
20	220.	6,650.00	to	6,674.99	.....	266
21	221.	6,675.00	to	6,699.99	.....	267
22	222.	6,700.00	to	6,724.99	268
23	223.	6,725.00	to	6,749.99	269
24	224.	6,750.00	to	6,774.99	270

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1	225.	6,775.00	to	6,799.99	271
2	226.	6,800.00	to	6,824.99	272
3	227.	6,825.00	to	6,849.99	273
4	228.	6,850.00	to	6,874.99	.....	274
5	229.	6,875.00	to	6,899.99	.....	275
6	230.	6,900.00	to	6,924.99	.....	276
7	231.	6,925.00	to	6,949.99	.....	277
8	232.	6,950.00	to	6,974.99	.....	278
9	233.	6,975.00	to	6,999.99	.....	279
10	234.	7,000.00	to	7,024.99	.....	280
11	235.	7,025.00	to	7,049.99	.....	281
12	236.	7,050.00	to	7,074.99	.....	282
13	237.	7,075.00	to	7,099.99	.....	283
14	238.	7,100.00	to	7,124.99	.....	284
15	239.	7,125.00	to	7,149.99	.....	285
16	240.	7,150.00	to	7,174.99	.....	286
17	241.	7,175.00	to	7,199.99	.....	287
18	242.	7,200.00	to	7,224.99	.....	288
19	243.	7,225.00	to	7,249.99	.....	289
20	244.	7,250.00	to	7,274.99	.....	290
21	245.	7,275.00	to	7,299.99	.....	291
22	246.	7,300.00	to	7,324.99	292
23	247.	7,325.00	to	7,349.99	293
24	248.	7,350.00	to	7,374.99	294

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1	249.	7,375.00	to	7,399.99	295
2	250.	7,400.00	to	7,424.99	296
3	251.	7,425.00	to	7,449.99	297
4	252.	7,450.00	to	7,474.99	.....	298
5	253.	7,475.00	to	7,499.99	.....	299
6	254.	7,500.00	to	7,524.99	.....	300
7	255.	7,525.00	to	7,549.99	.....	301
8	256.	7,550.00	to	7,574.99	.....	302
9	257.	7,575.00	to	7,599.99	.....	303
10	258.	7,600.00	to	7,624.99	.....	304
11	259.	7,625.00	to	7,649.99	.....	305
12	260.	7,650.00	to	7,674.99	.....	306
13	261.	7,675.00	to	7,699.99	.....	307
14	262.	7,700.00	to	7,724.99	.....	308
15	263.	7,725.00	to	7,749.99	.....	309
16	264.	7,750.00	to	7,774.99	.....	310
17	265.	7,775.00	to	7,799.99	.....	311
18	266.	7,800.00	to	7,824.99	.....	312
19	267.	7,825.00	to	7,849.99	.....	313
20	268.	7,850.00	to	7,874.99	.....	314
21	269.	7,875.00	to	7,899.99	.....	315
22	270.	7,900.00	to	7,924.99	316
23	271.	7,925.00	to	7,949.99	317
24	272.	7,950.00	to	7,974.99	318

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1	273.	7,975.00	to	7,999.99	319
2	274.	8,000.00	to	8,024.99	320
3	275.	8,025.00	to	8,049.99	321
4	276.	8,050.00	to	8,074.99	.....	322
5	277.	8,075.00	to	8,099.99	.....	323
6	278.	8,100.00		and over	.....	324

7 _____

8 (n) Each eligible employee shall be paid benefits for each week of total
9 unemployment which commences on or after December 29, 2002, at the weekly
10 benefit rate specified in this paragraph. Unless sub. (1m) applies, the weekly benefit
11 rate shall equal 4% of the employee's base period wages which were paid during that
12 quarter of the employee's base period in which the employee was paid the highest
13 total wages, rounded down to the nearest whole dollar, except that, if that amount
14 is less than the minimum amount shown in the following schedule, no benefits are
15 payable to the employee and, if that amount is more than the maximum amount
16 shown in the following schedule, the employee's weekly benefit rate shall be the
17 maximum amount shown in the following schedule and except that, if the employee's
18 benefits are exhausted during any week under s. 108.06 (1), the employee shall be

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1 paid the remaining amount of benefits payable to the employee in lieu of the amount
2 shown in the following schedule: [See Figure 108.05 (1) (n) following]

3
4 **Figure 108.05 (1) (n):**

Line	Highest Quarterly Wages Paid	Weekly Benefit Rate
10 1.	Under \$1,225.00	\$ 0
11 2.	1,225.00 to 1,249.99	49
12 3.	1,250.00 to 1,274.99	50
13 4.	1,275.00 to 1,299.99	51
14 5.	1,300.00 to 1,324.99	52
15 6.	1,325.00 to 1,349.99	53
16 7.	1,350.00 to 1,374.99	54
17 8.	1,375.00 to 1,399.99	55
18 9.	1,400.00 to 1,424.99	56
19 10.	1,425.00 to 1,449.99	57
20 11.	1,450.00 to 1,474.99	58
21 12.	1,475.00 to 1,499.99	59
22 13.	1,500.00 to 1,524.99	60
23 14.	1,525.00 to 1,549.99	61
24 15.	1,550.00 to 1,574.99	62
25 16.	1,575.00 to 1,599.99	63
26 17.	1,600.00 to 1,624.99	64

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1	18.	1,625.00	to	1,649.99	65
2	19.	1,650.00	to	1,674.99	66
3	20.	1,675.00	to	1,699.99	67
4	21.	1,700.00	to	1,724.99	68
5	22.	.....	1,725.00	to	1,749.99	.....	69
6	23.	.....	1,750.00	to	1,774.99	.....	70
7	24.	.....	1,775.00	to	1,799.99	.....	71
8	25.	.....	1,800.00	to	1,824.99	.....	72
9	26.	.....	1,825.00	to	1,849.99	.....	73
10	27.	.....	1,850.00	to	1,874.99	.....	74
11	28.	.....	1,875.00	to	1,899.99	.....	75
12	29.	.....	1,900.00	to	1,924.99	.....	76
13	30.	.....	1,925.00	to	1,949.99	.....	77
14	31.	.....	1,950.00	to	1,974.99	.....	78
15	32.	.....	1,975.00	to	1,999.99	.....	79
16	33.	.....	2,000.00	to	2,024.99	.....	80
17	34.	.....	2,025.00	to	2,049.99	.....	81
18	35.	.....	2,050.00	to	2,074.99	.....	82
19	36.	.....	2,075.00	to	2,099.99	.....	83
20	37.	.....	2,100.00	to	2,124.99	.....	84
21	38.	.....	2,125.00	to	2,149.99	.....	85
22	39.	2,150.00	to	2,174.99	86
23	40.	2,175.00	to	2,199.99	87
24	41.	2,200.00	to	2,224.99	88

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1	42.	2,225.00	to	2,249.99	89
2	43.	2,250.00	to	2,274.99	90
3	44.	2,275.00	to	2,299.99	91
4	45.	2,300.00	to	2,324.99	92
5	46.	.....	2,325.00	to	2,349.99	.....	93
6	47.	.....	2,350.00	to	2,374.99	.....	94
7	48.	.....	2,375.00	to	2,399.99	.....	95
8	49.	.....	2,400.00	to	2,424.99	.....	96
9	50.	.....	2,425.00	to	2,449.99	.....	97
10	51.	.....	2,450.00	to	2,474.99	.....	98
11	52.	.....	2,475.00	to	2,499.99	.....	99
12	53.	.....	2,500.00	to	2,524.99	.....	100
13	54.	.....	2,525.00	to	2,549.99	.....	101
14	55.	.....	2,550.00	to	2,574.99	.....	102
15	56.	.....	2,575.00	to	2,599.99	.....	103
16	57.	.....	2,600.00	to	2,624.99	.....	104
17	58.	.....	2,625.00	to	2,649.99	.....	105
18	59.	.....	2,650.00	to	2,674.99	.....	106
19	60.	.....	2,675.00	to	2,699.99	.....	107
20	61.	.....	2,700.00	to	2,724.99	.....	108
21	62.	.....	2,725.00	to	2,749.99	.....	109
22	63.	2,750.00	to	2,774.99	110
23	64.	2,775.00	to	2,799.99	111
24	65.	2,800.00	to	2,824.99	112

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1	66.	2,825.00	to	2,849.99	113
2	67.	2,850.00	to	2,874.99	114
3	68.	2,875.00	to	2,899.99	115
4	69.	2,900.00	to	2,924.99	116
5	70.	.....	2,925.00	to	2,949.99	.....	117
6	71.	.....	2,950.00	to	2,974.99	.....	118
7	72.	.....	2,975.00	to	2,999.99	.....	119
8	73.	.....	3,000.00	to	3,024.99	.....	120
9	74.	.....	3,025.00	to	3,049.99	.....	121
10	75.	.....	3,050.00	to	3,074.99	.....	122
11	76.	.....	3,075.00	to	3,099.99	.....	123
12	77.	.....	3,100.00	to	3,124.99	.....	124
13	78.	.....	3,125.00	to	3,149.99	.....	125
14	79.	.....	3,150.00	to	3,174.99	.....	126
15	80.	.....	3,175.00	to	3,199.99	.....	127
16	81.	.....	3,200.00	to	3,224.99	.....	128
17	82.	.....	3,225.00	to	3,249.99	.....	129
18	83.	.....	3,250.00	to	3,274.99	.....	130
19	84.	.....	3,275.00	to	3,299.99	.....	131
20	85.	.....	3,300.00	to	3,324.99	.....	132
21	86.	.....	3,325.00	to	3,349.99	.....	133
22	87.	3,350.00	to	3,374.99	134
23	88.	3,375.00	to	3,399.99	135
24	89.	3,400.00	to	3,424.99	136

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1	90.	3,425.00	to	3,449.99	137
2	91.	3,450.00	to	3,474.99	138
3	92.	3,475.00	to	3,499.99	139
4	93.	3,500.00	to	3,524.99	140
5	94.	.....	3,525.00	to	3,549.99	.....	141
6	95.	.....	3,550.00	to	3,574.99	.....	142
7	96.	.....	3,575.00	to	3,599.99	.....	143
8	97.	.....	3,600.00	to	3,624.99	.....	144
9	98.	.....	3,625.00	to	3,649.99	.....	145
10	99.	.....	3,650.00	to	3,674.99	.....	146
11	100.	.....	3,675.00	to	3,699.99	.....	147
12	101.	.....	3,700.00	to	3,724.99	.....	148
13	102.	.....	3,725.00	to	3,749.99	.....	149
14	103.	.....	3,750.00	to	3,774.99	.....	150
15	104.	.....	3,775.00	to	3,799.99	.....	151
16	105.	.....	3,800.00	to	3,824.99	.....	152
17	106.	.....	3,825.00	to	3,849.99	.....	153
18	107.	.....	3,850.00	to	3,874.99	.....	154
19	108.	.....	3,875.00	to	3,899.99	.....	155
20	109.	.....	3,900.00	to	3,924.99	.....	156
21	110.	.....	3,925.00	to	3,949.99	.....	157
22	111.	3,950.00	to	3,974.99	158
23	112.	3,975.00	to	3,999.99	159
24	113.	4,000.00	to	4,024.99	160

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1	114.	4,025.00	to	4,049.99	161
2	115.	4,050.00	to	4,074.99	162
3	116.	4,075.00	to	4,099.99	163
4	117.	4,100.00	to	4,124.99	.....	164
5	118.	4,125.00	to	4,149.99	.....	165
6	119.	4,150.00	to	4,174.99	.....	166
7	120.	4,175.00	to	4,199.99	.....	167
8	121.	4,200.00	to	4,224.99	.....	168
9	122.	4,225.00	to	4,249.99	.....	169
10	123.	4,250.00	to	4,274.99	.....	170
11	124.	4,275.00	to	4,299.99	.....	171
12	125.	4,300.00	to	4,324.99	.....	172
13	126.	4,325.00	to	4,349.99	.....	173
14	127.	4,350.00	to	4,374.99	.....	174
15	128.	4,375.00	to	4,399.99	.....	175
16	129.	4,400.00	to	4,424.99	.....	176
17	130.	4,425.00	to	4,449.99	.....	177
18	131.	4,450.00	to	4,474.99	.....	178
19	132.	4,475.00	to	4,499.99	.....	179
20	133.	4,500.00	to	4,524.99	.....	180
21	134.	4,525.00	to	4,549.99	.....	181
22	135.	4,550.00	to	4,574.99	182
23	136.	4,575.00	to	4,599.99	183
24	137.	4,600.00	to	4,624.99	184

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1	138.	4,625.00	to	4,649.99	185
2	139.	4,650.00	to	4,674.99	186
3	140.	4,675.00	to	4,699.99	187
4	141.	4,700.00	to	4,724.99	.....	188
5	142.	4,725.00	to	4,749.99	.....	189
6	143.	4,750.00	to	4,774.99	.....	190
7	144.	4,775.00	to	4,799.99	.....	191
8	145.	4,800.00	to	4,824.99	.....	192
9	146.	4,825.00	to	4,849.99	.....	193
10	147.	4,850.00	to	4,874.99	.....	194
11	148.	4,875.00	to	4,899.99	.....	195
12	149.	4,900.00	to	4,924.99	.....	196
13	150.	4,925.00	to	4,949.99	.....	197
14	151.	4,950.00	to	4,974.99	.....	198
15	152.	4,975.00	to	4,999.99	.....	199
16	153.	5,000.00	to	5,024.99	.....	200
17	154.	5,025.00	to	5,049.99	.....	201
18	155.	5,050.00	to	5,074.99	.....	202
19	156.	5,075.00	to	5,099.99	.....	203
20	157.	5,100.00	to	5,124.99	.....	204
21	158.	5,125.00	to	5,149.99	.....	205
22	159.	5,150.00	to	5,174.99	206
23	160.	5,175.00	to	5,199.99	207
24	161.	5,200.00	to	5,224.99	208

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1	162.	5,225.00	to	5,249.99	209
2	163.	5,250.00	to	5,274.99	210
3	164.	5,275.00	to	5,299.99	211
4	165.	5,300.00	to	5,324.99	.....	212
5	166.	5,325.00	to	5,349.99	.....	213
6	167.	5,350.00	to	5,374.99	.....	214
7	168.	5,375.00	to	5,399.99	.....	215
8	169.	5,400.00	to	5,424.99	.....	216
9	170.	5,425.00	to	5,449.99	.....	217
10	171.	5,450.00	to	5,474.99	.....	218
11	172.	5,475.00	to	5,499.99	.....	219
12	173.	5,500.00	to	5,524.99	.....	220
13	174.	5,525.00	to	5,549.99	.....	221
14	175.	5,550.00	to	5,574.99	.....	222
15	176.	5,575.00	to	5,599.99	.....	223
16	177.	5,600.00	to	5,624.99	.....	224
17	178.	5,625.00	to	5,649.99	.....	225
18	179.	5,650.00	to	5,674.99	.....	226
19	180.	5,675.00	to	5,699.99	.....	227
20	181.	5,700.00	to	5,724.99	.....	228
21	182.	5,725.00	to	5,749.99	.....	229
22	183.	5,750.00	to	5,774.99	230
23	184.	5,775.00	to	5,799.99	231
24	185.	5,800.00	to	5,824.99	232

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1	186.	5,825.00	to	5,849.99	233
2	187.	5,850.00	to	5,874.99	234
3	188.	5,875.00	to	5,899.99	235
4	189.	5,900.00	to	5,924.99	.....	236
5	190.	5,925.00	to	5,949.99	.....	237
6	191.	5,950.00	to	5,974.99	.....	238
7	192.	5,975.00	to	5,999.99	.....	239
8	193.	6,000.00	to	6,024.99	.....	240
9	194.	6,025.00	to	6,049.99	.....	241
10	195.	6,050.00	to	6,074.99	.....	242
11	196.	6,075.00	to	6,099.99	.....	243
12	197.	6,100.00	to	6,124.99	.....	244
13	198.	6,125.00	to	6,149.99	.....	245
14	199.	6,150.00	to	6,174.99	.....	246
15	200.	6,175.00	to	6,199.99	.....	247
16	201.	6,200.00	to	6,224.99	.....	248
17	202.	6,225.00	to	6,249.99	.....	249
18	203.	6,250.00	to	6,274.99	.....	250
19	204.	6,275.00	to	6,299.99	.....	251
20	205.	6,300.00	to	6,324.99	.....	252
21	206.	6,325.00	to	6,349.99	.....	253
22	207.	6,350.00	to	6,374.99	254
23	208.	6,375.00	to	6,399.99	255
24	209.	6,400.00	to	6,424.99	256

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1	210.	6,425.00	to	6,449.99	257
2	211.	6,450.00	to	6,474.99	258
3	212.	6,475.00	to	6,499.99	259
4	213.	6,500.00	to	6,524.99	.....	260
5	214.	6,525.00	to	6,549.99	.....	261
6	215.	6,550.00	to	6,574.99	.....	262
7	216.	6,575.00	to	6,599.99	.....	263
8	217.	6,600.00	to	6,624.99	.....	264
9	218.	6,625.00	to	6,649.99	.....	265
10	219.	6,650.00	to	6,674.99	.....	266
11	220.	6,675.00	to	6,699.99	.....	267
12	221.	6,700.00	to	6,724.99	.....	268
13	222.	6,725.00	to	6,749.99	.....	269
14	223.	6,750.00	to	6,774.99	.....	270
15	224.	6,775.00	to	6,799.99	.....	271
16	225.	6,800.00	to	6,824.99	.....	272
17	226.	6,825.00	to	6,849.99	.....	273
18	227.	6,850.00	to	6,874.99	.....	274
19	228.	6,875.00	to	6,899.99	.....	275
20	229.	6,900.00	to	6,924.99	.....	276
21	230.	6,925.00	to	6,949.99	.....	277
22	231.	6,950.00	to	6,974.99	278
23	232.	6,975.00	to	6,999.99	279
24	233.	7,000.00	to	7,024.99	280

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1	234.	7,025.00	to	7,049.99	281
2	235.	7,050.00	to	7,074.99	282
3	236.	7,075.00	to	7,099.99	283
4	237.	7,100.00	to	7,124.99	.....	284
5	238.	7,125.00	to	7,149.99	.....	285
6	239.	7,150.00	to	7,174.99	.....	286
7	240.	7,175.00	to	7,199.99	.....	287
8	241.	7,200.00	to	7,224.99	.....	288
9	242.	7,225.00	to	7,249.99	.....	289
10	243.	7,250.00	to	7,274.99	.....	290
11	244.	7,275.00	to	7,299.99	.....	291
12	245.	7,300.00	to	7,324.99	.....	292
13	246.	7,325.00	to	7,349.99	.....	293
14	247.	7,350.00	to	7,374.99	.....	294
15	248.	7,375.00	to	7,399.99	.....	295
16	249.	7,400.00	to	7,424.99	.....	296
17	250.	7,425.00	to	7,449.99	.....	297
18	251.	7,450.00	to	7,474.99	.....	298
19	252.	7,475.00	to	7,499.99	.....	299
20	253.	7,500.00	to	7,524.99	.....	300
21	254.	7,525.00	to	7,549.99	.....	301
22	255.	7,550.00	to	7,574.99	302
23	256.	7,575.00	to	7,599.99	303
24	257.	7,600.00	to	7,624.99	304

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1	258.	7,625.00	to	7,649.99	305
2	259.	7,650.00	to	7,674.99	306
3	260.	7,675.00	to	7,699.99	307
4	261.	7,700.00	to	7,724.99	.....	308
5	262.	7,725.00	to	7,749.99	.....	309
6	263.	7,750.00	to	7,774.99	.....	310
7	264.	7,775.00	to	7,799.99	.....	311
8	265.	7,800.00	to	7,824.99	.....	312
9	266.	7,825.00	to	7,849.99	.....	313
10	267.	7,850.00	to	7,874.99	.....	314
11	268.	7,875.00	to	7,899.99	.....	315
12	269.	7,900.00	to	7,924.99	.....	316
13	270.	7,925.00	to	7,949.99	.....	317
14	271.	7,950.00	to	7,974.99	.....	318
15	272.	7,975.00	to	7,999.99	.....	319
16	273.	8,000.00	to	8,024.99	.....	320
17	274.	8,025.00	to	8,049.99	.....	321
18	275.	8,050.00	to	8,074.99	.....	322
19	276.	8,075.00	to	8,099.99	.....	323
20	277.	8,100.00	to	8,124.99	.....	324
21	278.	8,125.00	to	8,149.99	325
22	279.	8,150.00	to	8,174.99	326
23	280.	8,175.00	to	8,199.99	327

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1 281. 8,200.00 to 8,224.99 328

2 282. 8,225.00 and over 329

3

SECTION 36. 108.05 (7) (a) 1. of the statutes is amended to read:

108.05 (7) (a) 1. "Pension payment" means a pension, retirement, annuity, or other similar payment made to a claimant, based on the previous work of that claimant, whether or not payable on a periodic basis, from a governmental or other retirement system maintained or contributed to by an employer from which that claimant has base period wages, other than a payment received under the federal Social Security Act (42 USC 301 et seq.).

SECTION 37. 108.05 (7) (f) 1. of the statutes is amended to read:

108.05 (7) (f) 1. If the pension payment is received under the ~~social security act (42 USC 301 et seq.)~~ or railroad retirement act (45 USC 231 et seq.), the department shall reduce the weekly benefits payable for a week of partial or total unemployment by 50% of the weekly pension amount.

SECTION 38. 108.065 (1) of the statutes is amended to read:

108.065 (1) ~~An employee service~~ A temporary help company is the employer of an individual who the company engages in employment to perform services for a client or customer of the company.

SECTION 39. 108.065 (1m) of the statutes is created to read:

108.065 (1m) A professional employer organization is the employer of the employees who it engages to perform services for its client, including a corporate officer if the officer's position is included in the employee leasing agreement with the client.

SECTION 40. 108.067 of the statutes is created to read:

25

SENATE BILL 276**108.067 Professional employer organizations and leasing agreements.**

(1) Each professional employer organization that enters into an employee leasing agreement with a client during any calendar quarter shall submit to the department, no later than the due date for the report under s. 108.17 (2) relating to that quarter, in the form prescribed by the department, a report disclosing the identity of that client and such other information as the department prescribes.

(2) If a professional employer organization and client terminate an employee leasing agreement, the professional employer organization and client shall notify the department within 10 working days of the termination.

(3) Notwithstanding s. 108.02 (13) (i), if an employer that is a client of a professional employer organization enters into an employee leasing agreement with the organization that results in the discontinuance of all employees of the employer who are engaged in employment, the department shall maintain the employer account of the client for a period of 5 full calendar years after the beginning of the agreement. If the employee leasing agreement is terminated prior to the end of the 5-year period, the client shall so notify the department and resume all responsibilities as the employer of its employees under this chapter as of the date of termination. Section 108.02 (13) (i) applies if the employee leasing agreement is terminated before the end of the 5-year period and the conditions for termination of coverage set forth in s. 108.02 (13) (i) exist.

SECTION 41. 108.09 (3) (a) of the statutes is renumbered 108.09 (3) (a) 1. and amended to read:

108.09 (3) (a) 1. To hear and decide disputed claims, the department shall establish appeal tribunals. Except as authorized in this paragraph, each of which

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1 tribunal shall consist of an individual who is a permanent employee of the
2 department.

3 3. Upon request of a party to an appeal or upon its own motion, the department
4 may appoint an individual who is not a permanent employee of the department to
5 hear an appeal in which the department or an employee or former employee of the
6 department is an interested party. No individual may hear any appeal in which the
7 individual is a directly interested party.

8 **SECTION 42.** 108.09 (3) (a) 2. of the statutes is created to read:

9 108.09 **(3)** (a) 2. The department may appoint an individual who is not a
10 permanent employee of the department to serve as a temporary reserve appeal
11 tribunal if the individual formerly served as an appeal tribunal while employed by
12 the department and retired from state service as a permanent employee. An
13 individual who is appointed to serve as a temporary reserve appeal tribunal shall be
14 an attorney who is licensed to practice in this state.

15 **SECTION 43.** 108.14 (2e) of the statutes is created to read:

16 108.14 **(2e)** The department may provide a secure means of electronic
17 interchange between itself and employing units, claimants, and other persons
18 which, upon request to and with prior approval by the department, may be used for
19 departmental transmission or receipt of any document specified by the department
20 that is related to the administration of this chapter in lieu of any other means of
21 submission or receipt specified in this chapter. If a due date is established by statute
22 for the receipt of any document that is submitted electronically to the department
23 under this subsection, then that submission is timely only if the document is
24 submitted by midnight of the statutory due date.

25 **SECTION 44.** 108.14 (19) of the statutes is created to read:

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1 108.14 (19) On or about February 15 annually, the department shall prepare
2 and furnish to the council on unemployment insurance a report summarizing the
3 department's activities related to detection and prosecution of unemployment
4 insurance fraud in the preceding year.

5 **SECTION 45.** 108.141 (7) (c) of the statutes is created to read:

6 108.141 (7) (c) The department shall charge the full amount of extended
7 benefits based upon employment for an Indian tribe to the account of the Indian
8 tribe.

9 **SECTION 46.** 108.152 of the statutes is created to read:

10 **108.152 Financing benefits for employees of Indian tribes.** (1) ELECTION
11 OF REIMBURSEMENT FINANCING. Each Indian tribe which is an employer may, in lieu
12 of paying contributions under ss. 108.17 and 108.18, elect reimbursement financing
13 for itself as a whole or for any tribal units or combinations of tribal units which are
14 wholly owned subdivisions, subsidiaries or business enterprises, as of the beginning
15 of any calendar year, subject to the following conditions:

16 (a) The Indian tribe or tribal unit shall file a written notice of the election with
17 the department before the beginning of that year except that, if the Indian tribe or
18 tribal unit became an employer as of the beginning of that year, it shall file the notice
19 within 30 days after the date of the determination that it is an employer.

20 (b) An Indian tribe or tribal unit whose election of reimbursement financing is
21 terminated under sub. (2) (a) may not thereafter reelect reimbursement financing
22 unless it has been subject to the contribution requirements of ss. 108.17 and 108.18
23 for at least 3 calendar years thereafter and is not, at the time of filing such reelection,
24 delinquent under s. 108.22.

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1 (c) No election of reimbursement financing is valid unless the Indian tribe or
2 tribal unit has satisfied the requirements of sub. (3) within 60 days after it files the
3 notice of election.

4 (d) If the Indian tribe or tribal unit is an employer prior to the effective date
5 of an election, ss. 108.17 and 108.18 shall apply to all employment prior to the
6 effective date of the election, but after all benefits based on prior employment have
7 been charged to any account that it has had under s. 108.16 (2), the department shall
8 transfer any positive balance or charge any negative balance remaining therein to
9 the balancing account as if s. 108.16 (6) (c) and (6m) (d) applied.

10 **(2) TERMINATION OF ELECTION.** (a) An Indian tribe or tribal unit that elected
11 reimbursement financing may terminate its election as of the close of the 2nd
12 calendar year to which the election applies, or at the close of any subsequent calendar
13 year, by filing a written notice of termination with the department before the close
14 of that year.

15 (b) If an Indian tribe or tribal unit terminates an election under this subsection,
16 the employer's contribution rate is 2.7% on its payroll for each of the next 3 calendar
17 years.

18 **(3) ASSURANCE OF REIMBURSEMENT.** An Indian tribe or tribal unit electing
19 reimbursement financing under sub. (1) shall file assurance of reimbursement in the
20 same manner and subject to the conditions provided for other employers under s.
21 108.151 (4).

22 **(4) REIMBURSEMENT ACCOUNT.** The department shall maintain a reimbursement
23 account, as a subaccount of the fund's balancing account, for each Indian tribe, tribal
24 unit, or combination of tribal units in accordance with any valid election made under

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1 subs. (1) and (5) and subject to the procedures and conditions provided for other
2 employers under s. 108.151 (5).

3 **(5) GROUP REIMBURSEMENT ACCOUNT.** An Indian tribe that has elected
4 reimbursement financing for tribal units or one or more combinations of tribal units
5 may request to have specified tribal units treated as one employer for purposes of this
6 chapter. The department shall approve any such request subject to the following
7 conditions:

8 (a) The tribal units shall be so treated for a period of at least the 3 calendar
9 years following their request, unless their election of reimbursement financing is
10 terminated under sub. (2) or (6), but the Indian tribe may discontinue the treatment
11 as of the beginning of any calendar year following that period by filing notice with
12 the department prior to the beginning of that calendar year.

13 (b) The tribal units shall be jointly and severally liable for any required
14 reimbursements, together with any interest thereon and any penalties or tardy filing
15 fees.

16 (c) The Indian tribe shall designate one or more individuals to act as an agent
17 for all members of the group for all fiscal and reporting purposes under this chapter.

18 **(6) FAILURE TO MAKE REQUIRED PAYMENTS OR FILE ASSURANCE OF REIMBURSEMENT.**

19 (a) If an Indian tribe or tribal unit fails to pay required contributions,
20 reimbursements in lieu of contributions, penalties, interest, or fees within 90 days
21 of the time that the department transmits to the tribe a final notice of delinquency,
22 or fails to file or maintain the required assurance of reimbursement as provided in
23 subs. (1) (c) and (3):

24 1. The department shall immediately notify the federal internal revenue
25 service and the federal department of labor of that failure.

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1 2. Any valid election of reimbursement financing is terminated as of the end
2 of the current calendar year and any pending election that fails to meet the
3 requirement to file an assurance of reimbursement under sub. (1) (c) is terminated
4 immediately.

5 3. The department may consider the Indian tribe not to be an employer and may
6 consider services performed for the tribe not to be employment for purposes of this
7 chapter.

8 (b) An Indian tribe whose prior election of reimbursement financing has been
9 terminated under par. (a) may not thereafter reelect reimbursement financing
10 unless it has been subject to the contribution requirements of ss. 108.17 and 108.18
11 for at least one calendar year thereafter and is not delinquent under s. 108.22 at the
12 time that it files a request for reelection.

13 (c) The final notice of delinquency specified in par. (a) shall include information
14 that failure to make full payment within the prescribed time will cause the Indian
15 tribe to be liable for taxes under the federal Unemployment Tax Act (26 USC 3301,
16 et seq.), will cause the tribe to be precluded from electing reimbursement financing,
17 and may cause the department to determine that the tribe is not an employer and
18 that services performed for the tribe are not employment for purposes of this chapter.

19 **SECTION 47.** 108.16 (6) (g) of the statutes is amended to read:

20 108.16 (6) (g) Any payment received for the balancing account under s. 108.15
21 or 108.152.

22 **SECTION 48.** 108.16 (6m) (a) of the statutes is amended to read:

23 108.16 (6m) (a) The benefits thus chargeable under s. 108.04 (1) (f), (5), (7) (h),
24 (8) (a), or (13) (c) or (d), 108.07 (3), (3r), (5) (b), (5m), (6), or (8), 108.14 (8n) (e), 108.141
25 ~~or~~, 108.151, or 108.152 or sub. (6) (e) or (7) (a) and (b).

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1 **SECTION 49.** 108.16 (8) (b) (intro.) of the statutes is amended to read:

2 108.16 (8) (b) (intro.) If the business of any employer is transferred to a single
3 transferee, the transferee is deemed a successor for purposes of this chapter, if the
4 department determines that all of the following conditions have been satisfied:

5 **SECTION 50.** 108.16 (8) (b) 2. of the statutes is amended to read:

6 108.16 (8) (b) 2. The transfer included ~~at least 25%~~ 100% of the transferor's
7 total business as measured by comparing the payroll experience assignable to the
8 portion of the business transferred with the transferor's total payroll experience for
9 the last 4 completed quarters immediately preceding on the date of the transfer.

10 **SECTION 51.** 108.16 (8) (b) 3. of the statutes is amended to read:

11 108.16 (8) (b) 3. The same financing provisions under s. 108.15, 108.151,
12 108.152, or 108.18 apply to the transferee as applied to the transferor on the date of
13 the transfer.

14 **SECTION 52.** 108.16 (8) (c) 3. of the statutes is amended to read:

15 108.16 (8) (c) 3. The same financing provisions under s. 108.15, 108.151,
16 108.152, or 108.18 apply to the transferee as applied to the transferor on the date of
17 transfer.

18 **SECTION 53.** 108.16 (8) (c) 4. of the statutes is created to read:

19 108.16 (8) (c) 4. The transferor transfers 100% of the transferor's total business
20 on the date of the transfer or the transferor's account was overdrawn on the date of
21 the transfer.

22 **SECTION 54.** 108.16 (8) (e) 3. of the statutes is amended to read:

23 108.16 (8) (e) 3. The same financing provisions under s. 108.15, 108.151,
24 108.152, or 108.18 apply to the transferee as applied to the transferor on the date of
25 the transfer.

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1 **SECTION 55.** 108.16 (8) (e) 4. of the statutes is created to read:

2 108.16 **(8)** (e) 4. The transferor transfers 100% of the transferor's total business
3 on the date of the transfer or the transferor's account was overdrawn on the date of
4 the transfer.

5 **SECTION 56.** 108.16 (8) (f) of the statutes is amended to read:

6 108.16 **(8)** (f) The successor shall take over and continue the transferor's
7 account, including its positive or negative balance and all other aspects of its
8 experience under this chapter, If the transfer included less than 100% of the
9 transferor's total assets on the date of the transfer, the department shall allocate the
10 transferor's experience to the successor in proportion to the payroll assignable to the
11 transferred business. ~~The~~ and the liability of the successor shall be proportioned to
12 the extent of the transferred business. The transferor and the successor shall be
13 jointly and severally liable for any amounts owed by the transferor to the fund and
14 to the administrative account at the time of the transfer, but a successor under par.
15 (c) is not liable for the debts of the transferor except in the case of fraud or
16 malfeasance.

17 **SECTION 57.** 108.16 (8) (L) of the statutes is created to read:

18 108.16 **(8)** (L) A professional employer organization is not considered to be the
19 successor to the employer account of its client under this section by virtue of engaging
20 the prior employees of the client to perform services for the client under an employee
21 leasing agreement.

22 **SECTION 58.** 108.17 (2) of the statutes is amended to read:

23 108.17 **(2)** Every employer that is subject to a contribution requirement shall
24 file quarterly reports of contributions required under this chapter with the
25 department, and pay contributions to the department, ~~for such periods and in such~~

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1 manner as the department prescribes. Each contribution report and payment is due
2 at the close of the month next following the end of the applicable reporting period
3 calendar quarter, except as authorized in sub. (2c) or as the department may assign
4 a later due date pursuant to sub. (1m) or general department rules.

5 **SECTION 59.** 108.17 (2c) of the statutes is created to read:

6 108.17 (2c) (a) Except as provided in pars. (d) and (e), an employer that has a
7 first quarter contribution liability of \$5,000 or more may defer payment to later due
8 dates beyond the due date established under sub. (1m) or (2) of not more than 60%
9 of its first quarter contribution liability, without payment of interest, as follows:

10 1. The employer shall pay at least 30% of the first quarter contribution liability
11 on or before July 31 of the year in which the liability accrues.

12 2. The employer shall pay at least an additional 20% of the first quarter
13 contribution liability on or before October 31 of the year in which the liability accrues.

14 3. The employer shall pay any remaining balance of the first quarter
15 contribution liability on or before January 31 of the year after the year in which the
16 liability accrues.

17 (b) An employer that elects to defer a payment under par. (a) may pay more than
18 the specified minimum deferred amount or all of the deferred amount at any time
19 before the due date under par. (a).

20 (c) If an employer fails to pay at least the specified minimum deferred amount
21 for the first quarter, together with the full amount of contributions payable for any
22 subsequent quarter, by a specified due date, then all unpaid contribution liability of
23 that employer for the first quarter is delinquent under s. 108.22 and interest thereon
24 is payable from April 30 of the year in which the liability accrues.

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1 (d) If an employer fails to pay at least 40% of its first quarter contribution
2 liability on or before April 30 of the year in which the liability accrues, the employer
3 is not permitted to defer the balance of the liability under this subsection.

4 (e) An employer is not permitted to defer its first quarter contribution liability
5 under this subsection for any year unless the employer pays all delinquent
6 contributions, together with any interest, penalties, and fees assessed under this
7 chapter, prior to April 30 of the year in which the liability accrues.

8 **SECTION 60.** 108.17 (2g) of the statutes is created to read:

9 108.17 (2g) An employer agent that files reports under sub. (2) on behalf of 25
10 or more employers shall file those reports using an electronic medium and format
11 approved by the department. An employer agent that becomes subject to the
12 reporting requirement under this subsection shall file its initial reports under this
13 subsection for the 4th quarter beginning after the quarter in which the employer
14 agent becomes subject to the reporting requirement. Once an employer agent
15 becomes subject to the reporting requirement under this subsection, the employer
16 agent shall continue to file its reports under this subsection unless that requirement
17 is waived by the department.

18 **SECTION 61.** 108.19 (1e) (a) and (d) of the statutes are amended to read:

19 108.19 (1e) (a) Except as provided in par. (b), each employer, other than an
20 employer ~~which~~ that finances benefits by reimbursement in lieu of contributions
21 under s. 108.15 or, 108.151, or 108.152 shall, in addition to other contributions
22 payable under s. 108.18 and this section, pay an assessment to the administrative
23 account for each year prior to the year ~~2002~~ 2004 equal to the lesser of 0.01% of its
24 payroll for that year or the solvency contribution that would otherwise be payable
25 by the employer under s. 108.18 (9) for that year.

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1 (d) The department may expend the moneys received from assessments levied
2 under this subsection for the renovation and modernization of the unemployment
3 insurance information technology systems, including the tax and accounting system,
4 and specifically including development and implementation of a new system and
5 reengineering of automated processes and manual business functions.

6 **SECTION 62.** 108.19 (1m) of the statutes is amended to read:

7 108.19 (1m) Each employer subject to this chapter as of the date a rate is
8 established under this subsection shall pay an assessment to the administrative
9 account at a rate established by the department sufficient to pay interest due on
10 advances from the federal unemployment account under title XII of the social
11 security act (42 USC 1321 to 1324). The rate established by the department for
12 employers who finance benefits under s. 108.15 (2) ~~or~~, 108.151 (2), or 108.152 (1) shall
13 be 75% of the rate established for other employers. The amount of any employer's
14 assessment shall be the product of the rate established for that employer multiplied
15 by the employer's payroll of the previous calendar year as taken from quarterly
16 contribution reports filed by the employer or, in the absence of the filing of such
17 reports, estimates made by the department. Each assessment made under this
18 subsection is due on the 30th day commencing after the date on which notice of the
19 assessment is mailed by the department. If the amounts collected under this
20 subsection are in excess of the amounts needed to pay interest due, the amounts shall
21 be retained in the administrative account and utilized for the purposes specified in
22 s. 108.20 (2m).

23 **SECTION 63.** 108.20 (3) of the statutes is amended to read:

24 108.20 (3) There shall be included in the moneys governed by sub. (2m) any
25 amounts collected by the department under ss. 108.04 (11) (c) and (cm) and 108.22

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1 (1) (a) ~~and~~, (ac), and (ad) as tardy filing fees, forfeitures, interest on delinquent
2 payments, or other penalties and any excess moneys collected under s. 108.19 (1m).

3 **SECTION 64.** 108.22 (1) (ad) of the statutes is created to read:

4 108.22 (1) (ad) An employer agent that is subject to the reporting requirements
5 under s. 108.17 (2g) and that fails to file a contribution report in accordance with s.
6 108.17 (2g) may be assessed a penalty by the department in the amount of \$25 for
7 each employer whose report is not filed using an electronic format and medium
8 approved by the department.

9 **SECTION 65.** 108.22 (1) (am) of the statutes is amended to read:

10 108.22 (1) (am) The interest, penalties, and the tardy filing fees levied under
11 ~~par.~~ pars. (a), (ac), and (ad) shall be paid to the department and credited to the
12 administrative account.

13 **SECTION 66.** 108.22 (1) (b) of the statutes is amended to read:

14 108.22 (1) (b) If the due date of a report or payment under s. 108.15 (5) (b),
15 108.151 (5) (f), 108.16 (8), 108.17 ~~(2)~~, or 108.205 would otherwise be a Saturday,
16 Sunday, or legal holiday under state or federal law, the due date is the next following
17 day which is not a Saturday, Sunday, or legal holiday under state or federal law.

18 **SECTION 67.** 108.22 (1) (e) of the statutes is amended to read:

19 108.22 (1) (e) Any notice filed under s. 108.15 (3) (a) or (b) ~~or~~, 108.151 (3) (a),
20 or 108.152 (2) (a) or assurance filed under s. 108.151 (2) (a) or (4) (a) 2. is timely if
21 it is received by the department by December 31 or, if mailed, is either postmarked
22 no later than that due date or is received by the department no later than 3 days after
23 that due date.

24 **SECTION 68.** 108.22 (1m) of the statutes is amended to read:

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1 108.22 (1m) If an employer owes any contributions, reimbursements under s.
2 108.15 or 108.151, interest or, fees, or payments for forfeitures or other penalties to
3 the department under this chapter and fails to pay the amount owed, the department
4 has a perfected lien upon the employer's right, title, and interest in all of its real and
5 personal property located in this state in the amount finally determined to be owed,
6 plus costs. Except where creation of a lien is barred or stayed by bankruptcy or other
7 insolvency law, the lien is effective when the department issues a determination of
8 the amount owed under s. 108.10 (1) and shall continue until the amount owed, plus
9 costs and interest to the date of payment, is paid. If a lien is initially barred or stayed
10 by bankruptcy or other insolvency law, it shall become effective immediately upon
11 expiration or removal of such bar or stay. The perfected lien does not give the
12 department priority over lienholders, mortgagees, purchasers for value, judgment
13 creditors, and pledges whose interests have been recorded before the department's
14 lien is recorded.

15 **SECTION 69.** 108.225 (1) (a) to (c) of the statutes are amended to read:

16 108.225 (1) (a) ~~“Contributions” include~~ “Contribution” includes a
17 reimbursement under s. 108.15, 108.151, or 108.152, interest for a nontimely
18 payment, fees, and any penalties payment due for a forfeiture imposed upon an
19 employing unit under s. 108.04 (11) (c) or other penalty assessed by the department
20 under this chapter.

21 (b) “Debt” means a delinquent contribution or repayment of a benefit
22 overpayment, or any liability of a 3rd party for failure to surrender to the department
23 property or rights to property subject to levy after proceedings under sub. (4) (b) and
24 s. 108.10 to determine that liability.

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1 (c) "Debtor" means a person who owes the department ~~delinquent contributions~~
2 ~~or a benefit overpayment~~ a debt.

3 **SECTION 70.** 108.225 (16) (intro.) of the statutes is amended to read:

4 108.225 (16) WAGES EXEMPT FROM LEVY. (intro.) In the case of benefit
5 overpayments, ~~the~~ and forfeitures imposed upon an employing unit under s. 108.04
6 (11) (c), an individual debtor is entitled to an exemption from levy of the greater of
7 the following:

8 **SECTION 71.** 230.12 (1) (g) of the statutes is created to read:

9 230.12 (1) (g) *Temporary reserve appeal tribunal.* The compensation plan shall
10 include a provision authorizing the department of workforce development to pay any
11 individual who was previously employed by the department of workforce
12 development and who is appointed to limited term employment as a temporary
13 reserve appeal tribunal under s. 108.09 (3) (a) 2. not more than the base pay rate that
14 the individual was paid at the time of his or her separation from the department of
15 workforce development, plus any across-the-board and discretionary intervening
16 adjustments that were made under the compensation plan or applicable collective
17 bargaining agreement to the base pay rate for the position that was previously filled
18 by the individual during the time between the individual's separation from the
19 department of workforce development and the individual's appointment as a
20 temporary reserve tribunal. For the purpose of calculating the amount of any
21 discretionary intervening adjustment, the amount shall be limited to the amount
22 that would have been generated by the employee.

23 **SECTION 72. Nonstatutory provisions.**

24 (1) OFFSET OF SOCIAL SECURITY BENEFITS.

25 (a) In this SECTION:

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1 1. “Base period wages” has the meaning given in section 108.02 (4m) of the
2 statutes.

3 2. “Employer” has the meaning given in section 108.02 (13) of the statutes.

4 (b) Notwithstanding section 108.04 (7), 1999 stats., for each week of
5 unemployment beginning in 2002, if a claimant receives a payment under the federal
6 Social Security Act (42 USC 301, et seq.) that is contributed to by an employer from
7 which the claimant has base period wages, the reduction that applies to the benefits
8 payable to the claimant for that week is 50% of the amount that would otherwise
9 apply for that week under section 108.04 (7), 1999 stats.

10 (2) RULE MAKING.

11 (a) The department of workforce development shall submit in proposed form
12 rule changes to the legislative council staff under section 227.15 (1) of the statutes
13 no later than the first day of the 11th month beginning after the effective date of this
14 paragraph:

15 1. To amend section DWD 100.02 (28), Wisconsin Administrative Code, for the
16 purpose of decreasing the number of hours per week, for work to be considered full
17 time, to 32.

18 2. To establish a specified level of repeated absenteeism or repeated tardiness
19 that constitutes misconduct for purposes of section 108.04 (5) of the statutes.

20 3. To specify, in accordance with applicable administrative and judicial
21 interpretations, what constitutes an “establishment” for purposes of the
22 disqualification from receipt of unemployment insurance benefits because of a labor
23 dispute in an establishment in which an employee is or was employed under section
24 108.04 (10) of the statutes.

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1 (b) The department of workforce development shall promulgate an emergency
2 rule under section 227.24 of the statutes to amend section DWD 129.01 (1), Wisconsin
3 Administrative Code, for the purpose of extending the deadline for filing an initial
4 claim for unemployment insurance benefits by 7 days. Notwithstanding section
5 227.24 (1) (c) and (2) of the statutes, the emergency rule may remain in effect until
6 the first day of the 11th month beginning after the effective date of this paragraph
7 or until the date on which a permanent rule relating to the same subject matter takes
8 effect, whichever is sooner. Notwithstanding section 227.24 (1) (a) and (3) of the
9 statutes, the department is not required to provide evidence that promulgating a rule
10 under this paragraph as an emergency rule is necessary for the preservation of the
11 public peace, health, safety, or welfare and is not required to provide a finding of
12 emergency for a rule promulgated under this paragraph.

13 (3) INITIAL ELECTION OF REIMBURSEMENT FINANCING BY INDIAN TRIBES AND TRIBAL
14 UNITS. Notwithstanding section 108.152 (1) (a) of the statutes, as created by this act,
15 an Indian tribe or tribal unit may file a written notice of election of reimbursement
16 financing for unemployment insurance benefits under that paragraph for the 2002
17 calendar year no later than March 31, 2002.

18 (4) INITIAL REPORTS BY PROFESSIONAL EMPLOYER ORGANIZATIONS. Notwithstanding
19 section 108.067 (1) of the statutes, as created by this act, each professional employer
20 organization that has entered into an employee leasing agreement with any client
21 that is in effect on March 31, 2002, shall disclose in its initial report under section
22 108.067 (1) of the statutes, as created by this act, the identity of each client with
23 whom the organization has an employee leasing agreement on that date.

24 (5) DEFERRAL OF FIRST QUARTER CONTRIBUTION LIABILITY. Notwithstanding
25 section 74 (9) of this act, if the secretary of workforce development determines that

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1 the necessary programming enhancements for the unemployment insurance tax and
2 accounting system have not been completed in time to permit implementation of the
3 treatment of sections 108.17 (2) and (2c) and 108.22 (1) (b) of the statutes by this act
4 with respect to contributions payable for the first quarter of the 2003 calendar year,
5 the secretary may order implementation of that treatment to occur with respect to
6 contributions payable for the first quarter of the 2004 calendar year.

7 (6) CLAIMANT ELIGIBILITY REVIEWS. The department of workforce development
8 shall, through reallocation of existing resources of the department, conduct review
9 of claimants for unemployment compensation benefits in the 2001-03 fiscal
10 biennium to verify adherence to work search requirements and other conditions of
11 eligibility.

12 (7) POSITION AUTHORIZATIONS. The authorized FTE positions for the department
13 of workforce development are increased by 15.0 FED positions for the period ending
14 on June 30, 2004, to be funded from the appropriation under section 20.445 (1) (n)
15 of the statutes, for the purpose of assisting with unemployment insurance
16 information technology projects.

SECTION 73. Appropriation changes.

17 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation
18 to the department of workforce development under section 20.445 (1) (gf) of the
19 statutes, as affected by the acts of 2001, the dollar amount is increased by \$250,000
20 for fiscal year 2001-02 to pay employment service costs for which federal aid was
21 disallowed.
22

SECTION 74. Initial applicability.

23 (1) The treatment of sections 108.02 (10m), (13) (a), (15) (f) (intro.), (g) (intro.),
24 (gm), and (n), (17m), and (22m), 108.04 (13) (d) 4. (intro.) and (17) (b) and (h), 108.141
25

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1 (7) (c), 108.152, 108.16 (6) (g), (6m) (a) and (8) (b) 3, (c) 3., and (e) 3., 108.19 (1e) (a)
2 (with respect to reimbursement financing by Indian tribes and tribal units) and (1m),
3 and 108.22 (1) (e) of the statutes first applies with respect to employment after
4 December 31, 2001.

5 (2) The treatment of sections 108.02 (12m) (intro.), (a), (b), (c), (d), and (e), (21e),
6 and (29), 108.065 (1) and (1m), and 108.16 (8) (L) of the statutes first applies with
7 respect to determinations issued under sections 108.09 and 108.10 of the statutes in
8 the first week beginning in January 2002 or, in relation to determinations that are
9 appealed, to decisions issued under sections 108.09 and 108.10 of the statutes in the
10 first week beginning in January 2002.

11 (3) The treatment of section 108.02 (15) (j) 4., 5., and 6. of the statutes first
12 applies to services performed after December 31, 1998.

13 (4) The treatment of section 108.02 (15) (k) 18. c., 19. b., and 20., (20g), (21c),
14 and (23g) of the statutes first applies to with respect to employment after December
15 31, 2001.

16 (5) The treatment of section 108.04 (7) (h) and (8) (c) of the statutes first applies
17 with respect to determinations issued under section 108.09 or 108.10 of the statutes
18 on December 30, 2001.

19 (6) The treatment of section 108.05 (7) (a) 1. and (f) 1. of the statutes first
20 applies to weeks of unemployment beginning on January 5, 2003.

21 (7) The treatment of sections 108.17 (2g), 108.20 (3), and 108.22 (1) (ad) and
22 (am) of the statutes first applies with respect to reports due for the reporting period
23 or calendar quarter that includes March 31, 2003.

24 (8) The treatment of section 108.16 (8) (b) (intro.) and 2., (c) 4., (e) 4., and (f) first
25 applies to partial transfers of businesses occurring after December 31, 2001, and to

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1 transfers of businesses of which the department of workforce development receives
2 notice after January 31, 2002.

3 (9) The treatment of sections 108.17 (2) and (2c) and 108.22 (1) (b) of the
4 statutes first applies with respect to contributions payable for the first quarter of the
5 2003 calendar year.

6 (10) The treatment of section 108.22 (1m) of the statutes first applies with
7 respect to liabilities that accrue on the effective date of this subsection.

8 (11) The treatment of section 108.225 (1) (a) to (c) and (16) (intro.) of the statutes
9 first applies with respect to determinations issued under section 108.10 of the
10 statutes on the effective date of this subsection.

11 **SECTION 75. Effective dates.** This act takes effect on the first Sunday after
12 publication, except as follows:

13 (1) The treatment of section 108.067 (1) of the statutes takes effect on April 1,
14 2002.

15 (2) The treatment of section 108.067 (2) of the statutes takes effect on January
16 1, 2002.

17 (END)