



State of Wisconsin
2007 - 2008 LEGISLATURE

wanted TUE 12/18 8:30AM

stays #P6

LRB-3070/P6

JTK:csf/wn

stays

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 AN ACT ~~to repeal~~ 20.445 (1) (nc), 108.02 (12) (b), 108.02 (12) (bm) 1., 108.04 (1)

2 (c), 108.04 (13) (g) and 108.22 (1) (a) 1. and 2.; **to renumber and amend** 108.04

3 (1) (a), 108.04 (7) (r), 108.04 (11) (c), 108.17 (2) and 108.22 (1) (a) (intro.); **to**

4 **amend** 20.445 (1) (n), 108.02 (12) (a), 108.02 (12) (bm) (intro.), 108.02 (15m)

5 (intro.), 108.02 (15m) (a), 108.02 (21) (b), 108.04 (1) (g) 1. and 2., 108.04 (1) (gm)

6 4. c., 108.04 (4) (a), 108.04 (5), 108.04 (7) (k), 108.04 (7) (o), 108.04 (11) (a), 108.04

7 (11) (bm), 108.04 (11) (cm), 108.04 (13) (c), 108.04 (13) (e), 108.04 (13) (f), 108.04

8 (16) (a) (intro.), 108.04 (16) (b), 108.04 (16) (c) 1., 108.04 (16) (c) 2., 108.05 (3)

9 (a), 108.05 (3) (b) 1. a. to c., 108.05 (3) (c), 108.067 (1), 108.09 (2) (bm), 108.09

10 (4s), 108.151 (7) (e), 108.151 (7) (h), 108.16 (6) (f), 108.16 (8) (b) 4., 108.17 (2b),

11 108.17 (2c) (a) (intro.), 108.17 (2c) (c), 108.17 (2g), 108.18 (4) (figure), 108.18 (8),

12 108.18 (9) (figure), 108.19 (1e) (a), 108.19 (1m), 108.20 (3), 108.205 (1m),

13 108.205 (2), 108.22 (1) (ac), 108.22 (1) (ac), 108.22 (1) (ad) 1., 108.22 (1) (ae),

14 108.22 (1) (am), 108.22 (1) (c) and 108.22 (9); **to repeal and recreate** 108.04

15 (1) (b) and 108.04 (11) (b); and **to create** 20.445 (1) (nf), 20.445 (1) (ng), 108.02

1 (15s), 108.02 (20m), 108.04 (1) (a) 1. and 2., 108.04 (5g) (em), 108.04 (7) (r) 2.,
 2 108.04 (11) (be), 108.04 (11) (c) 1. to 3., 108.04 (11) (f) and (g), 108.05 (3) (d),
 3 108.09 (4o), 108.17 (2) (b), 108.17 (2c) (f), 108.17 (7) and 108.22 (1) (af) of the
 4 statutes; **relating to:** various changes in the unemployment insurance law;
 5 various changes in unemployment insurance law and making appropriations.

Analysis by the Legislative Reference Bureau

*** ANALYSIS FROM -3606/P1 ***

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

OTHER BENEFIT CHANGES

Qualifying wages

Currently, an employee is not eligible to begin receiving UI benefits unless he or she receives or is treated as receiving wages during the employee's base period (period preceding a claim during which benefit rights accrue) equal to at least 30 times the employee's weekly benefit rate, including wages equal to at least four times that rate during the quarters in the employee's base period other than the one in which the employee is paid or treated as having been paid his or her highest wages.

This bill requires instead that an employee receive or be treated as receiving wages equal to at least 35 times the employee's weekly benefit rate, including wages equal to at least four times that rate during the quarters in the employee's base period other than the one in which the employee is paid or is treated as having been paid his or her highest wages, in order to become eligible to begin receiving UI benefits.

TAX CHANGES

Taxable wage base

Currently, most employers that engage employees in employment that is covered under the UI law must pay regular quarterly contributions (taxes) to DWD based on a percentage of the annual wages paid to each covered employee who is engaged in covered employment. Currently, only the first \$10,500 of such annual wages are subject to a contribution requirement.

This bill increases the the amount of these wages that are subject to a contribution requirement to \$12,000 for calendar years 2009 and 2010, \$13,000 for calendar years 2011 and 2012, and \$14,000 for calendar year 2013 and thereafter.

Contribution rate schedules

Currently, the total contributions payable by each employer are the sum of the employer's contribution rate and solvency rate, each of which vary with the employment stability of the employer and the solvency of the unemployment reserve fund, from which benefits are paid. An employer's contributions payable as a result

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paid by an employer to an individual engaged in covered employment

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of its contribution rate are credited to the employer's account, while an employer's contributions payable as a result of its solvency rate are credited to the fund's balancing account, which is used to finance those benefits that are not payable from any employer's account.

This bill generally decreases the contribution rates of employers that do not have a negative balance in their accounts by two-tenths of one percent and decreases the contribution rates of employers that have a negative balance in their accounts by four-tenths of one percent. The bill also increases the solvency rates of employers that do not have a negative balance in their accounts by two-tenths of one percent and increases the solvency rates of employers that have a negative balance in their accounts by four-tenths of one percent. The changes are effective beginning in 2009.

Deferral of first quarter contribution liability

Currently, 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 UI purposes may defer up to 60 percent of the employer's contribution liability for the first quarter of the year in which liability accrues (otherwise payable by April 30) without payment of interest, if the employer pays at least 30 percent of that liability by the following July 31, an additional 20 percent of that liability by the following October 31, and any remaining liability by the following January 31. If an employer fails to make a deferred payment 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.

This bill permits a qualified employer that has a first quarter contribution liability of at least \$1,000 to defer payment of its first quarter contributions and also requires any employer that elects to defer payment of its first quarter contributions to file its quarterly contribution reports and its quarterly wage and employment reports with DWD electronically in the manner and form prescribed by DWD. Under the bill, if an employer fails to comply with the electronic reporting requirement, the employer is subject to the same requirement to pay interest retroactively that applies currently to late payments.

***** ANALYSIS FROM -3070/P5 *****

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

BENEFIT RATE CHANGES

OTHER BENEFIT CHANGES

Benefit eligibility for claimants receiving wages or other payments

Currently, a claimant is ineligible to receive benefits for a week if the claimant is engaged in employment covered under the unemployment insurance law with an employer from which the claimant received at least 80 percent of his or her weekly wages or certain other payments during his or her base period (qualifying work period) and the claimant works for at least 35 hours in that work or receives certain other payments from that employer that, alone or in combination with wages, are equivalent to wages for at least 35 hours of work. This bill reduces the weekly



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number of hours of work for which wages or other payments result in ineligibility to 32 hours per week. Currently, a claimant is ineligible to receive benefits for a week in which the claimant works for at least 40 hours in one or more jobs. This bill reduces the weekly number of hours of work that result in ineligibility to 32 hours. Currently, with numerous exceptions, an employee who voluntarily terminates his or her work is ineligible to receive benefits until the employee requalifies by earning a specified amount of wages for performing certain qualified work and a specified period of time elapses following the termination. However, this restriction does not apply under certain conditions if an employee had certain other concurrent or recent work consisting of not more than 30 hours per week. This bill increases the weekly number of hours of work that are required to exempt an employee from the requalification requirement to 32 hours per week.

Concealment

Currently, if a claimant conceals any material fact relating to his or her eligibility for benefits or conceals any wages earned in or paid or payable for a given week, the claimant must forfeit not less than 25 percent nor more than 400 percent of the claimant's weekly benefit rate for the week for which the claim is made for an act of concealment that results in no overpayment or an overpayment of less than 50 percent of the claimant's weekly benefit rate; and not less than 100 percent nor more than 400 percent of the claimant's weekly benefit rate for the week in which the claim is made for an act of concealment that results in an overpayment of at least 50 percent of the claimant's weekly benefit rate. Currently, if a claimant is partially unemployed in a given week, the claimant may be eligible to receive benefits for that week under a formula that takes into account the amount of wages or certain other benefits that the claimant receives for that week. Currently, if an employer aids and abets a claimant in committing an act of concealment, the employer may be required to forfeit an amount equal to the amount of benefits that the claimant improperly received as a result of the concealment.

This bill provides that if a claimant conceals any material fact relating to his or her eligibility for benefits or conceals any wages earned in or paid or payable for a given week, the claimant must forfeit an amount equal to the claimant's weekly benefit rate for the week in which the claim is made for a first offense, the claimant must forfeit an amount equal to three times that rate for a second offense, and the claimant must forfeit an amount equal to five times that rate for a third or subsequent offense. The bill also provides that if a claimant conceals any wages for a given week, the claimant is ineligible to receive any benefits for that week. In addition, the bill provides that if an employer aids and abets or attempts to aid and abet a claimant in committing an act of concealment, the employer must forfeit \$500 for a first offense, \$1,000 for a second offense, and \$1,500 for a third or subsequent offense.

Availability for work and ability to perform work

Currently, with certain exceptions, a claimant is eligible for benefits for any week in which the claimant earns no wages only if the claimant is able to work and available for work during that week. If a claimant earns some wages (or certain amounts treated as wages) for a given week, and the claimant's work is suspended

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by the claimant or by his or her employer or the claimant is terminated by his or her employer, the claimant may be eligible for some benefits for that week under a statutory benefit reduction formula. The formula is also applied to potentially reduce the benefits payable to a claimant for a given week if the claimant is absent from work while claiming benefits. If a claimant is on a leave of absence for a definite period of time or on family or medical leave, the claimant is ineligible for benefits except that if the claimant receives some wages (or certain amounts treated as wages) for a given week, the claimant may be eligible for some benefits for that week under the benefit reduction formula. Currently, a claimant remains eligible for benefits while the claimant is enrolled in certain employment-related training.

This bill provides that if a claimant is absent from work with a current employer for two days or less in a given week (including the first week of a leave of absence, family or medical leave, or suspension or termination) because the claimant was unable to work or unavailable for work, the claimant may be eligible for some benefits for that week under the benefit reduction formula. However, if a claimant is absent from work with a current employer for more than two days in a given week, the claimant is ineligible for any benefits for that week. Under the bill, if a claimant's employment is suspended by the claimant or by his or her employer or is terminated by his or her employer due to claimant's unavailability for work or inability to perform suitable work, if a claimant is on a leave of absence for a definite period of time, ~~or if a claimant is on family or medical leave for a given week~~ (other than the first week of a leave), the claimant is ineligible for benefits for that week. A claimant remains eligible for benefits while the claimant is enrolled in certain employment-related training.

Employee status

Currently, in order to be eligible to claim unemployment insurance benefits, an individual must, in addition to other requirements, be an "employee" as defined in the unemployment insurance law. Generally, an "employee" is an individual who performs services for an employer in employment covered under the unemployment insurance law, whether or not the individual is directly paid by the employer. However, an individual is not an "employee" if the individual performs services as an independent contractor. An individual, other than a logger or trucker performing services for an employer other than a governmental or nonprofit employer, must meet at least seven of ten conditions specified by law in order to qualify as an independent contractor.

This bill eliminates a condition which specified that the individual holds or has applied for an identification number with the federal Internal Revenue Service. Under the bill, a qualified individual must meet at least six of the remaining nine conditions in order to qualify as an independent contractor.

TAX CHANGES

Special assessments for financing of information technology systems

Currently, each employer that is subject to a contribution requirement must pay an annual special assessment for each year prior to 2008 in an amount that may not exceed the lesser of 0.01 percent of the employer's annual taxable payroll for UI purposes or the employer's solvency contribution for that year for the purpose of

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financing the renovation and modernization of the unemployment insurance tax and accounting system. The Department of Workforce Development (DWD) must reduce the solvency contribution rate that an employer must pay in each year prior to 2008 by the special assessment rate applicable to that employer for that year. (The solvency contribution rate is the portion of an employer's rate that is used to maintain the solvency of the unemployment reserve fund.) This bill makes the special assessment requirement and solvency contribution rate offset applicable to calendar years 2008 and 2009.

OTHER CHANGES

Reporting and payment requirements and procedures

Currently, with certain exceptions, each employer that has employees who are engaged in employment covered by the unemployment insurance law must file quarterly contribution (tax) and wage reports and make quarterly payment of its contributions to DWD. An employer of 50 or more employees or an employer agent that files reports on behalf of any employer must file its reports electronically. Currently, there is no requirement or procedure established by law for making electronic payments of contributions.

This bill phases in electronic reporting requirements for additional employers with 25 or more employees and employers that become newly subject to reporting requirements. The bill also permits employers that file their wage reports electronically, in lieu of filing contribution reports, to request DWD to ~~provide electronic notice of their contributions that are payable, and to make electronic payment of their contributions.~~ Effective in 2009, the bill also requires each employer that makes contributions for any calendar year equal to a total of at least \$10,000 to make all contribution payments electronically in the following year. The bill also requires every employer agent to make contribution payments electronically by the same date.

Currently, contribution payments must be received by DWD by the due date or if mailed must be postmarked by their due date or received within three days of their due date. This bill requires all contribution payments to be received by DWD by their due date.

Failure of employers to provide information

Currently, if benefits are erroneously paid because an employer fails to provide correct and complete information on a report to DWD, any benefits that DWD recovers do not affect charges to the employer's account for the cost of those benefits. In addition, prior to June 29, 2008, if benefits are erroneously paid because an employer fails to provide correct and complete information requested by DWD during a fact-finding investigation, but the employer later provides the requested information, then charges to the employer's account for the cost of benefits paid before the end of the week in which a redetermination or a decision of an appeal tribunal (hearing examiner) is issued regarding the matter are not affected by the redetermination or decision unless an appeal tribunal, the labor and industry review commission, or a court finds that the employer had good cause for failing to provide the information. This bill extends the current treatment by DWD of benefits erroneously paid indefinitely and also provides that if an employer fails to provide

electronically notify the employer of the amount of contributions due for payment by the employer for each quarter. DWD may then make the information available to the employer electronically. The employer must then pay the amount due for each quarter by the due date in the manner and form approved by DWD.

The changes are effective on the ^{first} Sunday after publication of the law resulting from enactment of the bill.

complete and correct information requested by DWD during a fact-finding investigation, then benefits paid before the end of the week in which a redetermination or decision is issued are not affected by a redetermination or decision (notwithstanding any eligibility issue) unless an appeal tribunal, the commission, or a court finds that the employer had good cause for failing to provide the information.

Admission of departmental records relating to benefit claims

relating to or submitted by an employer

Currently, with the exception of reports by certain experts, a departmental record relating to a benefit claim that contains uncorroborated hearsay and that is offered as evidence before an appeal tribunal (hearing examiner) may require testimony or other authentication to substantiate the information contained in the record before it may be used as evidence that an employer provided or failed to provide complete and correct information to DWD during a fact finding investigation. This bill provides that such a record, if created in the regular course of a fact-finding investigation, constitutes prima facie evidence, and shall be admissible to prove that an employer provided or failed to provide to DWD complete and correct information in a fact-finding investigation of the claim, notwithstanding that the record may contain uncorroborated hearsay, and may be used as the sole basis upon which the issue of the employer's failure is decided, if the parties appearing at the hearing before the tribunal are given an opportunity to review the record at or before the hearing and to rebut the information contained in the record. Under the bill, such a record requires no authenticating testimony or other evidence for the record to be admitted in evidence, unless the circumstances affirmatively indicate a lack of trustworthiness. If appropriate, the record may then be regarded on appeal as sufficient without further substantiation to sustain the decision of the appeal tribunal.

Employment of certain parents by family-owned businesses

Currently, with certain exceptions, the wages accruing to an individual that are used to compute the total benefits payable to the individual may not exceed ten times the individual's weekly benefit rate based solely on employment by a corporation, partnership, or limited liability company that is treated as a corporation or partnership for UI purposes in which the individual or a family member owns or controls a significant interest. Under current law, a "family member" includes a child. This bill excludes a child from the benefit eligibility limitation, thereby potentially making the parent of a child who, with other family members, owns a significant interest in the business by which the parent is employed eligible for benefits on the same basis as other employees of other employers. Under the bill,

Employment assistance

Currently, DWD operates an employment service that assists unemployed individuals in finding suitable employment. This program is funded with federal revenue.

This bill permits this program to be funded, in addition, from the unemployment reserve fund, which is used to pay UI benefits. The bill appropriates \$1,532,200 from federal revenue for this purpose. Under the bill, none of this money may be encumbered or expended after December 31, 2009. The use of this money

The exclusion does not apply if the individual is employed in a family-owned business and there is an involuntary cessation of the business under certain circumstances.

the exclusion still applies if a child of a family claimant has an ownership interest in a family business from which the claimant's employment is terminated.

potentially increases the liability of employers to finance UI benefits through contributions (taxes).

Unemployment insurance administration funding

Currently, the federal government provides regular grants to this state for the purpose of financing the cost of administration of the UI program. In addition, the federal government provides special grants to this state that may be used for the purpose of administration of UI, for the payment of UI benefits, or for certain other purposes. Currently, only the first \$3,289,107 of the moneys in a special grant for federal fiscal year 2002 may be used for UI administration. This bill permits an additional \$1,000,000 of the moneys received in the special grant for federal fiscal year 2002 to be used for UI administration. The bill also permits another \$1,000,000 of the moneys received by this state in a special federal grant for federal fiscal year 2002 to be expended for the same purpose on or after October 1, 2008. Under the bill, none of these moneys may be encumbered or expended after September 30, 2009. The expenditure authorizations potentially increase the liability of employers to finance UI benefits through contributions (taxes).

For further information see the *state* 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:

SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

			2007-08	2008-09
20.445	Workforce development, department of			
(1)	WORKFORCE DEVELOPMENT			
(nf)	Unemployment insurance administration	PR-F C	1,000,000	1,000,000
(ng)	Unemployment administration; employment services	PR-F C	1,530,200	-0-

SECTION 2. 20.445 (1) (n) of the statutes is amended to read:

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1 20.445 (1) (n) *Employment assistance and unemployment insurance*
2 *administration; federal moneys.* All federal moneys received, as authorized by the
3 governor under s. 16.54, for the administration of employment assistance and
4 unemployment insurance programs of the department, for the performance of the
5 department's other functions under subch. I of ch. 106 and ch. 108, except moneys
6 appropriated under ~~par. (ne)~~ ~~par. (nf)~~ ~~and (ng)~~, and to pay the compensation and
7 expenses of appeal tribunals and of employment councils appointed under s. 108.14,
8 to be used for such purposes, except as provided in s. 108.161 (3e), and, from the
9 moneys received by this state under section 903 (d) of the federal Social Security Act,
10 as amended, to transfer to the appropriation account under par. (nb) an amount
11 determined by the treasurer of the unemployment reserve fund not exceeding the
12 lesser of the amount specified in s. 108.161 (4) (d) or the amounts in the schedule
13 under par. (nb), to transfer to the appropriation account under par. (nd) an amount
14 determined by the treasurer of the unemployment reserve fund not exceeding the
15 lesser of the amount specified in s. 108.161 (4) (d) or the amounts in the schedule
16 under par. (nd), and to transfer to the appropriation account under par. (ne) an
17 amount determined by the treasurer of the unemployment reserve fund not
18 exceeding the lesser of the amount specified in s. 108.161 (4) (d) or the amount
19 required to pay for the cost of banking services incurred by the unemployment
20 reserve fund.

21 **SECTION 3.** 20.445 (1) (nc) of the statutes is repealed.

22 **SECTION 4.** 20.445 (1) (nf) of the statutes is created to read:

23 20.445 (1) (nf) *Unemployment insurance administration.* From the moneys
24 received from the federal government under section 903 of the federal Social Security
25 Act, as amended, for federal fiscal year 2002, as a continuing appropriation, the

1 amounts in the schedule, as authorized by the governor under s. 16.54, to be used for
2 the administration of unemployment insurance. No moneys appropriated under this
3 paragraph for the 2008-09 fiscal year may be encumbered or expended prior to
4 October 1, 2008. No moneys may be encumbered or expended from this appropriation
5 after September 30, 2009.

6 **SECTION 5.** 20.445 (1) (ng) of the statutes is created to read:

7 20.445 (1) (ng) *Unemployment administration; employment services.* From the
8 moneys received from the federal government under section 903 (d) of the federal
9 Social Security Act, as amended, as a continuing appropriation, the amounts in the
10 schedule, as authorized by the governor under s. 16.54, to be used for delivery of
11 reemployment assistance services to unemployment insurance claimants. No
12 moneys may be expended from this appropriation unless the treasurer of the
13 unemployment insurance fund determines that the expenditure is currently needed
14 for the purpose specified in this paragraph. No moneys may be encumbered or
15 expended from this appropriation after December 31, 2009.

16 **SECTION 6.** 108.02 (12) (a) of the statutes is amended to read:

17 108.02 (12) (a) "Employee" means any individual who is or has been performing
18 services for pay for an employing unit, whether or not the individual is paid directly
19 by the employing unit, except as provided in par. (b), (bm), (c), (d), (dm) or (dn).

20 **SECTION 7.** 108.02 (12) (b) of the statutes is repealed.

21 **SECTION 8.** 108.02 (12) (bm) (intro.) of the statutes is amended to read:

22 108.02 (12) (bm) (intro.) ~~During the period beginning on January 1, 2000, with~~
23 ~~respect to contribution requirements, and during the period beginning on April 2,~~
24 ~~2000, with respect to benefit eligibility, par. Paragraph (a) does not apply to an~~
25 individual performing services for an employing unit other than a government unit

1 or nonprofit organization in a capacity other than as a logger or trucker, if the
2 employing unit satisfies the department that the individual meets 7 6 or more of the
3 following conditions by contract and in fact:

4 **SECTION 9.** 108.02 (12) (bm) 1. of the statutes is repealed.

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

6 108.02 (15m) FAMILY CORPORATION. (intro.) ~~Except as provided in s. 108.04 (7)~~
7 (r), "family Family corporation" means:

8 **SECTION 11.** 108.02 (15m) (a) of the statutes is amended to read:

9 108.02 (15m) (a) A corporation or a limited liability company that is treated
10 as a corporation under this chapter in which 50% or more of the ownership interest,
11 however designated or evidenced, is or during a claimant's employment was owned
12 or controlled, directly or indirectly, by the claimant or by the claimant's spouse or
13 child, or by the claimant's parent if the claimant is under the age of 18, or by a
14 combination of 2 or more of them; or

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

16 108.02 (15s) FULL-TIME WORK. "Full-time work" means work performed for 32
17 or more hours per week.

18 **SECTION 13.** 108.02 (20m) of the statutes is created to read:

19 108.02 (20m) PART-TIME WORK. "Part-time work" means work performed for
20 less than 32 hours per week.

21 **SECTION 14.** 108.02 (21) (b) of the statutes is amended to read:

22 108.02 (21) (b) Notwithstanding par. (a), except as provided in s. 108.151 (7)
23 (a), an employer's payroll for calendar years prior to 2009 includes only the first
24 \$10,500 of wages paid by an employer to an individual during ~~a~~ each calendar year,
25 for calendar years 2009 and 2010 includes only the first \$12,000 of such wages, for

1 calendar years 2011 and 2012 includes only the first \$13,000 of such wages, and for
2 calendar years after 2012 includes only the first \$14,000 of such wages, including any
3 wages paid for any work covered by the unemployment insurance law of any other
4 state, except as authorized in s. 108.17 (5).

5 **SECTION 15.** 108.04 (1) (a) of the statutes is renumbered 108.04 (1) (a) (intro.)
6 and amended to read:

7 108.04 (1) (a) (intro.) ~~An employee's eligibility for benefits shall be reduced for~~
8 ~~any week in which the~~ If an employee is with due notice called on by his or her current
9 employing unit to report for work actually available within such a given week and
10 is unavailable for, or unable to perform, ~~some or all of such available work. the work:~~

11 (bm) For purposes of ~~this paragraph~~ par. (a) 1. and (b) 2., the department shall
12 treat the amount that the employee would have earned as wages for that a given
13 week in ~~such available work~~ as wages earned by the employee and shall apply the
14 method specified in s. 108.05 (3) (a) to compute the benefits payable to the employee.
15 The department shall estimate wages that an employee would have earned if it is not
16 possible to compute the exact amount of wages that would have been earned by the
17 employee.

18 **SECTION 16.** 108.04 (1) (a) 1. and 2. of the statutes are created to read:

19 108.04 (1) (a) 1. On not more than 2 days of the week, the employee's eligibility
20 for benefits for that week shall be reduced under par. (bm).

21 2. On more than 2 days of the week, the employee is ineligible for benefits for
22 that week.

23 **SECTION 17.** 108.04 (1) (b) of the statutes is repealed and recreated to read:

24 108.04 (1) (b) 1. Except as provided in subd. 2., an employee is ineligible for
25 benefits while the employee is unable to work or unavailable for work because the

1 employee's employment is suspended by the employee or the employee's employer or
2 is terminated by the employee's employer due to the employee's unavailability for
3 work or inability to perform suitable work otherwise available with the employee's
4 employer, because the employee is on a leave of absence, or because the employee is
5 on family or medical leave.

6 2. If an employee is absent from work on not more than 2 days in the first week
7 of a leave taken under subd. 1. or in the week in which a suspension or termination
8 under subd. 1. occurs, the employee's eligibility for benefits for that week shall be
9 determined under par. (bm).

10 **SECTION 18.** 108.04 (1) (c) of the statutes is repealed.

11 **SECTION 19.** 108.04 (1) (g) 1. and 2. of the statutes are amended to read:

12 108.04 (1) (g) 1. Employment by a partnership or limited liability company that
13 is treated as a partnership under this chapter, if a one-half or greater ownership
14 interest in the partnership or limited liability company is or during such employment
15 was owned or controlled, directly or indirectly, by the individual's spouse or child, or
16 by the individual's parent if the individual is under age 18, or by a combination of 2
17 or more of them.

18 2. Employment by a corporation or limited liability company that is treated as
19 a corporation under this chapter, if one-half or more of the ownership interest,
20 however designated or evidenced, in the corporation or limited liability company is
21 or during such employment was owned or controlled, directly or indirectly, by the
22 individual or by the individual's spouse or child, or by the individual's parent if the
23 individual is under age 18, or by a combination of 2 or more of them.

24 **SECTION 20.** 108.04 (1) (gm) 4. c. of the statutes is amended to read:

1 108.04 (1) (gm) 4. c. Sale, due to economic invariability, if the sale does not result
 2 in ownership or control by substantially the same interests that owned or controlled
 3 the family corporation. It is presumed unless shown to the contrary that a sale, in
 4 whole or in part, to a spouse, or parent or child of an individual who owned or
 5 controlled the family corporation, or to any combination of 2 or more of them, is a sale
 6 ~~to substantially the same interests that owned or controlled the family corporation.~~

7 SECTION 21. 108.04 (4) (a) of the statutes is amended to read:

8 108.04 (4) (a) A claimant is not eligible to start a benefit year unless the
 9 claimant has combined base period wages equal to at least 30 35 times the claimant's
 10 weekly benefit rate under s. 108.05 (1), including combined base period wages equal
 11 to at least 4 times the claimant's weekly benefit rate under s. 108.05 (1) in one or more
 12 quarters outside of the quarter within the claimant's base period in which the
 13 claimant has the highest base period wages.

results in disqualification

PLAN

14 SECTION 22. 108.04 (5) of the statutes is amended to read:

15 108.04 (5) DISCHARGE FOR MISCONDUCT. Unless sub. (5g) applies, an An
 16 employee whose work is terminated by an employing unit for misconduct connected
 17 with the employee's work is ineligible to receive benefits until 7 weeks have elapsed
 18 since the end of the week in which the discharge occurs and the employee earns
 19 wages after the week in which the discharge occurs equal to at least 14 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 discharge not occurred. The wages paid to an
 24 employee by an employer which terminates employment of the employee for
 25 misconduct connected with the employee's employment shall be excluded from the

Unless sub. (5g) applies, an

An

1 employee's base period wages under s. 108.06 (1) for purposes of benefit entitlement.
 2 This subsection does not preclude an employee who has employment with an
 3 employer other than the employer which terminated the employee for misconduct
 4 from establishing a benefit year using the base period wages excluded under this
 5 subsection if the employee qualifies to establish a benefit year under s. 108.06 (2) (a).
 6 The department shall charge to the fund's balancing account any benefits otherwise
 7 chargeable to the account of an employer that is subject to the contribution
 8 requirements under ss. 108.17 and 108.18 from which base period wages are
 9 excluded under this subsection. If an employee is penalized for his or her conduct

10 under sub. (5g), the employee is not subject to any requalification requirement under
 11 this subsection for the same conduct to which sub. (5g) was applied.

12 **SECTION 23.** 108.04 (5g) (em) of the statutes is created to read:

13 108.04 (5g) (em) If an employee is not ^{disqualified} penalized for his or her conduct under
 14 this subsection, the employee may nevertheless be subject to ^{the} a requalification
 15 ^{disqualification under sub. (5).} requirement for the same conduct under sub. (5) if sub. (5) applies to the employee.

16 **SECTION 24.** 108.04 (7) (k) of the statutes is amended to read:

17 108.04 (7) (k) Paragraph (a) does not apply to an employee who terminates his
 18 or her part-time work consisting of not more than 30 hours per week if the employee
 19 is otherwise eligible to receive benefits because of the loss of the employee's full-time
 20 employment work and the loss of the full-time employment work makes it
 21 economically unfeasible for the employee to continue the part-time work.

22 **SECTION 25.** 108.04 (7) (o) of the statutes is amended to read:

23 108.04 (7) (o) Paragraph (a) does not apply to an employee who terminates his
 24 or her work in one of 2 or more concurrently held positions, at least one of which
 25 consists of more than 30 hours per week full-time work, if the employee terminates

1 his or her work before receiving notice of termination from a position which consists
2 of more than 30 hours per week full-time work.

3 **SECTION 26.** 108.04 (7) (r) of the statutes is renumbered 108.04 (7) (r) (intro.)
4 and amended to read:

5 108.04 (7) (r) (intro.) Paragraph (a) does not apply if the department
6 determines that the employee owns or controls, directly or indirectly, an ownership
7 interest, however designated or evidenced, in a family ~~corporation~~ business and the
8 employee's employment was terminated by the employer because of an involuntary
9 cessation of the business of the ~~corporation~~ business under one or more of the
10 conditions specified in sub. (1) (gm). In this paragraph, "family ~~corporation~~" has the
11 meaning given in s. 108.02 (15m) and also includes a business" means:

12 1. A corporation or a limited liability company that is treated as a corporation
13 under this chapter in which 50% or more of the ownership interest, however
14 designated or evidenced, is or during an employee's employment was owned or
15 controlled, directly or indirectly, by the employee or by the employee's spouse or child,
16 or by the employee's parent if the employee is under the age of 18, or by one or more
17 brothers or sisters of -a claimant the employee, or by a combination of one or more
18 brothers or sisters and one or more of the persons specified in s. 108.02 (15m) (a) 2
19 or more of them; or

20 **SECTION 27.** 108.04 (7) (r) 2. of the statutes is created to read:

21 108.04 (7) (r) 2. Except where subd. 1. applies, a corporation or limited liability
22 company that is treated as a corporation under this chapter in which 25 percent or
23 more of the ownership interest, however designated or evidenced, is or during an
24 employee's employment was owned or controlled, directly or indirectly, by the
25 employee.

SECTION 28. 108.04 (11) (a) of the statutes is amended to read:

108.04 (11) (a) If Except as provided in par. (b), if a claimant, in filing his or her application for benefits or claim for any week, conceals any part of his or her wages earned in or paid or payable for that week, or conceals his or her refusal within that week of a job offer or any other material fact relating to his or her eligibility for

benefits, so much of any benefit payment as that was paid made because of such concealment shall be recovered by the department as an overpayment.
the claimant shall forfeit benefits in accordance with par. (be)

SECTION 29. 108.04 (11) (b) of the statutes is repealed and recreated to read:

108.04 (11) (b) If a claimant, in filing a claim for any week, conceals any of his or her wages earned in or paid or payable for that week, the claimant shall be denied benefits for that week and any benefits paid erroneously because of such concealment shall be recovered by the department as an overpayment.
shall forfeit
in accordance with par. (be)
In addition, the claimant shall be denied benefits for that week.

SECTION 30. 108.04 (11) (be) of the statutes is created to read:

108.04 (11) (be) A claimant shall forfeit benefits and be disqualified from receiving benefits for acts of concealment described in pars. (a) and (b) as follows:

1. A claimant shall forfeit an amount equal to the claimant's weekly benefit rate under s. 108.05 (1) for the week for which the claim is made for each single act of concealment occurring before the date of the first determination of concealment under par. (a) or (b).

2. A claimant shall forfeit 3 times the claimant's benefit rate under s. 108.05 (1) for the week in which the claim is made for each single act of concealment occurring after the date of the first determination of concealment in which a penalty is applied under subd. 1. but on or before the date of the ^{first} ~~2nd~~ determination of concealment in which a penalty is applied under this subdivision.

1 3. A claimant shall forfeit 5 times the claimant's benefit rate under s. 108.05
2 (1) for the week in which the claim is made for each single act of concealment
3 occurring after the date of the ^{First} ~~2nd~~ determination of concealment in which a penalty
4 is applied under subd. 2.

5 SECTION 31. 108.04 (11) (bm) of the statutes is amended to read:

6 108.04 (11) (bm) The forfeiture established under par. (b) ~~(be)~~ may be applied
7 against benefits which would otherwise become payable to the claimant for weeks
8 of unemployment occurring after the week of concealment and within 6 years after
9 the date of an initial determination issued under s. 108.09 finding that a concealment
10 occurred. If no benefit rate applies to the week for which the claim is made, the
11 department shall use the claimant's benefit rate for the claimant's next benefit year
12 beginning after the week of concealment to determine the forfeiture amount. If the
13 benefits forfeited would otherwise be chargeable to an employer's account, the
14 department shall charge the amount of benefits forfeited to the employer's account
15 and shall credit the fund's balancing account for that amount. ~~Any forfeiture amount~~
16 ~~of less than \$1 shall be rounded up to the nearest whole dollar.~~

17 SECTION 32. 108.04 (11) (c) of the statutes is renumbered 108.04 (11) (c) (intro.)
18 and amended to read:

19 108.04 (11) (c) (intro.) Any employing unit that aids and abets a claimant in
20 committing or attempts to aid and abet a claimant in committing an act of
21 concealment described in par. (a) or (b) may, by a determination issued under s.
22 108.10, be required, as to each act of concealment the employing unit aids and abets
23 or attempts to aid an^d abet, to forfeit an amount equal to the amount of the benefits
24 the claimant improperly received as a result of the concealment. ~~The amount~~

1 ~~forfeited shall be credited to the administrative account.~~ In addition, the employing
2 unit shall be penalized as follows:

3 **SECTION 33.** 108.04 (11) (c) 1. to 3. of the statutes are created to read:

4 108.04 (11) (c) 1. The employing unit shall forfeit \$500 for each single act of
5 concealment that the employing unit aids and abets or attempts to aid and abet a
6 claimant to commit occurring before the date of the first determination that the
7 employing unit has so acted.

8 2. The employing unit shall forfeit \$1,000 for each single act of concealment
9 that the employing unit aids and abets or attempts to aid and abet a claimant to
10 commit occurring after the date of the first determination that the employing unit
11 has so acted in which a penalty is applied under subd. 1. but on or before the date of
12 the ~~2nd~~ ^{first} determination that the employing unit has so acted in which a penalty is
13 applied under this subdivision.

14 3. The employing unit shall forfeit \$1,500 for each single act of concealment
15 that the employing unit aids and abets or attempts to aid and abet a claimant to
16 commit occurring after the date of the ~~2nd~~ ^{first} determination that the employing unit has
17 so acted in which a penalty is applied under subd. 2.

18 **SECTION 34.** 108.04 (11) (cm) of the statutes is amended to read:

19 108.04 (11) (cm) If any person makes a false statement or representation in
20 order to obtain benefits in the name of another person, the benefits received by that
21 person constitute a benefit overpayment. Such person may, by a determination or
22 decision issued under s. 108.095, be required to repay the amount of the benefits
23 obtained and be assessed an administrative assessment in an additional amount
24 equal to ~~not more than 50%~~ of the amount of benefits obtained.

25 **SECTION 35.** 108.04 (11) (f) and (g) of the statutes are created to read:

1 108.04 (11) (f) All amounts forfeited under par. (c) and all collections from
2 administrative assessments under par. (cm) shall be credited to the administrative
3 account.

4 (g) For purposes of this subsection, "conceal" means to intentionally mislead
5 or defraud the department by withholding or hiding information or making a false
6 statement or misrepresentation.

7 **SECTION 36.** 108.04 (13) (c) of the statutes is amended to read:

8 108.04 (13) (c) If an employer, after notice of a benefit claim, fails to file an
9 objection to the claim under s. 108.09 (1), any benefits allowable under any resulting
10 benefit computation shall, unless the department applies a provision of this chapter
11 to disqualify the claimant, be promptly paid. Except as otherwise provided in this
12 paragraph, any eligibility question in objection to the claim raised by the employer
13 after benefit payments to the claimant are commenced does not affect benefits paid
14 prior to the end of the week in which a determination is issued as to the eligibility
15 question unless the benefits are erroneously paid without fault on the part of the
16 employer. ~~If, during the period beginning on January 1, 2006, and ending on June~~
17 ~~28, 2008, Except as otherwise provided in this paragraph, if an employer fails to~~
18 ~~provide correct and complete information requested by the department during a~~
19 ~~fact-finding investigation, but later provides the requested information, charges to~~
20 ~~the employer's account for benefits paid prior to the end of the week in which a~~
21 ~~redetermination is issued regarding the matter or, if no redetermination is issued,~~
22 ~~prior to the end of the week in which an appeal tribunal decision is issued regarding~~
23 ~~the matter, are not affected by the redetermination or decision, except unless the~~
24 ~~benefits are erroneously paid without fault on the part of the employer as provided~~
25 ~~in par. (g) (f).~~ If benefits are erroneously paid because the employer and the employee

1 are at fault, the department shall charge the employer for the benefits and proceed
2 to create an overpayment under s. 108.22 (8) (a). If benefits are erroneously paid
3 without fault on the part of the employer, regardless of whether the employee is at
4 fault, the department shall charge the benefits as provided in par. (d), unless par. (e)
5 applies, and proceed to create an overpayment under s. 108.22 (8) (a). If benefits are
6 erroneously paid because an employer is at fault and the department recovers the
7 benefits erroneously paid under s. 108.22 (8), the recovery does not affect benefit
8 charges made under this paragraph.

9 **SECTION 37.** 108.04 (13) (e) of the statutes is amended to read:

10 108.04 (13) (e) If the department erroneously pays benefits from one
11 employer's account and a 2nd employer is at fault, the department shall credit the
12 benefits paid to the first employer's account and charge the benefits paid to the 2nd
13 employer's account. Filing of a tardy or corrected report or objection does not affect
14 the 2nd employer's liability for benefits paid prior to the end of the week in which the
15 department makes a recomputation of the benefits allowable or prior to the end of
16 the week in which the department issues a determination concerning any eligibility
17 question raised by the report or by the 2nd employer. ~~If, during the period beginning~~
18 ~~on January 1, 2006, and ending on June 29, 2008,~~ the 2nd employer fails to provide
19 correct and complete information requested by the department during a fact-finding
20 investigation, but later provides the requested information, the department shall
21 charge to the account of the 2nd employer the cost of benefits paid prior to the end
22 of the week in which a redetermination is issued regarding the matter or, if no
23 redetermination is issued, prior to the end of the week in which an appeal tribunal
24 decision is issued regarding the matter, except unless the benefits erroneously are
25 paid without fault on the part of the employer as provided in par. ~~(g)~~ (f). If the

1 department recovers the benefits erroneously paid under s. 108.22 (8), the recovery
2 does not affect benefit charges made under this paragraph.

3 **SECTION 38.** 108.04 (13) (f) of the statutes is amended to read:

4 108.04 (13) (f) If benefits are erroneously paid because the employer fails to file
5 a report required by this chapter, the employer fails to provide correct and complete
6 information on the report, the employer fails to object to the benefit claim under s.
7 108.09 (1), the employer fails to provide correct and complete information requested
8 by the department during a fact-finding investigation, unless an appeal tribunal,
9 the commission, or a court of competent jurisdiction finds that the employer had good
10 cause for the failure to provide the information, or the employer aids and abets the
11 claimant in an act of concealment as provided in sub. (11), the employer is at fault.
12 If benefits are erroneously paid because an employee commits an act of concealment
13 as provided in sub. (11) or fails to provide correct and complete information to the
14 department, the employee is at fault.

15 **SECTION 39.** 108.04 (13) (g) of the statutes is repealed.

16 **SECTION 40.** 108.04 (16) (a) (intro.) of the statutes is amended to read:

17 108.04 (16) (a) (intro.) The department shall not reduce benefits under sub. (1)
18 (a) 1., or deny benefits under sub. (1) (a) 2., (2) (a) or (d), or (8) or s. 108.141 (3g) to
19 any otherwise eligible individual for any week as a result of the individual's
20 enrollment in a course of vocational training or basic education which is a
21 prerequisite to such training, provided the department determines that:

22 **SECTION 41.** 108.04 (16) (b) of the statutes is amended to read:

23 108.04 (16) (b) The department shall not apply any benefit reduction or
24 disqualification under sub. (1) (b) ~~1~~, (7) (c), or (8) (e) or s. 108.141 (3g) that is not the

1 result of training or basic education under par. (a) while an individual is enrolled in
2 a course of training or education that meets the standards specified in par. (a).

3 **SECTION 42.** 108.04 (16) (c) 1. of the statutes is amended to read:

4 108.04 (16) (c) 1. The department shall not reduce benefits under sub. (1) (a)
5 1. or deny benefits under sub. (1) (a) 2., (2) (a) or (d), or (8) or s. 108.141 (3g) to an
6 otherwise eligible individual as a result of the individual's enrollment in such
7 training; and

8 **SECTION 43.** 108.04 (16) (c) 2. of the statutes is amended to read:

9 108.04 (16) (c) 2. The department shall not apply any benefit disqualifications
10 reduction or disqualification under sub. (1) (b) 1., (7) (c), or (8) (e) or s. 108.141 (3g)
11 that ~~are~~ is not the result of the training while the individual is enrolled in the
12 training.

13 **SECTION 44.** 108.05 (3) (a) of the statutes is amended to read:

14 108.05 (3) (a) Except as provided in pars. (b) ~~and,~~ (c), and (d), if an eligible
15 employee earns wages in a given week, the first \$30 of the wages shall be disregarded
16 and the employee's applicable weekly benefit payment shall be reduced by 67% of the
17 remaining amount, except that no such employee is eligible for benefits if the
18 employee's benefit payment would be less than \$5 for any week. For purposes of this
19 paragraph, "wages" includes any salary reduction amounts earned that are not
20 wages and that are deducted from the salary of a claimant by an employer pursuant
21 to a salary reduction agreement under a cafeteria plan, within the meaning of 26
22 USC 125, and any amount that a claimant would have earned in available work
23 under s. 108.04 (1) (a) which is treated as wages under s. 108.04 (1) (a) (bm), but excludes any amount that
24 a claimant earns for services performed as a volunteer fire fighter, volunteer
25 emergency medical technician, or volunteer first responder. In applying this

1 paragraph, the department shall disregard discrepancies of less than \$2 between
2 wages reported by employees and employers.

3 SECTION 45. 108.05 (3) (b) 1. ~~a, to~~ c. of the statutes ^{e is} are amended to read:

4 108.05 (3) (b) 1. a. ~~The claimant works is engaged in full-time work~~ for that
5 employer at least 35 hours in that week at the same or a greater rate of pay, excluding
6 bonuses, incentives, overtime or any other supplement to the earnings, as the
7 claimant was paid by that employer in that quarter of the claimant's base period in
8 which the claimant was paid his or her highest wages;

9 b. The claimant receives from that employer sick pay, holiday pay, vacation pay
10 or termination pay which, by itself or in combination with wages earned for work
11 performed in that week for that employer, is at least equivalent to pay for at least 35
12 ~~hours of full-time work at that same or a greater rate of pay; or~~

13 ^{108.05 (3) (b) 1.} c. The amount that the claimant would have earned within that week from that
14 employer in available work ^{under s. 108.04 (1) (a)} which is treated as wages under s. 108.04 (1) (a) (bm), by
15 itself or in combination with the wages earned for work performed in that week for
16 that employer and the pay received under subd. 1. b., is ~~at least~~ equivalent to pay for
17 at least 35 hours of full-time work at that same or a greater rate of pay.

18 SECTION 46. 108.05 (3) (c) of the statutes is amended to read:

19 108.05 (3) (c) A claimant is ineligible to receive any benefits for a week in which
20 the claimant works a total of 40 or more hours is engaged in full-time work for one
21 or more employing units.

22 SECTION 47. 108.05 (3) (d) of the statutes is created to read:

23 108.05 (3) (d) A claimant is ineligible to receive benefits for any week in which
24 the claimant conceals wages as provided in s. 108.04 (11) (b).

25 SECTION 48. 108.067 (1) of the statutes is amended to read:

1 108.067 (1) Each professional employer organization that enters into an
2 employee leasing agreement with a client during any calendar quarter shall submit
3 to the department, no later than the due date for ~~the report~~ payment of contributions
4 under s. 108.17 (2) relating to that quarter, in the form prescribed by the department,
5 a report disclosing the identity of that client and such other information as the
6 department prescribes.

7 **SECTION 49.** 108.09 (2) (bm) of the statutes is amended to read:

8 108.09 (2) (bm) In determining whether an individual meets the conditions
9 specified in s. 108.02 (12) ~~(b) 2. a. or b.,~~ (bm) 3. or 4., or (c) 1., the department shall
10 not consider documents granting operating authority or licenses, or any state or
11 federal laws or federal regulations granting such authority or licenses.

12 **SECTION 50.** 108.09 (4o) of the statutes is created to read:

13 108.09 (4o) DEPARTMENTAL RECORDS RELATING TO BENEFIT CLAIMS. In any hearing
14 before an appeal tribunal under this section, a departmental record relating to a
15 claim for benefits, other than a report specified in sub. (4m), constitutes prima facie
16 evidence, and shall be admissible to prove, that an employer provided or failed to
17 provide to the department complete and correct information in a fact-finding
18 investigation of the claim, notwithstanding that the record or a statement contained
19 in the record may be uncorroborated hearsay and may constitute the sole basis upon
20 which issue of the employer's failure is decided, if the parties appearing at the
21 hearing have been given an opportunity to review the record at or before the hearing
22 and to rebut the information contained in the record. A record of the department that
23 is admissible under this subsection shall be regarded as self authenticating and shall
24 require no foundational or other testimony for its admissibility, unless the
25 circumstances affirmatively indicate a lack of trustworthiness in the record. If such

1 a record is admitted and made the basis of a decision, the record may constitute
 2 substantial evidence under s. 102.23 (6). For purposes of this subsection,
 3 "departmental record" means a memorandum, report, record, document, or data
 4 compilation that has been made or maintained by employees of the department in
 5 the regular course of the department's fact-finding investigation of a benefit claim,
 6 is contained in the department's paper or electronic files of the benefit claim, and
 7 relates to the department's investigative inquiries to an employer or statements or
 8 other ~~documents~~ ^{matters} submitted by the employer or its agent in connection with the
 9 fact-finding investigation of a benefit claim. "Departmental record" does not include
 10 ~~any~~ statement or other ~~document~~ ^{matter} submitted by or obtained from a claimant.

11 **SECTION 51.** 108.09 (4s) of the statutes is amended to read:

12 **108.09 (4s) EMPLOYEE STATUS.** In determining whether an individual meets the
 13 conditions specified in s. 108.02 (12) (b) ~~2. a. or b.,~~ (bm) 3. or 4., or (c) 1., the appeal
 14 tribunal shall not take administrative notice of or admit into evidence documents
 15 granting operating authority or licenses, or any state or federal laws or federal
 16 regulations granting such authority or licenses.

17 **SECTION 52.** 108.151 (7) (e) of the statutes is amended to read:

18 108.151 (7) (e) Except as provided in par. (f), the rate of each employer's
 19 assessment under this subsection for any calendar year is the product of the rate
 20 determined under par. (d) multiplied by the employer's payroll for the preceding
 21 calendar year, as reported by the employer under sub. (8) or s. 108.15 (8), 108.152 (7),
 22 ~~or~~ 108.17 (2) or 108.205 (1) or, in the absence of reports, as estimated by the
 23 department.

24 **SECTION 53.** 108.151 (7) (h) of the statutes is amended to read:

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 - Circled numbers 8 and 9
 - Circled number 10
 - Circled numbers 16, 17, and 18
 - The text "JWS 26-16" written vertically next to the circled numbers 16, 17, and 18.

Handwritten note on the right margin:
 "a memorandum, report, record, document, or data compilation that relates to a"

1 108.151 (7) (h) If the payroll of an employer for any quarter is adjusted to
 2 decrease the amount of the payroll after a contribution ~~wage and~~ ^{and wage} employment report
 3 for the employer is filed under s. ~~108.17(2)~~ 108.205 (1), the department shall refund
 4 any assessment that is overpaid by the employer under this subsection as a result
 5 of the adjustment.

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6 SECTION 54. 108.16 (6) (f) of the statutes is amended to read:

7 108.16 (6) (f) Any amount available for such crediting under s. 108.04 (11) (b)
 8 (be), 108.14 (8n) (e) or 108.141.

9 SECTION 55. 108.16 (8) (b) 4. of the statutes is amended to read:

10 108.16 (8) (b) 4. The department has received a written application from the
 11 transferee requesting that it be deemed a successor. Such application must be
 12 received by the department on or before the contribution report and payment due
 13 date for the first full quarter following the date of transfer.

14 SECTION 56. 108.17 (2) of the statutes is renumbered 108.17 (2) (a) and
 15 amended to read:

16 108.17 (2) (a) ~~Every~~ Except as provided in par. (b), every employer that is
 17 subject to a contribution requirement shall file quarterly reports of contributions
 18 required under this chapter with the department, and pay contributions to the
 19 department, in such manner as the department prescribes. Each contribution report
 20 and payment is due at the close of the month next following the end of the applicable
 21 calendar quarter, except as authorized in sub. (2c) or as the department may assign
 22 a later due date pursuant to sub. (1m) or general department rules.

23 SECTION 57. 108.17 (2) (b) of the statutes is created to read:

24 108.17 (2) (b) If an employer that is subject to a contribution requirement files
 25 its wage and employment reports under s. 108.205 (1) electronically in the manner

1 and form prescribed by the department, the employer may ~~elect~~, in lieu of filing
 2 reports under par. (a), ~~to~~ request the department to ~~provide electronic notice~~ ^{electronically notify} the
 3 employer ~~following the end of each quarter~~ of the amount of contributions due for
 4 payment, ^{by the employer} under s. 108.18 for ~~that~~ ^{each} quarter. In such case, the department ~~shall~~ ^{may}
 5 ~~compute the amount due from the employer's wage and employment report for each~~ ^{make the information available to the employer electronically.}
 6 ~~quarter and shall promptly provide notice to the employer of the amount due for~~
 7 ~~payment.~~ The employer shall ~~then~~ pay the ~~contributions~~ ^{amount} due for ~~the~~ ^{each} quarter by the
 8 due date specified in par. (a) in the manner ~~provided in sub. (7).~~ ^{and form approved by the department}

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

10 108.17 (2b) The department shall prescribe a form and methodology for filing
 11 contribution reports under sub. (2) electronically using the Internet. Each employer
 12 of ~~50~~ ²⁵ or more employees, as determined under s. 108.22 (1) (ae), that does not use
 13 an employer agent to file its contribution reports under this section and that becomes
 14 subject to a reporting requirement under sub. (2) before July 1, 2008, shall file its
 15 contribution reports electronically using the Internet on the in the manner and form
 16 prescribed by the department. Each employer that becomes subject to the reporting ^{the department determines to be}
 17 requirements under sub. (2) after June 30, 2008, and that does not use an employer
 18 agent to file its contribution reports shall file its contribution reports electronically
 19 in the manner and form prescribed by the department. ^{Each employer that the department determines to be subject to an electronic reporting requirement under this} Once an employer becomes ^{subsection}
 20 subject to the a reporting requirements requirement under this subsection, it shall ^{shall file}
 21 continue to file its reports under this subsection unless that requirement is waived ^{its}
 22 by the department. ^{initial report}

SECTION 59. 108.17 (2c) (a) (intro.) of the statutes is amended to read:

24 108.17 (2c) (a) (intro.) Except as provided in pars. (d) and (e), an employer that
 25 has a first quarter contribution liability of \$5,000 ~~\$1,000~~ or more may ~~defer payment~~ ^{elect to}

becomes subject to the reporting requirement.

and each employer that first employs 25 or more employees after June 30, 2008,

Each employer that the department determines to be subject to an electronic reporting requirement under this

1 to later due dates beyond the due date established under sub. (1m) or (2) of not more
2 than 60% of its first quarter contribution liability, without payment of interest, as
3 follows:

4 **SECTION 60.** 108.17 (2c) (c) of the statutes is amended to read:

5 108.17 (2c) (c) If an employer fails to pay at least the specified minimum
6 deferred amount for the first quarter, together with the full amount of contributions
7 payable for any subsequent quarter, or fails to file its employment and wage or
8 contribution report in the format prescribed under par. (f), by a specified due date,
9 then all unpaid contribution liability of that employer for the first quarter is
10 delinquent under s. 108.22 and interest thereon is payable from April 30 of the year
11 in which the liability accrues.

12 **SECTION 61.** 108.17 (2c) (f) of the statutes is created to read:

13 108.17 (2c) (f) An employer that elects to defer payment of its first quarter
14 contributions under this subsection shall file its contribution reports under s. 108.17
15 (2) and its employment and wage reports under s. 108.205 electronically in the
16 manner and form prescribed by the department.

17 **SECTION 62.** 108.17 (2g) of the statutes is amended to read:

18 108.17 (2g) An Except as authorized in sub. (2), an employer agent that
19 prepares reports ~~pays contributions~~ under sub. (2) ~~on behalf of less than 25~~
20 ~~employers shall file those contribution reports electronically using the Internet on~~
21 ~~the in the manner and form prescribed by the department under sub. (2b).—An~~
22 ~~employer agent that prepares reports under sub. (2) on behalf of 25 or more~~
23 ~~employers shall file those reports using an electronic medium and format approved~~
24 ~~by the department.—An employer agent that becomes subject to the reporting~~
25 ~~requirement under this subsection shall file its initial reports under this subsection~~

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the election electronically and shall file

1 for the 4th quarter beginning after the quarter in which the employer agent becomes
 2 subject to the reporting requirement. Once an employer agent becomes subject to the
 3 reporting requirement under this subsection, the employer agent shall continue to
 4 file its reports under this subsection unless that requirement is waived by the
 5 department.

6 SECTION 63. 108.17 (7) of the statutes is created to read:

7 108.17 (7) (a) In this subsection, "electronic funds transfer" means any transfer
 8 of moneys initiated through a telephone, terminal, or computer that authorizes a
 9 financial institution to debit an account and transfer the moneys debited to another
 10 account.

11 (b) Each employer whose net total contributions ^{paid or payable} under this section for any
 12 12-month period ending on June 30 are at least \$10,000 shall pay all contributions
 13 under this section by means of electronic funds transfer ^{beginning with the next calendar year}. Once an employer becomes
 14 subject to an electronic payment requirement under this paragraph, the employer
 15 shall continue to make payment of all contributions by means of electronic funds
 16 transfer unless that requirement is waived by the department.

17 (c) Each employer agent shall pay all contributions under this section on behalf
 18 of each employer that is represented by the agent by means of electronic funds
 19 transfer.

20 SECTION 64. 108.18 (4) (figure) of the statutes is amended to read:

Figure 108.18 (4):

Line	Reserve Percentage	Contribution Rate Schedule A
1.	15.0% or more	0.27 0.07
2.	At least 10.0% but under 15.0%	0.27 0.07
3.	At least 9.5% but under 10.0%	0.45 0.25

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SECTION 64

4.	At least 9.0% but under 9.5%	0.53
		0.33
5.	At least 8.5% but under 9.0%	0.72
		0.52
6.	At least 8.0% but under 8.5%	0.79
		0.59
7.	At least 7.5% but under 8.0%	0.86
		0.66
8.	At least 7.0% but under 7.5%	0.97
		0.77
9.	At least 6.5% but under 7.0%	1.23
		1.03
10.	At least 6.0% but under 6.5%	1.48
		1.28
11.	At least 5.5% but under 6.0%	1.82
		1.62
12.	At least 5.0% but under 5.5%	2.16
		1.96
13.	At least 4.5% but under 5.0%	2.50
		2.30
14.	At least 4.0% but under 4.5%	2.84
		2.64
15.	At least 3.5 but under 4.0%	3.18
		2.98
16.	At least 0 but under 3.5%	3.57
		3.37
17.	Overdrawn by less than 1.0%	5.70
		5.30
18.	Overdrawn by at least 1.0% but under 2.0%	6.20
		5.80
19.	Overdrawn by at least 2.0% but under 3.0%	6.70
		6.30
20.	Overdrawn by at least 3.0% but under 4.0%	7.20
		6.80
21.	Overdrawn by at least 4.0% but under 5.0%	7.70
		7.30
22.	Overdrawn by at least 5.0% but under 6.0%	8.20
		7.80
23.	Overdrawn by 6.0% or more	8.90
		8.50

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Line	Schedule B Reserve Percentage	Contribution Rate Schedule B
1.	15.0% or more	0.00
2.	At least 10.0% but under 15.0%	0.20
		0.00
3.	At least 9.5% but under 10.0%	0.35
		0.15
4.	At least 9.0% but under 9.5%	0.45
		0.25
5.	At least 8.5% but under 9.0%	0.65
		0.45
6.	At least 8.0% but under 8.5%	0.80
		0.60
7.	At least 7.5% but under 8.0%	0.90
		0.70

SECTION 64

8.	At least 7.0% but under 7.5%	1.05
		<u>0.85</u>
9.	At least 6.5% but under 7.0%	1.30
		<u>1.10</u>
10.	At least 6.0% but under 6.5%	1.60
		<u>1.40</u>
11.	At least 5.5% but under 6.0%	1.95
		<u>1.55</u> 1.75
12.	At least 5.0% but under 5.5%	2.30
		<u>2.10</u>
13.	At least 4.5% but under 5.0%	2.65
		<u>2.45</u>
14.	At least 4.0% but under 4.5%	3.00
		<u>2.80</u>
15.	At least 3.5 but under 4.0%	3.45
		<u>3.25</u>
16.	At least 0 but under 3.5%	4.00
		<u>3.80</u>
17.	Overdrawn by less than 1.0%	5.70
		<u>5.30</u>
18.	Overdrawn by at least 1.0% but under 2.0%	6.20
		<u>5.80</u>
19.	Overdrawn by at least 2.0% but under 3.0%	6.70
		<u>6.30</u>
20.	Overdrawn by at least 3.0% but under 4.0%	7.20
		<u>6.80</u>
21.	Overdrawn by at least 4.0% but under 5.0%	7.70
		<u>7.30</u>
22.	Overdrawn by at least 5.0% but under 6.0%	8.20
		<u>7.80</u>
23.	Overdrawn by 6.0% or more	8.90
		<u>8.50</u>

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Lin- e	<i>Schedule C</i> Reserve Percentage	Contribution Rate Schedule C
1.	15.0% or more	0.00
2.	At least 10.0% but under 15.0%	0.20
		<u>0.00</u>
3.	At least 9.5% but under 10.0%	0.35
		<u>0.15</u>
4.	At least 9.0% but under 9.5%	0.45
		<u>0.25</u>
5.	At least 8.5% but under 9.0%	0.65
		<u>0.45</u>
6.	At least 8.0% but under 8.5%	0.80
		<u>0.60</u>
7.	At least 7.5% but under 8.0%	0.90
		<u>0.70</u>
8.	At least 7.0% but under 7.5%	1.05
		<u>0.85</u>
9.	At least 6.5% but under 7.0%	1.30
		<u>1.10</u>
10.	At least 6.0% but under 6.5%	1.60
		<u>1.40</u>
11.	At least 5.5% but under 6.0%	1.95
		<u>1.75</u>

12.	At least 5.0% but under 5.5%	2.30
		<u>2.10</u>
13.	At least 4.5% but under 5.0%	2.65
		<u>2.45</u>
14.	At least 4.0% but under 4.5%	3.00
		<u>2.80</u>
15.	At least 3.5 but under 4.0%	3.45
		<u>3.25</u>
16.	At least 0 but under 3.5%	4.00
		<u>3.80</u>
17.	Overdrawn by less than 1.0%	5.70
		<u>5.30</u>
18.	Overdrawn by at least 1.0% but under 2.0%	6.20
		<u>5.80</u>
19.	Overdrawn by at least 2.0% but under 3.0%	6.70
		<u>6.30</u>
20.	Overdrawn by at least 3.0% but under 4.0%	7.20
		<u>6.80</u>
21.	Overdrawn by at least 4.0% but under 5.0%	7.70
		<u>7.30</u>
22.	Overdrawn by at least 5.0% but under 6.0%	8.20
		<u>7.80</u>
23.	Overdrawn by 6.0% or more	8.90
		<u>8.50</u>

Lin- e	<i>Schedule D</i> Reserve Percentage	Contribution Rate <u>Schedule D</u>
1.	15.0% or more	0.00
2.	At least 10.0% but under 15.0%	0.10
		<u>0.00</u>
3.	At least 9.5% but under 10.0%	0.25
		<u>0.05</u>
4.	At least 9.0% but under 9.5%	0.35
		<u>0.15</u>
5.	At least 8.5% but under 9.0%	0.55
		<u>0.35</u>
6.	At least 8.0% but under 8.5%	0.70
		<u>0.50</u>
7.	At least 7.5% but under 8.0%	0.80
		<u>0.60</u>
8.	At least 7.0% but under 7.5%	.95
		<u>0.75</u>
9.	At least 6.5% but under 7.0%	1.20
		<u>1.00</u>
10.	At least 6.0% but under 6.5%	1.50
		<u>1.30</u>
11.	At least 5.5% but under 6.0%	1.85
		<u>1.65</u>
12.	At least 5.0% but under 5.5%	2.20
		<u>2.00</u>
13.	At least 4.5% but under 5.0%	2.55
		<u>2.35</u>
14.	At least 4.0% but under 4.5%	2.90
		<u>2.70</u>
15.	At least 3.5 but under 4.0%	3.35
		<u>3.15</u>

16.	At least 0 but under 3.5%	3.90
		3.70
17.	Overdrawn by less than 1.0%	5.70
		5.30
18.	Overdrawn by at least 1.0% but under 2.0%	6.20
		5.80
19.	Overdrawn by at least 2.0% but under 3.0%	6.70
		6.30
20.	Overdrawn by at least 3.0% but under 4.0%	7.20
		6.80
21.	Overdrawn by at least 4.0% but under 5.0%	7.70
		7.30
22.	Overdrawn by at least 5.0% but under 6.0%	8.20
		7.80
23.	Overdrawn by 6.0% or more	8.90
		8.50

SECTION 65. 108.18 (8) of the statutes is amended to read:

108.18 (8) SOLVENCY CONTRIBUTIONS. Each employer's solvency contribution for each period of a calendar year quarter of any year shall be figured by applying the solvency rate determined for that year under sub. (9) to the employer's payroll for that period quarter, and shall be payable to the fund's balancing account by the due date of its contribution report due date for payment of contributions by the employer for that quarter.

SECTION 66. 108.18 (9) (figure) of the statutes is amended to read:

Figure 108.18 (9):

Schedule A			
Line	Contribution Rate	Employers with payroll under \$500,000	Employers with payroll of \$500,000 or more
		Solvency Rate	Solvency Rate
1	0.27 0.07	0.00 0.20	0.43 0.63
2	0.27 0.07	0.00 0.20	0.43 0.63
3	0.45 0.25	0.00 0.20	0.60 0.80
4	0.53 0.33	0.00 0.20	0.70 0.90
5	0.72 0.52	0.20 0.40	0.70 0.90
6	0.79 0.59	0.30 0.50	0.80 1.00
7	0.86 0.66	0.40 0.60	0.90 1.10
8	0.97 0.77	0.50 0.70	1.00 1.20
9	1.23 1.03	0.60 0.80	1.00 1.20
10	1.48 1.28	0.70 0.90	1.10 1.30
11	1.82 1.62	0.80 1.00	1.20 1.40

12	2.16 1.96	0.90 1.10	1.30 1.50
13	2.50 2.30	0.90 1.10	1.40 1.60
14	2.70 2.50	0.90 1.10	1.40 1.60
15	2.84 2.64	1.00 1.20	1.50 1.70
16	3.18 2.98	1.10 1.30	1.60 1.80
17	3.57 3.37	1.20 1.40	1.70 1.90
18	5.70 5.30	0.90 1.30	0.90 1.30
19	6.20 5.80	0.90 1.30	0.90 1.30
20	6.70 6.30	0.90 1.30	0.90 1.30
21	7.20 6.80	0.90 1.30	0.90 1.30
22	7.70 7.30	0.90 1.30	0.90 1.30
23	8.20 7.80	0.90 1.30	0.90 1.30
24	8.90 8.50	0.90 1.30	0.90 1.30

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Schedule B

Line	Contribution Rate	Employers with payroll under \$500,000	Employers with payroll of \$500,000 or more
		Solvency Rate	Solvency Rate
1	0.00	0.05	0.10
2	0.20 0.00	0.05 0.25	0.10 0.30
3	0.35 0.15	0.05 0.25	0.15 0.35
4	0.45 0.25	0.05 0.25	0.20 0.40
5	0.65 0.45	0.20 0.40	0.30 0.50
6	0.80 0.60	0.20 0.40	0.35 0.55
7	0.90 0.70	0.20 0.40	0.40 0.60
8	1.05 0.85	0.25 0.45	0.45 0.65
9	1.30 1.10	0.30 0.50	0.50 0.70
10	1.60 1.40	0.35 0.55	0.55 0.75
11	1.95 1.75	0.45 0.65	0.60 0.80
12	2.30 2.10	0.50 0.70	0.65 0.85
13	2.65 2.45	0.55 0.75	0.70 0.90
14	2.70 2.50	0.55 0.75	0.70 0.90
15	3.00 2.80	0.60 0.80	0.70 0.90
16	3.45 3.25	0.65 0.85	0.70 0.90
17	4.00 3.80	0.65 0.85	0.70 0.90
18	5.70 5.30	0.90 1.30	0.90 1.30
19	6.20 5.80	0.90 1.30	0.90 1.30
20	6.70 6.30	0.90 1.30	0.90 1.30
21	7.20 6.80	0.90 1.30	0.90 1.30
22	7.70 7.30	0.90 1.30	0.90 1.30
23	8.20 7.80	0.90 1.30	0.90 1.30
24	8.90 8.50	0.90 1.30	0.90 1.30

Schedule C

Line	Contribution Rate	Employers with payroll under \$500,000	Employers with payroll of \$500,000 or more
		Solvency Rate	Solvency Rate
1	0.00	0.00	0.05

2	0.20 0.00	0.02 0.22	0.05 0.25
3	0.35 0.15	0.02 0.22	0.05 0.25
4	0.45 0.25	0.02 0.22	0.05 0.25
5	0.65 0.45	0.10 0.30	0.15 0.35
6	0.80 0.60	0.10 0.30	0.20 0.40
7	0.90 0.70	0.10 0.30	0.25 0.45
8	1.05 0.85	0.15 0.35	0.30 0.50
9	1.30 1.10	0.15 0.35	0.35 0.55
10	1.60 1.40	0.20 0.40	0.40 0.60
11	1.95 1.75	0.25 0.45	0.45 0.65
12	2.30 2.10	0.30 0.50	0.50 0.70
13	2.65 2.45	0.35 0.55	0.55 0.75
14	2.70 2.50	0.35 0.55	0.55 0.75
15	3.00 2.80	0.40 0.60	0.55 0.75
16	3.45 3.25	0.40 0.60	0.55 0.75
17	4.00 3.80	0.40 0.60	0.55 0.75
18	5.70 5.30	0.70 1.10	0.70 1.10
19	6.20 5.80	0.70 1.10	0.70 1.10
20	6.70 6.30	0.70 1.10	0.70 1.10
21	7.20 6.80	0.70 1.10	0.70 1.10
22	7.70 7.30	0.80 1.20	0.80 1.20
23	8.20 7.80	0.85 1.25	0.85 1.25
24	8.90 8.50	0.85 1.25	0.85 1.35

Schedule D

Line	Contribution Rate	Employers with payroll under \$500,000	Employers with payroll of \$500,000 or more
		Solvency Rate	Solvency Rate
1	0.00	0.00	0.05
2	0.10 0.00	0.02 0.12	0.05 0.15
3	0.25 0.05	0.02 0.22	0.05 0.25
4	0.35 0.15	0.02 0.22	0.05 0.25
5	0.55 0.35	0.10 0.30	0.15 0.25 ^{1.35}
6	0.70 0.50	0.10 0.30	0.20 0.25 ^{1.40}
7	0.80 0.60	0.10 0.30	0.25 0.45
8	0.95 0.75	0.15 0.35	0.30 0.50
9	1.20 1.00	0.15 0.35	0.35 0.55
10	1.50 1.30	0.20 0.40	0.40 0.60
11	1.85 1.65	0.25 0.45	0.45 0.65
12	2.20 2.00	0.30 0.50	0.50 0.70
13	2.55 2.35	0.35 0.55	0.55 0.75
14	2.70 2.50	0.35 0.55	0.55 0.75
15	2.90 2.70	0.40 0.60	0.55 0.75
16	3.35 3.15	0.40 0.60	0.55 0.75
17	3.90 3.70	0.40 0.60	0.55 0.75
18	5.70 5.30	0.70 1.10	0.70 1.10
19	6.20 5.80	0.70 1.10	0.70 1.10
20	6.70 6.30	0.70 1.10	0.70 1.10
21	7.20 6.80	0.70 1.10	0.70 1.10
22	7.70 7.30	0.80 1.20	0.80 1.20

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1.35
1.40

23	8.20 7.80	0.85 1.25	0.85 1.25
24	8.90 8.50	0.85 1.25	0.85 1.25

1 **SECTION 67.** 108.19 (1e) (a) of the statutes is amended to read:

2 108.19 (1e) (a) Except as provided in par. (b), each employer, other than an
3 employer that finances benefits by reimbursement in lieu of contributions under s.
4 108.15, 108.151, or 108.152 shall, in addition to other contributions payable under
5 s. 108.18 and this section, pay an assessment to the administrative account for each
6 year prior to the year ~~2008~~ 2010 equal to the lesser of 0.01% of its payroll for that year
7 or the solvency contribution that would otherwise be payable by the employer under
8 s. 108.18 (9) for that year.

9 **SECTION 68.** 108.19 (1m) of the statutes is amended to read:

10 108.19 (1m) Each employer subject to this chapter as of the date a rate is
11 established under this subsection shall pay an assessment to the administrative
12 account at a rate established by the department sufficient to pay interest due on
13 advances from the federal unemployment account under title XII of the social
14 security act (42 USC 1321 to 1324). The rate established by the department for
15 employers who finance benefits under s. 108.15 (2), 108.151 (2), or 108.152 (1) shall
16 be 75% of the rate established for other employers. The amount of any employer's
17 assessment shall be the product of the rate established for that employer multiplied
18 by the employer's payroll of the previous calendar year as taken from quarterly
19 ~~contribution wage and employment~~ and wage reports filed by the employer under s. 108.205
20 (1) or, in the absence of the filing of such reports, estimates made by the department.
21 Each assessment made under this subsection is due on the 30th day commencing
22 after the date on which notice of the assessment is mailed by the department. If the
23 amounts collected under this subsection are in excess of the amounts needed to pay

1 interest due, the amounts shall be retained in the administrative account and
2 utilized for the purposes specified in s. 108.20 (2m).

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3 **SECTION 69.** 108.20 (3) of the statutes is amended to read:
4

5 108.20 (3) There shall be included in the moneys governed by sub. (2m) any
6 amounts collected by the department under ss. 108.04 (11) (c) and (cm) and 108.22
7 (1) (a), (ac), ~~and (ad)~~, and (af) as tardy filing fees, forfeitures, interest on delinquent
8 payments, or other penalties and any excess moneys collected under s. 108.19 (1m).

9 **SECTION 70.** 108.205 (1m) of the statutes is amended to read:

10 108.205 (1m) (a) The department shall prescribe a the manner and form and
11 methodology for filing reports under sub. (1) electronically ~~using the Internet~~.

12 (b) Each employer agent shall file its reports electronically in the manner and
13 form prescribed by the department.

14 **SECTION 71.** 108.205 (2) of the statutes is amended to read:

15 108.205 (2) ~~All employers~~ Each employer of ~~50~~ 25 or more employees, as
16 determined under s. 108.22 (1) (ae), that does not use an employer agent to file its
17 reports under this section and that becomes subject to the reporting requirement
18 under this section before July 1, 2008, shall file the quarterly report under sub. (1)
19 using an electronic medium approved electronically in the manner and form
20 prescribed by the department for such employers. An employer that becomes subject
21 to the reporting requirement under this subsection shall file its initial report under
22 this subsection for the 4th quarter beginning after the quarter in which the employer
23 becomes subject to the reporting requirement. Each employer that becomes subject
and each employer that first employs 25 or more employees after June 30, 2008,
to the reporting requirement under this section after June 30, 2008, shall file the

24 quarterly report under sub. (1) electronically in the manner and form prescribed by
25 the department. Once an employer becomes subject to the reporting requirement

Each employer that the department determines to be subject to an electronic reporting requirement under this subsection shall file its initial report under this subsection for the quarter during which the employer becomes subject to the reporting requirement.

1 under this subsection, the employer shall continue to file its quarterly reports under
2 this subsection unless that requirement is waived by the department.

3 **SECTION 72.** 108.22 (1) (a) (intro.) of the statutes is renumbered 108.22 (1) (a)
4 and amended to read:

5 108.22 (1) (a) If any employer, other than an employer which has ceased
6 business and has not paid or incurred a liability to pay wages in any quarter
7 following the cessation of business, is delinquent in making by the assigned due date
8 any ~~contribution report, or other report or~~ payment to the department required of it
9 under this chapter ~~except a quarterly report under s. 108.205 or a voluntary~~
10 ~~contribution~~, the employer shall pay interest on ^{the} any delinquent payment at the rate
11 of one percent per month or fraction thereof from the date such payment became due.

12 If any such employer is delinquent in making any quarterly report under s. 108.205
13 (1) by the assigned due date, the employer shall pay a tardy filing fee of \$50 for each
14 delinquent quarterly report as follows:

15 **SECTION 73.** 108.22 (1) (a) 1. and 2. of the statutes are repealed.

16 **SECTION 74.** 108.22 (1) (ac) of the statutes is amended to read:

17 108.22 (1) (ac) In addition to any fee assessed under par. (a), the department
18 may assess an employer or employer agent that is subject to the reporting
19 requirement under s. 108.205 (2) and that fails to file its report in ~~a format~~ the
20 manner and form prescribed under that subsection a penalty of \$10 \$15 for each
21 employee whose information is not reported in ~~a format~~ the manner and form
22 prescribed under s. 108.205 (1m) (b) or (2).

23 **SECTION 75.** 108.22 (1) (ac) of the statutes, as affected by 2007 Wisconsin Act
24 (this act), is amended to read:

1 108.22 (1) (ac) In addition to any fee assessed under par. (a), the department
2 may assess an employer or employer agent that is subject to the reporting
3 requirement under s. 108.205 (2) and that fails to file its report in the manner and
4 form prescribed under that subsection a penalty of ~~\$15~~ \$20 for each employee whose
5 information is not reported in the manner and form prescribed under s. 108.205 (1m)
6 (b) or (2).

7 **SECTION 76.** 108.22 (1) (ad) 1. of the statutes is amended to read:

8 108.22 (1) (ad) 1. An employer agent that is subject to the reporting
9 requirements under s. 108.17 (2g) and that fails to file a contribution report in
10 accordance with s. 108.17 (2g) may be assessed a penalty by the department in the
11 amount of \$25 for each employer whose report is not filed ~~using an electronic format~~
12 ~~and medium approved~~ electronically in the manner and form prescribed by the
13 department.

14 **SECTION 77.** 108.22 (1) (ae) of the statutes is amended to read:

15 108.22 (1) (ae) For purposes of par. (a) ~~(ac)~~, the number of employees employed
16 by an employer is the total number of employees employed by the employer at any
17 time during the reporting period.

18 **SECTION 78.** 108.22 (1) (af) of the statutes is created to read:

19 108.22 (1) (af) In addition to the fee assessed under par. (a), the department
20 may assess an employer or employer agent that is subject to a requirement to make
21 contributions by means of an electronic funds transfer under s. 108.17 (7) and that
22 pays contributions by any method inconsistent with s. 108.17 (7) a penalty of the
23 greater of \$50 or an amount equal to one-half of one percent of the total contributions
24 paid by the employer or employer agent for the quarter in which the violation occurs.

25 **SECTION 79.** 108.22 (1) (am) of the statutes is amended to read:

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

4 **SECTION 80.** 108.22 (1) (c) of the statutes is amended to read:

5 108.22 (1) (c) Any report or payment, except a payment required by s. 108.15
6 (5) (b) or 108.151 (5) (f) or (7), to which this subsection applies is delinquent, within
7 the meaning of par. (a), unless it is received by the department, in the form prescribed
8 by law or rule of the department, no later than its due date as determined under par.
9 (b), ~~or if mailed is either postmarked no later than that due date or is received by the~~
10 ~~department no later than 3 days after that due date.~~ Any payment required by s.
11 108.15 (5) (b) or 108.151 (5) (f) or (7) is delinquent, within the meaning of par. (a),
12 unless it is received by the department, in the form prescribed by law, no later than
13 the last day of the month in which it is due.

14 **SECTION 81.** 108.22 (9) of the statutes is amended to read:

15 108.22 (9) An individual who is an officer, employee, member or manager
16 holding at least 20% of the ownership interest of a corporation or of a limited liability
17 company subject to this chapter, and who has control or supervision of or
18 responsibility for filing ^{any required} ~~contribution reports or~~ making payment of contributions,
19 and who willfully fails to file such reports or to make such payments to the
20 department, or to ensure that such reports are filed or that such payments are made,
21 may be found personally liable for such amounts, including interest, tardy payment
22 or filing fees, costs and other fees, in the event that after proper proceedings for the
23 collection of such amounts, as provided in this chapter, the corporation or limited
24 liability company is unable to pay such amounts to the department. Ownership
25 interest of a corporation or limited liability company includes ownership or control,

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1 directly or indirectly, by legally enforceable means or otherwise, by the individual,
 2 by the individual's spouse or child, by the individual's parent if the individual is
 3 under age 18, or by a combination of 2 or more of them, and such ownership interest
 4 of a parent corporation or limited liability company of which the corporation or
 5 limited liability company unable to pay such amounts is a wholly owned subsidiary.
 6 The personal liability of such officer, employee, member or manager as provided in
 7 this subsection survives dissolution, reorganization, bankruptcy, receivership,
 8 assignment for the benefit of creditors, judicially confirmed extension or
 9 composition, or any analogous situation of the corporation or limited liability
 10 company and shall be set forth in a determination or decision issued under s. 108.10.

11 **SECTION 82. Initial applicability.**

12 *42-11* # (1) The treatment of section 108.04 (4) (a) of the statutes first applies with
 13 respect to benefit years which begin on April 6, 2008.

14 # (2) The treatment of section 108.17 (2c) (a) (intro.), (c), and (f) of the statutes
 15 first applies with respect to contributions payable for the first quarter of calendar
 16 year 2009.

17 # (3) The treatment of sections *108.15(3)(e), 108.151(1), 108.152(2)(b)* (4) (figure) and (9) (figure) *and 108.19(3)* of the statutes
 18 first applies with respect to payrolls beginning on January 1, 2009.

19 ~~# (3) The treatment of section 108.02 (12) (bm) (intro.) and 1. of the statutes first~~
 20 ~~applies with respect to employment after December 31, 2007.~~

21 # (4) The treatment of sections 108.02 (15s) and (20m), 108.04 (7) (k) and (o), and
 22 108.05 (3) (b) 1. a. and b. and (c) of the statutes, as they pertain to payment of benefit
 23 claims, and the treatment of section 108.05 (3) (b) 1. c. of the statutes, as it pertains
 24 to the treatment of wages and pay, first apply with respect to weeks of unemployment
 25 beginning on the effective date of this subsection.

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43-6

move

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move

1 (5) The treatment of sections 108.02 (15s) and (20m), 108.04 (7) (k) and (o), and
 2 108.05 (3) (b) 1. a. to c. and (c) of the statutes, as they pertain to adjudication of benefit
 3 claims, first applies with respect to determinations issued under section 108.09 of the
 4 statutes on the effective date of this subsection or, with respect to determinations
 5 that are appealed, to decisions issued under section 108.09 of the statutes on the
 6 effective date of this subsection.

7 (6) The treatment of sections 108.067 (1), 108.151 (7) (e) and (h), 108.16 (8) (b)
 8 4., 108.18 (8), 108.19 (1m), and 108.22 (9) of the statutes, the renumbering and
 9 amendment of section 108.17 (2) of the statutes, and the creation of section 108.17
 10 (2) (b) of the statutes first apply with respect to contributions payable for the 3rd
 11 quarter of 2008.

12 (7) The treatment of section 108.04 (16) (a) (intro.) and (c) 1. of the statutes, the
 13 renumbering and amendment of section 108.04 (1) (a) of the statutes, and the
 14 creation of section 108.04 (1) (a) 1. and 2. of the statutes and, with respect to the
 15 reference to section 108.04 (1) (bm) of the statutes, as affected by this act, the
 16 treatment of section 108.05 (3) (a) and (b) 1. c. of the statutes first apply with respect
 17 to *determinations issued under section 108.09 of the statutes on April 6, 2008*
 18 weeks of unemployment beginning on the effective date of this subsection.

19 (8) The treatment of sections 108.04 (1) (b) and (c) of the statutes and, with
 20 respect to the reference to section 108.04 (1) (b) of the statutes, as affected by this act,
 21 the treatment of section 108.04 (16) (b) and (c) 2. of the statutes first apply with
 22 respect to *determinations issued under section 108.09 of the statutes*
 23 ~~terminations of employment occurring and suspensions of employment~~
 24 ~~and leaves of absence beginning on April 6, 2008.~~

25 (9) The treatment of sections 108.02 (15m) (a) and 108.04 (1) (g) 1. and 2. and
 (gm) 4. c. of the statutes first applies with respect to benefit years that begin on the
 effective date of this subsection. *April 6, 2008*

*FD 5
43-76
from
p. 42*

16

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1 ~~(10)~~ [#] The treatment of sections 108.04 (11) (a), (b), (be), (bm), (cm), (f), and (g),
 2 108.05 (3) (d), and 108.16 (6) (f) of the statutes, the renumbering and amendment of
 3 section 108.04 (11) (c) of the statutes, the creation of section 108.04 (11) (c) 1. to 3. of
 4 the statutes, and, with respect to the reference to section 108.05 (3) (d) of the statutes,
 5 as created by this act, the treatment of section 108.05 (3) (a) of the statutes first apply
 6 with respect to determinations issued under section 108.09 of the statutes on ^{April 6, 2008} the
 7 ~~effective date of this subsection or, with respect to determinations that are appealed,~~
 8 ~~to decisions issued under section 108.09 of the statutes on the effective date of this~~
 9 ~~subsection.~~

10 [#] (11) The treatment of section 108.04 (13) (c) of the statutes first applies with
 11 respect to redeterminations issued under section 108.09 of the statutes on the
 12 effective date of this subsection or, with respect to matters in which no
 13 redetermination is issued, with respect to decisions issued under section 108.09 of
 14 the statutes on the effective date of this subsection.

15 [#] (12) The treatment of section 108.09 (4o) of the statutes first applies with
 16 respect to appeals filed on ^{April 6, 2008} the effective date of this subsection.

17 [#] (13) The treatment of sections 108.17 (2b) and (2g), 108.205 (1m) and (2), and
 18 108.22 (1) (ad) 1. and (ae) of the statutes first applies with respect to reports required
 19 to be filed for the 3rd quarter of 2008.

20 [#] (14) The treatment of sections 108.17 (7), 108.20 (3), and 108.22 (1) (af) and
 21 (am) of the statutes first applies with respect to contributions ^{payments made} payable after
 22 December 31, 2008.

23 [#] (15) The treatment of section 108.22 (1) (c) of the statutes, the renumbering and
 24 amendment of section 108.22 (1) (a) (intro.) of the statutes, and the repeal of section

INS 4/4-19 from P.42
INS 4/4-22 from P.42

1 108.22 (1) (a) 1. and 2. of the statutes first apply with respect to reports required to
2 be filed for the 3rd quarter of 2008.

3 (16) The treatment of section 108.22 (1) (ac) (by SECTION 74) of the statutes first
4 applies with respect to reports required to be filed for the 3rd quarter of 2008.

5 (17) The treatment of section 108.22 (1) (ac) (by SECTION 75) of the statutes first
6 applies with respect to reports required to be filed for the 3rd quarter of 2009.

7 → **SECTION 83. Effective dates.** This act takes effect on the first Sunday after
8 publication, except as follows:

9 (1) The treatment of section 20.445 (1) (ng) of the statutes takes effect on
10 January 1, 2008, or on the first Sunday after publication, whichever is later.

11 (END)

Fix Component

BILL

JNS3A

1 108.205 (1m), 108.22 (1) (ad) 2., 108.22 (8) (b) 2. and 165.066 of the statutes;
 2 **relating to:** various changes in the unemployment insurance law, authorized
 3 positions for the department of justice, making appropriations, and providing
 4 penalties.

Analysis by the Legislative Reference Bureau

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

BENEFIT RATE CHANGES

\$53 \$1,325

Currently, weekly unemployment insurance benefit rates for total unemployment range 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 (period preceding a claim during which benefit rights accrue) to ~~\$329~~ for an employee who earns wages (or certain other amounts treated as wages) of at least ~~\$8,225~~ during any such quarter. This bill adjusts weekly benefit rates for weeks of unemployment beginning on or after ~~January 1, 2006, and before January 7, 2007~~ to rates ranging from ~~\$51~~ for an employee who earns wages (or certain other amounts treated as wages) of at least ~~\$1,275~~ during at least one quarter of the employee's base period to ~~\$340~~ for an employee who earns wages (or certain other amounts treated as wages) of at least ~~\$8,525~~ during any such quarter) and beginning on or after January 7, 2007, to rates ranging from \$53 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,325 during at least one quarter of the employee's base period to \$355 for an employee who earns wages (or certain other amounts treated as wages) of at least \$8,875 during any such quarter.

\$355

\$8,875

\$54

\$363

\$9,075

February 8, 2009

\$1,350

OTHER BENEFIT CHANGES

Failure to provide notification of absenteeism or tardiness

Currently, if an employee is discharged for misconduct connected with his or her work — interpreted by the courts to include only misconduct that evinces willful or wanton disregard of the employer's interests or carelessness or negligence in the performance of duties to such degree or recurrence as to manifest culpability or wrongful intent or exhibit such behavior as to endanger the physical safety of persons on the work site — the employee is ineligible to receive benefits until seven weeks have elapsed since the end of the week in which the discharge occurs and the employee earns wages (or certain other amounts treated as wages) after the week in which the discharge occurs equal to at least 14 times the employee's weekly benefit rate in employment covered by the unemployment insurance law of any state or the federal government. In addition, all wages earned with the employer that discharges the employee are excluded in determining the amount of any future benefits to which the employee is entitled.

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3070/P6ins3
JTK.....

INS 8A:

Study of "employee" definition

The bill directs the council on unemployment insurance to conduct a study of the definition of "employee" in the unemployment insurance law and report its recommendations to the council on unemployment insurance by June 30, 2009. The definition affects benefit eligibility as well as the amount of benefits that an individual may receive, and also affects the contributions or reimbursements that an employer is required to make.

appoint a committee to

✓

BILL

ANS 23-1211

282.	8,275.00	to	8,299.99	331
283.	8,300.00	to	8,324.99	332
284.	8,325.00	to	8,349.99	333
285.	8,350.00	to	8,374.99	334
286.	8,375.00	to	8,399.99	335
287.	8,400.00	to	8,424.99	336
288.	8,425.00	to	8,449.99	337
289.	8,450.00	to	8,474.99	338
290.	8,475.00	to	8,499.99	339
291.	8,500.00	to	8,524.99	340
292.	8,525.00	and over		341

SEC 29. AM; 108.05 (1) (P) (intro.)

1 *108.05 (1) (p)* Each eligible employee shall be paid benefits for each week of total
2 unemployment that commences on or after January 7, 2007, *and before February 8,* at the weekly benefit
3 rate specified in this paragraph. Unless sub. (1m) applies, the weekly benefit rate
4 shall equal 4 percent of the employee's base period wages that were paid during that
5 quarter of the employee's base period in which the employee was paid the highest
6 total wages, rounded down to the nearest whole dollar, except that, if that amount
7 is less than the minimum amount shown in the following schedule, no benefits are
8 payable to the employee and, if that amount is more than the maximum amount
9 shown in the following schedule, the employee's weekly benefit rate shall be the
10 maximum amount shown in the following schedule and except that, if the employee's
11 benefits are exhausted during any week under s. 108.06 (1), the employee shall be

2009

P.W.F.

BILL

Tw 523-12.2

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) (p) following]

3
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Figure 108.05 (1) (p):

Line	Highest Quarterly Wages Paid		Weekly Benefit Rate
293.	Under	\$1,325.00	\$ 0
294.	1,325.00	to 1,349.99	53
295.	1,350.00	to 1,374.99	54
296.	1,375.00	to 1,399.99	55
297.	1,400.00	to 1,424.99	56
298.	1,425.00	to 1,449.99	57
299.	1,450.00	to 1,474.99	58
300.	1,475.00	to 1,499.99	59
301.	1,500.00	to 1,524.99	60
302.	1,525.00	to 1,549.99	61
303.	1,550.00	to 1,574.99	62
304.	1,575.00	to 1,599.99	63
305.	1,600.00	to 1,624.99	64
306.	1,625.00	to 1,649.99	65
307.	1,650.00	to 1,674.99	66
308.	1,675.00	to 1,699.99	67
309.	1,700.00	to 1,724.99	68

BILL

FWS 23-12:3

282.	8,275.00	to	8,299.99	331
283.	8,300.00	to	8,324.99	332
284.	8,325.00	to	8,349.99	333
285.	8,350.00	to	8,374.99	334
286.	8,375.00	to	8,399.99	335
287.	8,400.00	to	8,424.99	336
288.	8,425.00	to	8,449.99	337
289.	8,450.00	to	8,474.99	338
290.	8,475.00	to	8,499.99	339
291.	8,500.00	to	8,524.99	340
292.	8,525.00	and over		341

SECTION# CR; 108.05 (1) (g)

1 *108.05(1)(g)* Each eligible employee shall be paid benefits for each week of total
2 unemployment that commences on or after *February 8, 2009,* January 7, 2007, at the weekly benefit
3 rate specified in this paragraph. Unless sub. (1m) applies, the weekly benefit rate
4 shall equal 4 percent of the employee's base period wages that were paid during that
5 quarter of the employee's base period in which the employee was paid the highest
6 total wages, rounded down to the nearest whole dollar, except that, if that amount
7 is less than the minimum amount shown in the following schedule, no benefits are
8 payable to the employee and, if that amount is more than the maximum amount
9 shown in the following schedule, the employee's weekly benefit rate shall be the
10 maximum amount shown in the following schedule and except that, if the employee's
11 benefits are exhausted during any week under s. 108.06 (1), the employee shall be

B

BILL

INS 23-12:4a

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) (p) following]

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

5 6 7 8	Line	Highest Quarterly Wages Paid	Weekly Benefit Rate
	293.	Under \$1,325.00	\$ 0
	294.	1,325.00 to 1,349.99	53
	295.	1,350.00 to 1,374.99	54
	296.	1,375.00 to 1,399.99	55
	297.	1,400.00 to 1,424.99	56
	298.	1,425.00 to 1,449.99	57
	299.	1,450.00 to 1,474.99	58
	300.	1,475.00 to 1,499.99	59
	301.	1,500.00 to 1,524.99	60
	302.	1,525.00 to 1,549.99	61
	303.	1,550.00 to 1,574.99	62
	304.	1,575.00 to 1,599.99	63
	305.	1,600.00 to 1,624.99	64
	306.	1,625.00 to 1,649.99	65
	307.	1,650.00 to 1,674.99	66
	308.	1,675.00 to 1,699.99	67
	309.	1,700.00 to 1,724.99	68

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3070/P6insX

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INS 23-12:4b

Figure 108.05 (1) (q):

↖

LPS: ~~after~~ you copy/paste this table row into the bill (and the table ~~rows~~ on the ~~insert~~ insert pages that follow), split this table row from the ones that follow.

2007-2008 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3070/P6ins
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FW 23-12:5

Line	Highest Quarterly Wages Paid	Weekly Benefit Rate
1.	Under \$1,350.00	\$ 0
2.	1,350.00 to 1,374.99	54
3.	1,375.00 to 1,399.99	55
4.	1,400.00 to 1,424.99	56
5.	1,425.00 to 1,449.99	57
6.	1,450.00 to 1,474.99	58
7.	1,475.00 to 1,499.99	59
8.	1,500.00 to 1,524.99	60
9.	1,525.00 to 1,549.99	61
10.	1,550.00 to 1,574.99	62
11.	1,575.00 to 1,599.99	63
12.	1,600.00 to 1,624.99	64
13.	1,625.00 to 1,649.99	65
14.	1,650.00 to 1,674.99	66
15.	1,675.00 to 1,699.99	67
16.	1,700.00 to 1,724.99	68
17.	1,725.00 to 1,749.99	69
18.	1,750.00 to 1,774.99	70
19.	1,775.00 to 1,799.99	71
20.	1,800.00 to 1,824.99	72
21.	1,825.00 to 1,849.99	73

INS 23-12:6

22.	.....	1,850.00	to	1,874.99	.....	74
23.	.....	1,875.00	to	1,899.99	.....	75
24.	.....	1,900.00	to	1,924.99	.....	76
25.	.....	1,925.00	to	1,949.99	.....	77
26.	.....	1,950.00	to	1,974.99	.....	78
27.	.....	1,975.00	to	1,999.99	.....	79
28.	.....	2,000.00	to	2,024.99	.....	80
29.	.....	2,025.00	to	2,049.99	.....	81
30.	.....	2,050.00	to	2,074.99	.....	82
31.	.....	2,075.00	to	2,099.99	.....	83
32.	.....	2,100.00	to	2,124.99	.....	84
33.	.....	2,125.00	to	2,149.99	.....	85
34.	.....	2,150.00	to	2,174.99	.....	86
35.	.....	2,175.00	to	2,199.99	.....	87
36.	.....	2,200.00	to	2,224.99	.....	88
37.	.....	2,225.00	to	2,249.99	.....	89
38.	.....	2,250.00	to	2,274.99	.....	90
39.	.....	2,275.00	to	2,299.99	.....	91
40.	.....	2,300.00	to	2,324.99	.....	92
41.	.....	2,325.00	to	2,349.99	.....	93
42.	.....	2,350.00	to	2,374.99	.....	94
43.	.....	2,375.00	to	2,399.99	.....	95
44.	.....	2,400.00	to	2,424.99	.....	96
45.	.....	2,425.00	to	2,449.99	.....	97

INS 23-12.7

46.	.....	2,450.00	to	2,474.99	.....	98
47.	.....	2,475.00	to	2,499.99	.....	99
48.	.....	2,500.00	to	2,524.99	.....	100
49.	.....	2,525.00	to	2,549.99	.....	101
50.	.....	2,550.00	to	2,574.99	.....	102
51.	.....	2,575.00	to	2,599.99	.....	103
52.	.....	2,600.00	to	2,624.99	.....	104
53.	.....	2,625.00	to	2,649.99	.....	105
54.	.....	2,650.00	to	2,674.99	.....	106
55.	.....	2,675.00	to	2,699.99	.....	107
56.	.....	2,700.00	to	2,724.99	.....	108
57.	.....	2,725.00	to	2,749.99	.....	109
58.	.....	2,750.00	to	2,774.99	.....	110
59.	.....	2,775.00	to	2,799.99	.....	111
60.	.....	2,800.00	to	2,824.99	.....	112
61.	.....	2,825.00	to	2,849.99	.....	113
62.	.....	2,850.00	to	2,874.99	.....	114
63.	.....	2,875.00	to	2,899.99	.....	115
64.	.....	2,900.00	to	2,924.99	.....	116
65.	.....	2,925.00	to	2,949.99	.....	117
66.	.....	2,950.00	to	2,974.99	.....	118
67.	.....	2,975.00	to	2,999.99	.....	119
68.	.....	3,000.00	to	3,024.99	.....	120
69.	.....	3,025.00	to	3,049.99	.....	121

WS23-12:8

70.	.....	3,050.00	to	3,074.99	.....	122
71.	.....	3,075.00	to	3,099.99	.....	123
72.	.....	3,100.00	to	3,124.99	.....	124
73.	.....	3,125.00	to	3,149.99	.....	125
74.	.....	3,150.00	to	3,174.99	.....	126
75.	.....	3,175.00	to	3,199.99	.....	127
76.	.....	3,200.00	to	3,224.99	.....	128
77.	.....	3,225.00	to	3,249.99	.....	129
78.	.....	3,250.00	to	3,274.99	.....	130
79.	.....	3,275.00	to	3,299.99	.....	131
80.	.....	3,300.00	to	3,324.99	.....	132
81.	.....	3,325.00	to	3,349.99	.....	133
82.	.....	3,350.00	to	3,374.99	.....	134
83.	.....	3,375.00	to	3,399.99	.....	135
84.	.....	3,400.00	to	3,424.99	.....	136
85.	.....	3,425.00	to	3,449.99	.....	137
86.	.....	3,450.00	to	3,474.99	.....	138
87.	.....	3,475.00	to	3,499.99	.....	139
88.	.....	3,500.00	to	3,524.99	.....	140
89.	.....	3,525.00	to	3,549.99	.....	141
90.	.....	3,550.00	to	3,574.99	.....	142
91.	.....	3,575.00	to	3,599.99	.....	143
92.	.....	3,600.00	to	3,624.99	.....	144
93.	.....	3,625.00	to	3,649.99	.....	145

DWS 23-12:9

94.	.....	3,650.00	to	3,674.99	.....	146
95.	.....	3,675.00	to	3,699.99	.....	147
96.	.....	3,700.00	to	3,724.99	.....	148
97.	.....	3,725.00	to	3,749.99	.....	149
98.	.....	3,750.00	to	3,774.99	.....	150
99.	.....	3,775.00	to	3,799.99	.....	151
100.	.....	3,800.00	to	3,824.99	.....	152
101.	.....	3,825.00	to	3,849.99	.....	153
102.	.....	3,850.00	to	3,874.99	.....	154
103.	.....	3,875.00	to	3,899.99	.....	155
104.	.....	3,900.00	to	3,924.99	.....	156
105.	.....	3,925.00	to	3,949.99	.....	157
106.	.....	3,950.00	to	3,974.99	.....	158
107.	.....	3,975.00	to	3,999.99	.....	159
108.	.....	4,000.00	to	4,024.99	.....	160
109.	.....	4,025.00	to	4,049.99	.....	161
110.	.....	4,050.00	to	4,074.99	.....	162
111.	.....	4,075.00	to	4,099.99	.....	163
112.	.....	4,100.00	to	4,124.99	.....	164
113.	.....	4,125.00	to	4,149.99	.....	165
114.	.....	4,150.00	to	4,174.99	.....	166
115.	.....	4,175.00	to	4,199.99	.....	167
116.	.....	4,200.00	to	4,224.99	.....	168
117.	.....	4,225.00	to	4,249.99	.....	169

PWS 23-12.10

118.	.....	4,250.00	to	4,274.99	.....	170
119.	.....	4,275.00	to	4,299.99	.....	171
120.	.....	4,300.00	to	4,324.99	.....	172
121.	.....	4,325.00	to	4,349.99	.....	173
122.	.....	4,350.00	to	4,374.99	.....	174
123.	.....	4,375.00	to	4,399.99	.....	175
124.	.....	4,400.00	to	4,424.99	.....	176
125.	.....	4,425.00	to	4,449.99	.....	177
126.	.....	4,450.00	to	4,474.99	.....	178
127.	.....	4,475.00	to	4,499.99	.....	179
128.	.....	4,500.00	to	4,524.99	.....	180
129.	.....	4,525.00	to	4,549.99	.....	181
130.	.....	4,550.00	to	4,574.99	.....	182
131.	.....	4,575.00	to	4,599.99	.....	183
132.	.....	4,600.00	to	4,624.99	.....	184
133.	.....	4,625.00	to	4,649.99	.....	185
134.	.....	4,650.00	to	4,674.99	.....	186
135.	.....	4,675.00	to	4,699.99	.....	187
136.	.....	4,700.00	to	4,724.99	.....	188
137.	.....	4,725.00	to	4,749.99	.....	189
138.	.....	4,750.00	to	4,774.99	.....	190
139.	.....	4,775.00	to	4,799.99	.....	191
140.	.....	4,800.00	to	4,824.99	.....	192
141.	.....	4,825.00	to	4,849.99	.....	193

IWS 23-12:11

142.	.....	4,850.00	to	4,874.99	.....	194
143.	.....	4,875.00	to	4,899.99	.....	195
144.	.....	4,900.00	to	4,924.99	.....	196
145.	.....	4,925.00	to	4,949.99	.....	197
146.	.....	4,950.00	to	4,974.99	.....	198
147.	.....	4,975.00	to	4,999.99	.....	199
148.	.....	5,000.00	to	5,024.99	.....	200
149.	.....	5,025.00	to	5,049.99	.....	201
150.	.....	5,050.00	to	5,074.99	.....	202
151.	.....	5,075.00	to	5,099.99	.....	203
152.	.....	5,100.00	to	5,124.99	.....	204
153.	.....	5,125.00	to	5,149.99	.....	205
154.	.....	5,150.00	to	5,174.99	.....	206
155.	.....	5,175.00	to	5,199.99	.....	207
156.	.....	5,200.00	to	5,224.99	.....	208
157.	.....	5,225.00	to	5,249.99	.....	209
158.	.....	5,250.00	to	5,274.99	.....	210
159.	.....	5,275.00	to	5,299.99	.....	211
160.	.....	5,300.00	to	5,324.99	.....	212
161.	.....	5,325.00	to	5,349.99	.....	213
162.	.....	5,350.00	to	5,374.99	.....	214
163.	5,375.00	to	5,399.99	215
164.	5,400.00	to	5,424.99	216
165.	5,425.00	to	5,449.99	217

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166.	5,450.00	to	5,474.99	218
167.	5,475.00	to	5,499.99	219
168.	5,500.00	to	5,524.99	220
169.	5,525.00	to	5,549.99	221
170.	.....	5,550.00	to	5,574.99	.....	222
171.	.....	5,575.00	to	5,599.99	.....	223
172.	.....	5,600.00	to	5,624.99	.....	224
173.	.....	5,625.00	to	5,649.99	.....	225
174.	.....	5,650.00	to	5,674.99	.....	226
175.	.....	5,675.00	to	5,699.99	.....	227
176.	.....	5,700.00	to	5,724.99	.....	228
177.	.....	5,725.00	to	5,749.99	.....	229
178.	.....	5,750.00	to	5,774.99	.....	230
179.	.....	5,775.00	to	5,799.99	.....	231
180.	.....	5,800.00	to	5,824.99	.....	232
181.	.....	5,825.00	to	5,849.99	.....	233
182.	.....	5,850.00	to	5,874.99	.....	234
183.	.....	5,875.00	to	5,899.99	.....	235
184.	.....	5,900.00	to	5,924.99	.....	236
185.	.....	5,925.00	to	5,949.99	.....	237
186.	.....	5,950.00	to	5,974.99	.....	238
187.	.....	5,975.00	to	5,999.99	.....	239
188.	.....	6,000.00	to	6,024.99	.....	240
189.	.....	6,025.00	to	6,049.99	.....	241

DWS 23-12:13

190.	.....	6,050.00	to	6,074.99	.....	242
191.	.....	6,075.00	to	6,099.99	.....	243
192.	.....	6,100.00	to	6,124.99	.....	244
193.	.....	6,125.00	to	6,149.99	.....	245
194.	.....	6,150.00	to	6,174.99	.....	246
195.	.....	6,175.00	to	6,199.99	.....	247
196.	.....	6,200.00	to	6,224.99	.....	248
197.	.....	6,225.00	to	6,249.99	.....	249
198.	.....	6,250.00	to	6,274.99	.....	250
199.	.....	6,275.00	to	6,299.99	.....	251
200.	.....	6,300.00	to	6,324.99	.....	252
201.	.....	6,325.00	to	6,349.99	.....	253
202.	.....	6,350.00	to	6,374.99	.....	254
203.	.....	6,375.00	to	6,399.99	.....	255
204.	.....	6,400.00	to	6,424.99	.....	256
205.	.....	6,425.00	to	6,449.99	.....	257
206.	.....	6,450.00	to	6,474.99	.....	258
207.	.....	6,475.00	to	6,499.99	.....	259
208.	.....	6,500.00	to	6,524.99	.....	260
209.	.....	6,525.00	to	6,549.99	.....	261
210.	.....	6,550.00	to	6,574.99	.....	262
211.	.....	6,575.00	to	6,599.99	.....	263
212.	.....	6,600.00	to	6,624.99	.....	264
213.	.....	6,625.00	to	6,649.99	.....	265

Ans 23-12:14

214.	.....	6,650.00	to	6,674.99	.....	266
215.	.....	6,675.00	to	6,699.99	.....	267
216.	.....	6,700.00	to	6,724.99	.....	268
217.	.....	6,725.00	to	6,749.99	.....	269
218.	.....	6,750.00	to	6,774.99	.....	270
219.	.....	6,775.00	to	6,799.99	.....	271
220.	.....	6,800.00	to	6,824.99	.....	272
221.	.....	6,825.00	to	6,849.99	.....	273
222.	.....	6,850.00	to	6,874.99	.....	274
223.	.....	6,875.00	to	6,899.99	.....	275
224.	.....	6,900.00	to	6,924.99	.....	276
225.	.....	6,925.00	to	6,949.99	.....	277
226.	.....	6,950.00	to	6,974.99	.....	278
227.	.....	6,975.00	to	6,999.99	.....	279
228.	.....	7,000.00	to	7,024.99	.....	280
229.	.....	7,025.00	to	7,049.99	.....	281
230.	.....	7,050.00	to	7,074.99	.....	282
231.	.....	7,075.00	to	7,099.99	.....	283
232.	.....	7,100.00	to	7,124.99	.....	284
233.	.....	7,125.00	to	7,149.99	.....	285
234.	.....	7,150.00	to	7,174.99	.....	286
235.	.....	7,175.00	to	7,199.99	.....	287
236.	.....	7,200.00	to	7,224.99	.....	288
237.	.....	7,225.00	to	7,249.99	.....	289

FWS 23-12:15

238.	.....	7,250.00	to	7,274.99	.....	290
239.	.....	7,275.00	to	7,299.99	.....	291
240.	.....	7,300.00	to	7,324.99	.....	292
241.	.....	7,325.00	to	7,349.99	.....	293
242.	.....	7,350.00	to	7,374.99	.....	294
243.	.....	7,375.00	to	7,399.99	.....	295
244.	.....	7,400.00	to	7,424.99	.....	296
245.	.....	7,425.00	to	7,449.99	.....	297
246.	.....	7,450.00	to	7,474.99	.....	298
247.	.....	7,475.00	to	7,499.99	.....	299
248.	.....	7,500.00	to	7,524.99	.....	300
249.	.....	7,525.00	to	7,549.99	.....	301
250.	.....	7,550.00	to	7,574.99	.....	302
251.	.....	7,575.00	to	7,599.99	.....	303
252.	.....	7,600.00	to	7,624.99	.....	304
253.	.....	7,625.00	to	7,649.99	.....	305
254.	.....	7,650.00	to	7,674.99	.....	306
255.	.....	7,675.00	to	7,699.99	.....	307
256.	.....	7,700.00	to	7,724.99	.....	308
257.	.....	7,725.00	to	7,749.99	.....	309
258.	.....	7,750.00	to	7,774.99	.....	310
259.	.....	7,775.00	to	7,799.99	.....	311
260.	.....	7,800.00	to	7,824.99	.....	312
261.	.....	7,825.00	to	7,849.99	.....	313

JWS 23-12:16

262.	.....	7,850.00	to	7,874.99	.....	314
263.	.....	7,875.00	to	7,899.99	.....	315
264.	.....	7,900.00	to	7,924.99	.....	316
265.	.....	7,925.00	to	7,949.99	.....	317
266.	.....	7,950.00	to	7,974.99	.....	318
267.	.....	7,975.00	to	7,999.99	.....	319
268.	.....	8,000.00	to	8,024.99	.....	320
269.	.....	8,025.00	to	8,049.99	.....	321
270.	.....	8,050.00	to	8,074.99	.....	322
271.	.....	8,075.00	to	8,099.99	.....	323
272.	.....	8,100.00	to	8,124.99	.....	324
273.	.....	8,125.00	to	8,149.99	.....	325
274.	.....	8,150.00	to	8,174.99	.....	326
275.	.....	8,175.00	to	8,199.99	.....	327
276.	.....	8,200.00	to	8,224.99	.....	328
277.	.....	8,225.00	to	8,249.99	.....	329
278.	.....	8,250.00	to	8,274.99	.....	330
279.	.....	8,275.00	to	8,299.99	.....	331
280.	.....	8,300.00	to	8,324.99	.....	332
281.	.....	8,325.00	to	8,349.99	.....	333
282.	.....	8,350.00	to	8,374.99	.....	334
283.	.....	8,375.00	to	8,399.99	.....	335
284.	.....	8,400.00	to	8,424.99	.....	336
285.	.....	8,425.00	to	8,449.99	.....	337

FWS 23-12-17

286.	.....	8,450.00	to	8,474.99	.....	338
287.	.....	8,475.00	to	8,499.99	.....	339
288.	.....	8,500.00	to	8,524.99	.....	340
289.	.....	8,525.00	to	8,549.99	.....	341
290.	.....	8,550.00	to	8,574.99	.....	342
291.	.....	8,575.00	to	8,599.99	.....	343
292.	.....	8,600.00	to	8,624.99	.....	344
293.	.....	8,625.00	to	8,649.99	.....	345
294.	.....	8,650.00	to	8,674.99	.....	346
295.	.....	8,675.00	to	8,699.99	.....	347
296.	.....	8,700.00	to	8,724.99	.....	348
297.	.....	8,725.00	to	8,749.99	.....	349
298.	.....	8,750.00	to	8,774.99	.....	350
299.	.....	8,775.00	to	8,799.99	.....	351
300.	.....	8,800.00	to	8,824.99	.....	352
301.	.....	8,825.00	to	8,849.99	.....	353
302.	.....	8,850.00	to	8,874.99	.....	354
303.	.....	8,875.00	to	8,899.99	.....	355
304.	.....	8,900.00	to	8,924.99	.....	356
305.	.....	8,925.00	to	8,949.99	.....	357
306.	.....	8,950.00	to	8,974.99	.....	358
307.	.....	8,975.00	to	8,999.99	.....	359
308.	.....	9,000.00	to	9,024.99	.....	360
309.	.....	9,025.00	to	9,049.99	.....	361

JWS 23-12-18

310.	9,050.00	to	9,074.99	.....	362
311.	9,075.00		and over	.....	363

INS 26-16:

X

SECTION 1. 108.15 (3) (e) of the statutes is amended to read:

108.15 (3) (e) Each time a government unit elects or reelects contribution financing its initial contribution rate shall be ~~2.7%~~ 2.5% on its payroll for each of the first 3 calendar years in which such election or reelection is in effect. If a government unit terminates its election of contribution financing it may not reelect contribution financing within a period of 3 calendar years thereafter.

History: 1971 c. 53; 1973 c. 247; 1975 c. 343; 1977 c. 133; 1981 c. 36 s. 45; 1983 a. 8, 27; 1985 a. 17; 1987 a. 38; 1993 a. 492; 1995 a. 118; 1999 a. 15; 2003 a. 33.

SECTION 2. 108.151 (1) of the statutes is amended to read:

108.151 (1) EMPLOYER'S CONTRIBUTION RATE. Each nonprofit organization which is or becomes an employer subject to this chapter shall be subject to all its provisions except as it may elect reimbursement financing in accordance with sub. (2). If such an approved election is terminated, the employer's contribution rate shall be ~~2.7%~~ 2.5% on its payroll for each of the next 3 calendar years.

History: 1971 c. 53; 1973 c. 247; 1975 c. 343; 1979 c. 52; 1983 a. 8; 1985 a. 17; 1987 a. 38; 1989 a. 77; 1991 a. 89; 1995 a. 118; 1999 a. 15; 2005 a. 86.

INS 27-5:

X

SECTION 3. 108.152 (2) (b) of the statutes is amended to read:

108.152 (2) (b) If an Indian tribe or tribal unit terminates an election under this subsection, the employer's contribution rate is ~~2.7%~~ 2.5% on its payroll for each of the next 3 calendar years.

History: 2001 a. 35, 105; 2005 a. 86.

INS 30-19:

X

SECTION 4. 108.18 (2) (a) of the statutes is amended to read:

108.18 (2) (a) Except as provided in pars. (c) and (d), an employer's contribution rate shall be ~~2.7%~~ 2.5% on its payroll for each of the first 3 calendar years with respect to which contributions are credited to its account, except as additional contributions apply under this section.

History: 1971 c. 42, 53, 211; 1973 c. 247; 1975 c. 343; 1977 c. 133; 1979 c. 12, 52; 1983 a. 8, 27, 99; 1983 a. 189 s. 329 (28); 1983 a. 384; 1985 a. 17, 40, 332; 1987 a. 38 ss. 113 to 121, 134; 1989 a. 56 s. 259; 1989 a. 77, 359; 1991 a. 89; 1993 a. 373, 492; 1995 a. 118, 225, 417; 1997 a. 39; 1999 a. 15; 2001 a. 43; 2005 a. 86.

INS 38-2:



SECTION 5. 108.19 (3) of the statutes is amended to read:

108.19 (3) If the federal unemployment tax act is amended to permit a maximum rate of credit against the federal tax higher than the 90% maximum rate of credit permitted under section 3302 (c) (1) of the internal revenue code on May 23, 1943, to an employer with respect to any state unemployment insurance law whose standard contribution rate on payroll under that law is more than ~~2.7%~~ 2.5%, then the standard contribution rate as to all employers under this chapter shall, by a rule of the department, be increased from ~~2.7%~~ 2.5% of payroll to that percentage of payroll which corresponds to the higher maximum rate of credit thus permitted against the federal unemployment tax; and such increase shall become effective on the same date as such higher maximum rate of credit becomes permissible under the federal amendment.

History: 1979 c. 34; 1979 c. 110 s. 60 (13); 1981 c. 315; 1983 a. 8, 27, 384; 1985 a. 29, 332; 1987 a. 27, 38, 403; 1991 a. 315; 1993 a. 490; 1997 a. 39; 1999 a. 15; 2001 a. 35; 2003 a. 197.

INS 42-1:

*LPS:
this should
be an autonumber
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SECTION 6. Nonstatutory provisions.

(1) The council on unemployment insurance shall appoint a committee to study the definition of "employee" under section 108.02 (12) of the statutes for the purpose

*non
stat*

of considering changes to the definition. The committee shall report its
recommendations to the council on unemployment insurance by June 30, 2009.

non
stat

Kuesel, Jeffery

From: LaRocque, Daniel [Daniel.LaRocque@dwd.state.wi.us]
Sent: Wednesday, December 19, 2007 12:55 PM
To: Kuesel, Jeffery
Cc: Schwalbe, Tracey L - DWD; Reid, Andrea - DWD; Bradley, Brian E - DWD; Sterr, Troy - DWD; Shahrani, Lutfi M - DWD; Hium, JoAnn C - DWD; Breber, Carla R - DWD; Bergan, Hal - DWD
Subject: UI Bill: Dept Comment on LRB 3070 P6
Attachments: Notes to draft LRB 3070 P6 121907.doc

Jeff:

We have carefully reviewed and discussed LRB 3070/P6, which you sent to us Monday. Attached is the Department's comment on the draft. Included are some suggested redrafts of the language of the bill and analysis.

We have attempted in the attached document to display a blackline version with Track Changes comparing our preferred language to P/6 in those sections in which we suggest more extensive changes. For that purpose you will need to view the document in Track Changes "Full Showing Markup" mode.

Please let me know your estimated date/time for delivery of the next draft. I will be available to discuss the draft and comments today and tomorrow and Friday.

Thanks for your attention to the draft bill.

Dan



Notes to draft LRB
3070 P6 121...

Department Comment regarding LRB 3070/P6

See attached comments on draft language in Analysis.

The draft is acceptable to the Department as drafted, except as follows:

Section 14. Delete "Except as provided in par. (b)" and leave "If" at the beginning of the sentence. Par. (b) is not an exception to (a); it is a different kind of concealment.

Section 30. Replace "February 8, 2009" with "January 4, 2009". Benefit rates are intended to change at the beginning of the first full week of 2009.

Section 31. Replace "February 8, 2009" with "January 4, 2009".

Section 36. Delete: "Departmental record" does not include a memorandum, report, record, document, or data compilation that relates to a statement or other matter submitted by or obtained from a claimant. Insert in its place: A department record of any kind, including but not limited to a record containing statements or matter submitted by or obtained from a claimant or an employer, may not be admitted into evidence under this paragraph or otherwise used under this paragraph for any purpose other than to prove whether an employer provided or failed to provide to the department correct and complete information in a fact-finding investigation of the claim.

Section 45. We want avoid using the term "notify" in this section. It may confuse employers as to what the department actually will do to calculate the amount of the contribution due. "Notify" connotes or implies that we affirmatively communicate to the employer. However, we only passively receive electronic contact by the employer through our online system. The employer enters the necessary wage data report to inform the system. Based on the reported data, the system then generates an automated calculation of the contribution amount due. In that manner the employer "determines" the amount that is due, using our system as a tool. Doing so will excuse the required paper report of contributions. We propose the following change to the LRB language:

108.17 (2) (b) of the statutes is created to read (our blackline below compares to language proposed by LRB 3070 P6):

108.17 (2) (b) If an employer that is subject to a contribution requirement files its employment and wage reports under s. 108.205 (1) electronically in the manner and form prescribed by the department for this paragraph, the employer shall determine the amount of contributions due for payment by the employer under s. 108.18 for each quarter electronically in the manner and form prescribed by the department. In such case, the employer shall be excused from filing reports under par. (a). The employer shall pay the amount due for each quarter by the due date specified in par. (a).

Section 46. All employers with 25 or more employees that do not use agents are required to file contribution reports electronically regardless of when the determination is made by the department. The first application of the amended provision will be with respect to contributions payable for the 3rd quarter of 2008. *From that point in time forward all employers with 25 employees will be covered.* We currently administer the 50-employee

- Deleted: may, in lieu of filing reports
- Deleted: under par. (a), request the department to electronically notify to the employer of
- Deleted: .
- Deleted: department may make the information available to the
- Deleted: electronically.
- Deleted: in the manner and form
- Deleted: approved
- Deleted: prescribed by the department.

threshold to require an employer who for the first time reaches the 50-employee level to be covered in that quarter. It seems unnecessary and risks adverse interpretation or at least confusion to draft separately for two groups of employers with 25 employees. We propose the following change to the LRB language:

108.17 (2b) of the statutes is amended to read:

108.17 (2b) The department shall prescribe a form and methodology for filing contribution reports under sub. (2) electronically. Each employer of 25 or more employees, as determined under s. 108.22 (1) (ae), that does not use an employer agent to file its contribution reports under this section, shall file its contribution reports electronically in the manner and form prescribed by the department. Each employer that the department determines to be subject to the reporting requirements under sub. (2) after June 30, 2008, and that does not use an employer agent to file its contribution reports shall file its contribution reports electronically in the manner and form prescribed by the department. Once an employer becomes subject to the reporting requirements requirement under this subsection, it shall continue to file its reports under this subsection unless that requirement is waived by the department.

Section 50. The exception clause is unnecessary and confusing. We propose the following change to the LRB language:

108.17 (2g) of the statutes is amended to read:

108.17 (2g) ~~Except as authorized in sub. (2), an~~ An employer agent that prepares reports on behalf of employers under sub. (2) shall file contribution reports electronically in the manner and form prescribed by the department under sub. (2b) unless that requirement is waived by the department.

Section 51. Delete par. (a). Renumber paragraphs (b) and (c) accordingly. The definition in (a), which we imported from another agency's rule, is flawed and unnecessary. On reflection, the department does not want to define electronic funds transfer. We do not see a need to limit the types of electronic payment that employers may make.

Section 58. Delete Section 58. The Advisory Council agreement does not apply to this provision. The provision concerns a federal concept of "standard" contribution rate of 2.7%, which according to this subsection, 108.19(3), varies only when the federal tax credit exceeds a certain level. It has nothing to do with the 2.7% tax rates for new employers.

Section 61. See comment to Section 46 above. All employers with 25 or more employees that do not use agents are required to file wage reports electronically regardless of when the determination is made by the department. In addition, this subsection applies to an employer that are determined to be subject to reporting requirement after June 30, 2008, that does not use an employer agent to file its reports. We propose the following change to the LRB language:

108.205 (2) of the statutes is amended to read:

108.205 (2) Each employer of 25 or more employees, as determined under s. 108.22 (1) (ae), that does not use an employer agent to file its reports under this section, shall file the quarterly report under sub. (1) electronically in the manner and form prescribed by the department. Each

- Deleted: using the Internet
- Deleted: 50
- Deleted: and that becomes subject to a reporting requirement under sub. (2) before July 1, 2008
- Deleted: using the Internet on the
- Deleted: and each
- Deleted: employer that first employs 25 or more employees after June 30, 2008,
- Deleted: Each
- Deleted: employer that the department determines to be subject to an electronic reporting
- Deleted: requirement under this subsection shall file its initial report under this subsection
- Deleted: for the quarter during which the employer becomes subject to the reporting
- Deleted: requirement.
- Deleted: An
- Formatted: Font: (Default) Times New Roman, Strikethrough
- Deleted: on behalf of less than 25 employers
- Deleted: those
- Deleted: using the Internet on the
- Deleted: An employer agent that prepares reports under sub.
- Deleted: (2) on behalf of 25 or more employers shall file those reports using an electronic medium and format approved by the department. An employer agent that becomes subject to the reporting requirement under this subsection shall file its initial reports under this subsection for the 4th quarter beginning after the quarter in which the employer agent becomes subject to the reporting requirement. Once an employer agent becomes subject to the reporting requirement under this subsection, the employer agent shall continue to file its reports under this subsection
- Deleted: All employers
- Deleted: 50
- Deleted: and that becomes subject to the reporting requirement under this section before July 1, 2008
- Deleted: using an electronic medium approved
- Deleted: for such employers. An employer that becomes subject to the reporting requirement under this subsection shall file its initial report under this subsection for the 4th quarter beginning after the quarter in which the employer becomes subject to the reporting requirement

employer that the department determines to be subject to the reporting requirement under this section after June 30, 2008, ~~that does not use an employer agent to file its reports under this section shall file the quarterly report under sub. (1) electronically in the manner and form prescribed by the department. Once an employer becomes subject to the reporting requirement under this subsection, the employer shall continue to file its quarterly reports under this subsection unless that requirement is waived by the department.~~

Deleted: and each employer that first employs 25 or more employees after June 30, 2008,

Deleted: Each employer that the department determines to be subject to an electronic reporting requirement under this subsection shall file its initial report under this subsection for the quarter during which the employer becomes subject to the reporting requirement.

Department Comment regarding Analysis to LRB 3070/P6

Analysis by the Legislative Reference Bureau

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

BENEFIT RATE CHANGES

Currently, weekly unemployment insurance benefit rates for total unemployment range from \$53 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,325 during at least one quarter of the employee's base period (period preceding a claim during which benefit rights accrue) to \$355 for an employee who earns wages (or certain other amounts treated as wages) of at least \$8,875 during any such quarter. This bill adjusts weekly benefit rates for weeks of unemployment beginning on or after January 4, 2009, to rates ranging from \$54 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,350 during at least one quarter of the employee's base period to \$363 for an employee who earns wages (or certain other amounts treated as wages) of at least \$9,075 during any such quarter.

Deleted: February 8

OTHER BENEFIT CHANGES

Qualifying wages

Currently, an employee is not eligible to begin receiving UI benefits unless he or she receives or is treated as receiving wages during the employee's base period (period preceding a claim during which benefit rights accrue) equal to at least 30 times the employee's weekly benefit rate, including wages equal to at least four times that rate during the quarters in the employee's base period other than the one in which the employee is paid or treated as having been paid his or her highest wages.

This bill requires instead that an employee receive or be treated as receiving wages equal to at least 35 times the employee's weekly benefit rate, including wages equal to at least four times that rate during the quarters in the employee's base period other than the one in which the employee is paid or is treated as having been paid his or her highest wages, in order to become eligible to begin receiving UI benefits.

Concealment

Currently, if a claimant conceals any material fact relating to his or her eligibility for benefits or conceals any wages earned in or paid or payable for a given week, the claimant must forfeit not less than 25 percent nor more than 400 percent of the claimant's weekly benefit rate for the week for which the claim is made for an act of concealment that results in no overpayment or an overpayment of less than 50 percent of the claimant's weekly benefit rate; and not less than 100 percent nor more than 400 percent of the claimant's weekly benefit rate for the week in which the claim is made for an act of concealment that results in an overpayment of at least 50 percent of the claimant's weekly benefit rate. Currently, if a claimant is partially unemployed in a given week, the claimant may be eligible to receive benefits for that week under a formula that takes into account the amount of wages earned or certain other benefits that the claimant receives for that week. Currently, if an employer aids and abets a claimant in committing an act of concealment, the employer may be required to

forfeit an amount equal to the amount of benefits that the claimant improperly received as a result of the concealment.

This bill provides that if a claimant conceals any material fact relating to his or her eligibility for benefits or conceals any wages earned in or paid or payable for a given week, the claimant must forfeit an amount equal to the claimant's weekly benefit rate for each act of concealment occurring prior to a first determination, the claimant must forfeit an amount equal to three times that rate for each act occurring after a first determination, and the claimant must forfeit an amount equal to five times that rate for each act of concealment occurring after the first determination, at the second penalty level. The bill also provides that if a claimant conceals any wages for a given week the claimant is ineligible to receive any benefits for that week. In addition, the bill provides that if an employer aids and abets or attempts to aid and abet a claimant in committing an act of concealment, the employer must forfeit \$500 for acts occurring prior to a first determination, \$1,000 for acts occurring after a first determination, and \$1,500 for acts occurring after the first determination at the second penalty level.

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Availability for work and ability to perform work

Currently, with certain exceptions, a claimant is eligible for benefits for any week in which the claimant earns no wages only if the claimant is able to work and available for work during that week. If a claimant earns some wages (or certain amounts treated as wages) for a given week, and the claimant's work is suspended by the claimant or by his or her employer for a portion of a week because the claimant is unable or unavailable for his work and is unable or unavailable for work on the general labor market, or if the claimant is in a leave of absence, including a family or medical leave, for a portion of a week, or the claimant is terminated by his or her employer, the claimant may be eligible for some benefits for that week under a statutory benefit reduction formula. The formula is also applied to the first week following a termination by the employer because the claimant is unable or unavailable for his work. potentially reduce the benefits payable to a claimant for a given week if the claimant is absent from work while claiming benefits. If a claimant is suspended or on a leave of absence, including a for a definite period of time family or medical leave, for a full week, the claimant is ineligible for benefits and remains ineligible until the claimant is again able to work and available for work, except that if the claimant receives some wages (or certain amounts treated as wages) for a given week, the claimant may be eligible for some benefits for that week under the benefit reduction formula. Currently, a claimant remains eligible for benefits while the claimant is enrolled in certain employment-related training.

This bill provides that if a claimant misses work with a current employer on two days or less in a given week (including the first week of a leave of absence, or suspension and the first week of a termination) because the claimant was unable to work or unavailable for work, the claimant may be eligible for some benefits for that week under the benefit reduction formula. However, a claimant is ineligible for any benefits for a given week if on more than two days in that week the claimant misses work with a current employer or is on a leave of absence, or if the claimant's employment was suspended or terminated because the claimant is unable to work or unavailable for work and he is unable to work and unavailable for work on the general labor market. Under the bill, if a claimant's employment is suspended by the claimant or by his or her employer or is terminated by his or her employer due to claimant's unavailability for work or inability to perform suitable work, or if a claimant is on a leave of absence for a definite period of time (other than the first week of a leave), the claimant is

ineligible for benefits for that week. A claimant remains eligible for benefits while the claimant is enrolled in certain employment-related training.

TAX CHANGES

Taxable wage base

Currently, most employers that engage individuals in employment that is covered under the UI law must pay regular quarterly contributions (taxes) to DWD based on a percentage of the taxable wage base. Currently, the taxable wage base for any year consists of the first \$10,500 of wages paid by an employer to an individual engaged in covered employment.

This bill increases the amount of these wages that are subject to a contribution requirement to \$12,000 for calendar years 2009 and 2010, \$13,000 for calendar years 2011 and 2012, and \$14,000 for calendar year 2013 and thereafter.

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Contribution rate schedules

Currently, the total contributions payable by each employer are the sum of the employer's contribution rate and solvency rate, each of which vary with the employment stability of the employer and the solvency of the unemployment reserve fund, from which benefits are paid. An employer's contributions payable as a result of its contribution rate are credited to the employer's account, while an employer's contributions payable as a result of its solvency rate are credited to the fund's balancing account, which is used to finance those benefits that are not payable from any employer's account.

This bill generally decreases the contribution rates of employers that do not have a negative balance in their accounts by two-tenths of one percent and decreases the contribution rates of employers that have a negative balance in their accounts by four-tenths of one percent. The bill also increases the solvency rates of employers that do not have a negative balance in their accounts by two-tenths of one percent and increases the solvency rates of employers that have a negative balance in their accounts by four-tenths of one percent. The changes are effective beginning in 2009.

Deferral of first quarter contribution liability

Currently, 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 UI purposes may defer up to 60 percent of the employer's contribution liability for the first quarter of the year in which liability accrues (otherwise payable by April 30) without payment of interest, if the employer pays at least 30 percent of that liability by the following July 31, an additional 20 percent of that liability by the following October 31, and any remaining liability by the following January 31. If an employer fails to make a deferred payment 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.

This bill permits a qualified employer that has a first quarter contribution liability of at least \$1,000 to elect to defer payment of its first quarter contributions and also requires any

employer that elects to defer payment of its first quarter contributions to file its election electronically and to file its quarterly contribution reports and its quarterly employment and wage reports with DWD electronically in the manner and form prescribed by DWD. Under the bill, if an employer fails to comply with the electronic reporting requirement, the employer is subject to the same requirement to pay interest retroactively that applies currently to late payments.

Special assessments for financing of information technology systems

Currently, each employer that is subject to a contribution requirement must pay an annual special assessment for each year prior to 2008 in an amount that may not exceed the lesser of 0.01 percent of the employer's annual taxable payroll for UI 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. The Department of Workforce Development (DWD) must reduce the solvency contribution rate that an employer must pay in each year prior to 2008 by the special assessment rate applicable to that employer for that year. (The solvency contribution rate is the portion of an employer's rate that is used to maintain the solvency of the unemployment reserve fund.) This bill makes the special assessment requirement and solvency contribution rate offset applicable to calendar years 2008 and 2009.

OTHER CHANGES

Reporting and payment requirements and procedures

Currently, with certain exceptions, each employer that has employees who are engaged in employment covered by the unemployment insurance law must file quarterly contribution (tax) and employment and wage reports and make quarterly payment of its contributions to DWD. An employer of 50 or more employees or an employer agent that files reports on behalf of any employer must file its reports electronically. Currently, there is no requirement or procedure established by law for making electronic payments of contributions.

This bill phases in electronic reporting requirements for additional employers with 25 or more employees and employers that become newly subject to reporting requirements. The bill also permits an employer or agent that files employment and wage reports electronically, in lieu of filing contribution reports, to determine online the amount of contributions due for payment by the employer for each quarter. The employer must then pay the amount due for each quarter by the due date in the manner and form approved by DWD. Effective in 2009, the bill also requires each employer that makes contributions for any 12-month period ending on June 30th equal to a total of at least \$10,000 to make all contribution payments electronically in the following year. In addition, the bill also requires every employer agent to make contribution payments electronically by the same date.

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Currently, contribution payments must be received by DWD by the due date or if mailed must be postmarked by their due date or received within three days of their due date. This bill requires all contribution payments to be received by DWD by their due date.

Failure of employers to provide information

Currently, if benefits are erroneously paid because an employer fails to provide correct and complete information on a report to DWD, any benefits that DWD recovers do a disqualification based on later receipt of the correct and complete information does not affect charges to the employer's account for the cost of those benefits. In addition, prior to June 29, 2008, if benefits are erroneously paid because an employer fails to provide correct and complete information requested by DWD during a fact-finding investigation, but the employer later provides the requested information, then charges to the employer's account for the cost of benefits paid before the end of the week in which a redetermination or a decision of an appeal tribunal (hearing examiner) is issued regarding the matter are not affected by the redetermination or decision unless an appeal tribunal, the labor and industry review commission, or a court finds that the employer had good cause for failing to provide the information. This bill extends the current treatment by DWD of benefits erroneously paid indefinitely and also provides that if an employer fails to provide complete and correct information requested by DWD during a fact-finding investigation, then benefits paid before the end of the week in which a redetermination or decision is issued are not affected by a redetermination or decision (notwithstanding any eligibility issue) unless an appeal tribunal, the commission, or a court finds that the employer had good cause for failing to provide the information. The changes are effective on the first Sunday after publication of the law resulting from enactment of the bill.

Admission of departmental records relating to benefit claims

Currently, with the exception of reports by certain experts, a departmental record relating to a benefit claim that contains uncorroborated hearsay and that is offered as evidence before an appeal tribunal (hearing examiner) may require testimony or other authentication to substantiate the information contained in the record before it may be used as evidence that an employer provided or failed to provide complete and correct information to DWD during a fact finding investigation. This bill provides that any such record relating to or submitted by an employer, if created in the regular course of a fact-finding investigation, constitutes prima facie evidence, and shall be admissible to prove that an employer provided or failed to provide to DWD complete and correct information in a fact-finding investigation of the claim, notwithstanding that the record may contain uncorroborated hearsay, and may be used as the sole basis upon which the issue of the employer's failure is decided, if the parties appearing at the hearing before the tribunal are given an opportunity to review the record at or before the hearing and to rebut the information contained in the record. Under the bill, such a record requires no authenticating testimony or other evidence for the record to be admitted in evidence, unless the circumstances affirmatively indicate a lack of trustworthiness. If appropriate, the record may then be regarded on appeal as sufficient without further substantiation to sustain the decision of the appeal tribunal.

Employment of certain parents by family-owned businesses

Currently, with certain exceptions, the wages accruing to an individual that are used to compute the total benefits payable to the individual based on work for a family-owned business may not exceed ten times the individual's weekly benefit rate based solely on employment by a corporation, partnership, or limited liability company that is treated as a corporation or partnership for UI purposes in which the individual or a family member owns or controls a significant interest. Under current law, a "family member" includes a child. The reduction does not apply if the individual is employed in a family-owned business and there is an involuntary

cessation of the business under certain circumstances. This bill excludes the claimant's child from the class of family members whose ownership would result in benefit eligibility limitation for the claimant. Thus, under the bill, the parent of a child who, with other family members, owns a significant interest in the business by which the parent is employed, would be eligible for benefits on the same basis as other employees of other employers. Under the bill, the reduction still applies to a parent-claimant who has an ownership interest of one-fourth or more in a family business from which the claimant's employment is terminated.

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Unemployment insurance administration funding

Currently, the federal government provides regular grants to this state for the purpose of financing the cost of administration of the UI program. In addition, under the federal Reed Act the federal government provides grants to this state that may be used for the purpose of administration of UI, for the payment of UI benefits, or for certain other limited purposes. Reed Act funds appropriated by the federal government to this state are maintained and accounted for in the state's UI reserve fund. In 2002 the federal government appropriated Reed Act funds to this state in the amount of \$166 million, of which \$13,000,000 have been appropriated and spent. 2005 Wisconsin Act 86 appropriated \$1,000,000 for each of two fiscal years, 2005 and 2006, to be used for UI administration. The Act 86 appropriations were not spent. Similarly, this bill permits \$1,000,000 of the Reed Act moneys received in the 2002 federal appropriation to be used for UI administration. The bill also permits another \$1,000,000 of the moneys to be expended for the same purpose on or after October 1, 2008. Under the bill, none of these moneys may be encumbered or expended after September 30, 2009.

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Study of "employee" definition

The bill directs the Council on Unemployment Insurance to appoint a committee to conduct a study of the definition of "employee" in the unemployment insurance law and report its recommendations to the Council on Unemployment Insurance by June 30, 2009. The definition affects benefit eligibility as well as the amount of benefits that an individual may receive, and also affects the contributions or reimbursements that an employer is required to make.

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

SECTION 36. 108.09 (4o) of the statutes is created to read:

108.09 (4o) DEPARTMENTAL RECORDS RELATING TO BENEFIT CLAIMS. In any hearing before an appeal tribunal under this section, a departmental record relating to a claim for benefits, other than a report specified in sub. (4m), constitutes prima facie evidence, and shall be admissible to prove, that an employer provided or failed to provide to the department complete and correct information in a fact-finding investigation of the claim, notwithstanding that the record or a statement contained in the record may be uncorroborated hearsay and may constitute the sole basis upon which issue of the employer's failure is decided, if the parties appearing at the hearing have been given an opportunity to review the record at or before the hearing and to rebut the information contained in the record. A record of the department that is admissible under this subsection shall be regarded as self authenticating and shall require no foundational or other testimony for its admissibility, unless the circumstances affirmatively indicate a lack of trustworthiness in the record. If such a record is admitted and made the basis of a decision, the record may constitute substantial evidence under s. 102.23 (6). For purposes of this subsection, "departmental record" means a memorandum, report, record, document, or data compilation that has been made or maintained by employees of the department in the regular course of the department's fact-finding investigation of a benefit claim, is contained in the department's paper or electronic files of the benefit claim, and relates to the department's investigative inquiries to an employer or statements or other matters submitted by the employer or its agent in connection with the fact-finding investigation of a benefit claim. A departmental record may not be admitted into evidence under this paragraph or otherwise used under this paragraph for any purpose other than to prove whether an employer provided or failed to provide to the department correct and complete information in a fact-finding investigation of the claim.

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