

2011 DRAFTING REQUEST

Bill

Received: **06/24/2011**

Received By: **jkuesel**

Wanted: **Today**

Companion to LRB:

For: **Workforce Development 7-1406**

By/Representing: **Dan LaRocque**

May Contact:

Drafter: **jkuesel**

Subject: **Unemployment Insurance**

Addl. Drafters:

Extra Copies:

Submit via email: **YES**

Requester's email: **Daniel.Larocque@dwd.wisconsin.gov**

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

Extended benefit "on" trigger

Instructions:

Per attached E mail, 6/23/11. P/C, 6/23/11: Add exception to Wis. "off" indicator and clarify that application is retroactive.

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkuesel 06/24/2011	veto_edit 06/24/2011		_____			S&L
/1			jfrantze 06/24/2011	_____	sbasford 06/24/2011		S&L
/2	jkuesel 07/01/2011	csicilia 07/01/2011	mduchek 07/01/2011	_____	ggodwin 07/01/2011	lparisi 07/07/2011	

FE Sent For:

at intro
7-7-11

<END>

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1? / 1	jkuesel 6/24/11	Tjs 6/24/11	Jb 6/24	Rg 6/24			

FE Sent For:

<END>

Kuesel, Jeffery

From: LaRocque, Daniel J - DWD [Daniel.LaRocque@dwd.wisconsin.gov]
Sent: Thursday, June 23, 2011 3:24 PM
To: Kuesel, Jeffery
Cc: Junceau, Robert - DWD
Subject: UI Advisory Council approval of extended benefits law change

Importance: High

Attachments: Amend Triggers for Extended Benefits 051711.pdf; Amend Triggers for Extended Benefits 051711.doc

Jeff:
As you may have heard, the UI Advisory Council met today and agreed to support a change to extended benefits, Wis Stats s 108.141. The council's resolution expressly incorporated the attached technical advice as the substance of the law change. Note council expressly chose the alternative preamble to subd 4 that is found on the top of page 5 of the attached doc.

The two attachments are identical, but in different formats.

Let us know if you have any questions. Feel free to consult attorney Bob Junceau or me in the drafting process.

I imagine we should discuss your availability for this one and any other proposals for UI that may come forward in the coming weeks.

Dan



Amend Triggers Amend Triggers
for Extended Be... for Extended Be...

Daniel J. LaRocque
Director, Bureau of Legal Affairs
Unemployment Insurance Division
Wisconsin Department of Workforce Development
201 E. Washington Avenue
Madison, Wisconsin 53708-8942
(608) 267 1406 (direct)
(608) 266 8221 (fax)
Daniel.LaRocque@dwd.wisconsin.gov

Amend Triggers for Extended Benefits - Analysis

1. Description of Potential Change

In December 2010, the Tax Relief Act of 2010 extended federal funding of EB through January 4, 2012. The same federal law created a new statutory trigger for turning on and turning off EB. The new trigger is called the "three-year look back".

The Council may wish to consider whether Wisconsin should legislatively adopt the three-year look back trigger. Such legislation would allow the EB period to remain open for Wisconsin claimants of EB benefits for a limited time. The EB period would continue during the remaining period of 100% federal funding of EB. Such legislation would allow EB to continue through January 4, 2012, or through any month in 2011 that the EB period closes because the triggering unemployment rates drop below the statutory trigger levels.

EB benefits in Wisconsin have ended in week 16 – the week ending April 16, 2011, due to declining unemployment rates. If the three-year look back is legislatively adopted, workers who have exhausted regular UI and Emergency Unemployment Compensation benefits will be able to claim EB benefits for up to 13 weeks, the maximum individual benefit amount during an EB period.

EB benefits in 2011 and those resulting from this proposed amendment are funded by the federal government except for the EB benefits paid to employees of state and local governments and federally recognized Indian tribes. Governmental and tribal employers are charged for all EB benefits for their employees.

2. Background on Extended Benefits

The EB program was created in 1970 by the federal government to fund benefits for workers who had exhausted regular unemployment benefits during periods of particularly high unemployment. (Federal-State Extended Unemployment Compensation Act of 1970). EB is ordinarily funded 50% by the state and 50% by the federal government. Since February 2009, the federal government has paid 100% of EB and made other modifications to the EB program.

Federal legislation (the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 or P.L. 111-312) enacted in December 2010 extended the Emergency Unemployment Compensation (EUC) program through 2011; extended federal funding of the 1970 Extended Benefits (EB) program; and created new provisions for states to insert in their EB statutes certain prescribed threshold rates of unemployment ("triggers") that determine the period of time during which the EB program will be open for benefits to the state's eligible claimants.

Insertion of the new trigger provisions into the Wisconsin's EB statute, as recently authorized by P.L. 111-312, would allow Wisconsin, during 2011, to continue paying eligible Wisconsin workers EB benefits after the EB period would otherwise have ended. The EB benefit period will continue for so long as the state's rates of unemployment continue to satisfy at least one set of the various trigger levels.

The terms of the IUR and TUR triggers require a comparison of current rates of unemployment to rates in the prior 2 years to determine whether an EB period is on. The amendment would allow the state to “look back” three years rather than just 2 years to make the determination. The result would be that Wisconsin’s EB period, which ended on April 16, 2011, will continue for some period in 2011 or to January 4, 2012. One alternative formulation of the three-year look back trigger could allow EB benefit period to continue beyond 2011. That would occur if the Wisconsin Legislature were to adopt the second of the two alternatives drafted below (see “4. Statutory Amendment” below).

The federal law provides states with federal funding of most EB claims payments until 2012 or until the state’s EB period ends, whichever is sooner. No further legislation is necessary to assure that funding is provided entirely by federal sources during 2011.

Such an amendment to the Wisconsin EB statute, as in the current Wisconsin law, would provide that the new triggers would remain in effect for a period of time that is tailored to the period of full federal funding or any further extensions of such funding. When federal funding ends, the three-year look back trigger will dissolve, or sunset, by operation of the statute without further action or legislation.

3. Background on EB Period and Triggers that Begin and End an EB Period

The EB program is a permanent federal-state program that provides benefits to claimants who have exhausted their regular UI benefits during periods of high unemployment. The “extended benefit period” or “EB period” is the period during which eligible EB claimants may be paid EB benefits. Federal law prescribes certain mandatory “on” and “off” indicators (triggers) that determine when EB periods begin and end and certain optional triggers that allow benefits to continue by allowing the EB period to continue after a point at which the mandatory trigger would have otherwise caused the EB period to end.

Federal law mandates one trigger and affords certain optional triggers that states are permitted but not required to enact.

Mandatory trigger: State law must trigger *on* an EB period when the insured unemployment rate (IUR) for the previous 13 weeks is at least 5% and is 120% of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar years. Wisconsin met this trigger in week 6 of 2009; and, as a result, the 2009 EB period began in week 9 of 2009.

Optional 6% IUR trigger: A state is permitted to trigger on an EB period when the IUR for the previous 13 weeks is at least 6% without regard to the “120%” trigger. If adopted, the 6% provision allows EB to trigger on when a state’s IUR has surpassed 5% but *too gradually* to satisfy the 120% trigger. Wisconsin adopted this EB trigger in 1981.

Optional TUR Trigger. Since March 1993, states also have had the option to adopt an additional trigger provision. This provision triggers on an EB period when the average seasonally adjusted total unemployment rate (TUR) for the previous 3 months is 6.5% or greater and the average TUR for the 3-month period is 110% or greater of the average for the

corresponding 3 month period in the previous 2 years. This allows a state to trigger on EB or EB to remain triggered on when the IUR has declined below trigger levels but the TUR is still relatively high.

“High EB” benefits during “High Unemployment Period”: In states that adopt the optional 6.5% TUR trigger, claimants may receive up to an additional 7 weeks of benefits in periods of especially high unemployment (above a seasonally adjusted state TUR of 8% for the most recent 3 months). Wisconsin adopted this trigger by 2009 Wisconsin Act 11 (adding Wis. Stat. s.108.141(1)(f)3.), which inserted the 6.5% TUR trigger for 13 weeks of EB benefits 8% TUR trigger for 7 weeks of High EB benefits. These triggers remain in effect for so long as 100% federal funding continues and federal law otherwise permits.

Under the federal law governing the original EB program, the federal government affords no payment of EB benefits for the first week of eligibility in a state without a waiting week.

As a result of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) and subsequent amendments, including December 2010 legislation, P.L. 111-312, ***for so long as an EB period is open***, for claimants who first claim EB before January 4, 2012, and for those claimants who also file EB claims through June 11, 2012:

- (1) the federal government pays 100% of the EB benefits for most claimants;
- (2) claimants whose benefit year ends before the required exhaustion of regular and emergency benefits occurs, if otherwise qualified and during an EB period, will be eligible for EB; and
- (3) a federal law provision that denied federal funding of EB payments to claimants in the first week of unemployment if the state did not have a waiting week is suspended.

As a result of P.L. 111-312, states are permitted to insert triggers to state laws that allow an EB period to continue under circumstances where the triggers otherwise would cause the EB period not to begin or to end. Consistent with P.L. 111-312, such legislation would amend the current state statutory IUR trigger provision (mandatory provision) and TUR trigger provision. The amended provision would determine an EB period by comparing the current IUR and TUR to rates of comparable periods 3 years ago, rather than comparing them only to the rates of the two more recent years. The amendments would be temporary, meaning that the amendments to state law on EB by their terms would be limited to the period of 100% federal funding.

4. Statutory Amendment

Wis. Stat. §108.141(1)(f) is amended to read as follows:

- (f) There is a Wisconsin “on” indicator for a week if:
1. The rate of insured unemployment for the period consisting of that week and the immediately preceding 12 weeks equaled or exceeded 120 percent of the average of such rates for the corresponding 13-week period ending in each of the preceding 2 calendar

years, and equaled or exceeded 5 percent; or

2. The rate of insured unemployment for the period consisting of that week and the immediately preceding 12 weeks equaled or exceeded 6 percent, regardless of the rate of insured unemployment in the 2 preceding calendar years; or

3. With respect to weeks of unemployment beginning on or after February 17, 2009, and ending with the week ending 3 weeks prior to the last week in which federal sharing is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto:

a. The average rate of total unemployment, seasonally adjusted, as determined by the U.S. secretary of labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 6.5 percent; and

b. The average rate of total unemployment in this state, seasonally adjusted, as determined by the U.S. secretary of labor for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 110 percent of the average for either or both of the corresponding 3-month periods ending in the 2 preceding calendar years; or

(See below **) 4. With respect to weeks of unemployment beginning on or after the date of enactment of P.L. 111-312, and ending with the week ending December 10, 2011:

a. The rate of insured unemployment for the period consisting of that week and the immediately preceding 12 weeks equaled or exceeded 120 percent of the average of such rates for the corresponding 13-week period ending in each of the preceding 3 calendar years, and equaled or exceeded 5 percent; or

b. The average rate of total unemployment, seasonally adjusted, as determined by the U.S. secretary of labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 6.5 percent; and equals or exceeds 110 percent of the average for any or all of the corresponding 3-month periods ending in the 3 preceding calendar years.

** This is the draft version of (1)(f) 4. that would be necessary *if the intent is to limit the use of the three-year look back in all events to 2011 only*. If Wisconsin adopts the three-year look back trigger *to continue for so long as both the 100% federal funding and the three-year look back are permitted by federal law*, the preamble par. (1)(f)4. would read:

4. With respect to weeks of unemployment beginning on or after the date of enactment of P.L. 111-312 and ending on or before the earlier of the latest date permitted under federal law or the end of the fourth week prior to the last week for which federal sharing is provided as authorized by Section 2005(a) of Public Law 111-5 without regard to Section 2005(c) of Public Law 111-5 and any amendments to such federal laws:

5. Effects of the Change

- a. **Policy:** The change does not affect department policy.
- b. **Administrative Feasibility:** Systems currently configured to pay EB benefits would require no significant changes.
- d. **Fiscal:** The impact of the amendment will depend on the length of time that the EB period is open for claims and the level of participation by eligible claimants. The department projects that the amendment will cause the EB period to be open from May through December and that the resulting payments to claimants would be approximately \$89.1 million. EB benefits are federally funded through 2011, except that EB benefits are charged to state and local governments and federally-recognized Indian tribes. The department estimates EB payments by government and tribal employers will be approximately \$1,094,986, including an estimated impact on the Reserve Fund of \$97,015, in the projected EB period that would result from a three-year look back. The impact on the employers that are not recipients of federal funding is summarized as follows:

EB Payments May - Dec 2011 (estimated)	Contributing ¹	Reimbursable ²	Total
Governmental Employers	\$43,111	\$803,856	\$846,967
Indian Tribes	53,904	194,114	248,018
Total	\$97,015	\$997,970	\$1,094,986
¹ Charges to contributing employers would be paid from the Reserve Fund.			
² Charges to reimbursable employers would not affect Reserve Fund. Reimbursable employers would be billed.			

6. Federal Issues

The change is enabled by federal law and consistent with guidance regarding the EB program afforded by the United States Department of Labor.

7. Effective Date

The bill would be made effective as of the date of P.L. 111-312, December 17, 2010, or on any date in 2011 prior to the end of the current EB period. The consequences would be the same regardless of which of the two dates is the effective date. Either date would assure continuity of EB benefits while Wisconsin remains in an EB period under one or more the various sets of triggers.

Amend Triggers for Extended Benefits - Analysis

1. Description of Potential Change

In December 2010, the Tax Relief Act of 2010 extended federal funding of EB through January 4, 2012. The same federal law created a new statutory trigger for turning on and turning off EB. The new trigger is called the "three-year look back".

The Council may wish to consider whether Wisconsin should legislatively adopt the three-year look back trigger. Such legislation would allow the EB period to remain open for Wisconsin claimants of EB benefits for a limited time. The EB period would continue during the remaining period of 100% federal funding of EB. Such legislation would allow EB to continue through January 4, 2012, or through any month in 2011 that the EB period closes because the triggering unemployment rates drop below the statutory trigger levels.

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2. Background on Extended Benefits

The EB program was created in 1970 by the federal government to fund benefits for workers who had exhausted regular unemployment benefits during periods of particularly high unemployment. (Federal-State Extended Unemployment Compensation Act of 1970). EB is ordinarily funded 50% by the state and 50% by the federal government. Since February 2009, the federal government has paid 100% of EB and made other modifications to the EB program.

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2. The rate of insured unemployment for the period consisting of that week and the immediately preceding 12 weeks equaled or exceeded 6 percent, regardless of the rate of insured unemployment in the 2 preceding calendar years; or

3. With respect to weeks of unemployment beginning on or after February 17, 2009, and ending with the week ending 3 weeks prior to the last week in which federal sharing is authorized by section 2005 (a) of P.L. 111-5 and any amendments thereto:

a. The average rate of total unemployment, seasonally adjusted, as determined by the U.S. secretary of labor, for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 6.5 percent; and

b. The average rate of total unemployment in this state, seasonally adjusted, as determined by the U.S. secretary of labor for the period consisting of the most recent 3 months for which data for all states are published before the close of that week equals or exceeds 110 percent of the average for either or both of the corresponding 3-month periods ending in the 2 preceding calendar years; or

(See below **) 4. With respect to weeks of unemployment beginning on or after the date of enactment of P.L. 111-312, and ending with the week ending December 10, 2011:

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4. With respect to weeks of unemployment beginning on or after the date of enactment of P.L. 111-312 and ending on or before the earlier of the latest date permitted under federal law or the end of the fourth week prior to the last week for which federal sharing is provided as authorized by Section 2005(a) of Public Law 111-5 without regard to Section 2005(c) of Public Law 111-5 and any amendments to such federal laws:

5. Effects of the Change

- a. **Policy:** The change does not affect department policy.
- b. **Administrative Feasibility:** Systems currently configured to pay EB benefits would require no significant changes.
- d. **Fiscal:** The impact of the amendment will depend on the length of time that the EB period is open for claims and the level of participation by eligible claimants. The department projects that the amendment will cause the EB period to be open from May through December and that the resulting payments to claimants would be approximately \$89.1 million. EB benefits are federally funded through 2011, except that EB benefits are charged to state and local governments and federally-recognized Indian tribes. The department estimates EB payments by government and tribal employers will be approximately \$1,094,986, including an estimated impact on the Reserve Fund of \$97,015, in the projected EB period that would result from a three-year look back. The impact on the employers that are not recipients of federal funding is summarized as follows:

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Total	\$97,015	\$997,970	\$1,094,986

¹ Charges to contributing employers would be paid from the Reserve Fund.

² Charges to reimbursable employers would not affect Reserve Fund. Reimbursable employers would be billed.

6. Federal Issues

The change is enabled by federal law and consistent with guidance regarding the EB program afforded by the United States Department of Labor.

7. Effective Date

The bill would be made effective as of the date of P.L. 111-312, December 17, 2010, or on any date in 2011 prior to the end of the current EB period. The consequences would be the same regardless of which of the two dates is the effective date. Either date would assure continuity of EB benefits while Wisconsin remains in an EB period under one or more the various sets of triggers.



MOON
State of Wisconsin
2011 - 2012 LEGISLATURE

222981
LRB-2290/1
JTK:cjs:jf
stays

2011 BILL

Gen Cat

1 AN ACT ~~to amend~~ 108.141 (1) (e) and 108.141 (1) (f) 3. b.; and **to create** 108.141
2 (1) (f) 4. of the statutes; **relating to:** payment of extended unemployment
3 insurance benefits during certain periods in this state.

Analysis by the Legislative Reference Bureau

9 Currently, the maximum number of weeks of unemployment insurance benefits that an eligible claimant may qualify to receive is normally 26 weeks. However, during certain periods of high unemployment in this state, as defined by law, a claimant who has exhausted all of his or her rights to receive benefits in a given benefit year (period during which benefits are payable to a claimant) may potentially qualify to receive up to 13 weeks of "extended benefits," the cost of which, with certain exceptions, are normally shared between the federal government and employers in this state. Under recent federal legislation, the employer share is also paid by the federal government for private employers, including nonprofit organization employers but not including Indian tribal employers, during certain periods. For extended benefits to be paid in this state, there must be a Wisconsin "on" indicator, which is currently determined by calculating the rates of total or insured unemployment for various periods under one of three methods.

This bill adds a fourth method of determining a Wisconsin "on" indicator, which applies only for so long as full federal funding is provided (currently, for claims filed before January 4, 2012). Under this method, 1) the rate of insured unemployment for the period consisting of the week in which the determination is made and the 12 preceding weeks must equal or exceed 120 percent of the average of such rates for

the method is permitted under federal law

BILL

the corresponding 13-week periods ending in each of the preceding 3 calendar years and must equal or exceed 5 percent; or 2) the average rate of seasonally adjusted total unemployment for the period consisting of the most recent 3 months for which national data is available must equal or exceed 6.5 percent and must equal or exceed 110 percent of the average for any of the corresponding 3-month periods ending in the 3 preceding calendar years.

*Ans
2A*

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

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

1 SECTION 1. 108.141 (1) (e) of the statutes is amended to read:

2 108.141 (1) (e) ~~There~~ Except with respect to any week described in par. (f) 4.
3 there is a Wisconsin "off" indicator for a week if, for the period consisting of that week
4 and the immediately preceding 12 weeks, there is not a Wisconsin "on" indicator.

5 SECTION 2. 108.141 (1) (f) 3. b. of the statutes is amended to read:

6 108.141 (1) (f) 3. b. The average rate of total unemployment in this state,
7 seasonally adjusted, as determined by the U.S. secretary of labor for the period
8 consisting of the most recent 3 months for which data for all states are published
9 before the close of that week equals or exceeds 110 percent of the average for either
10 or both of the corresponding 3-month periods ending in the 2 preceding calendar
11 year.; or

12 SECTION 3. 108.141 (1) (f) 4. of the statutes is created to read:

13 108.141 (1) (f) 4. With respect to weeks of unemployment beginning on or after
14 *on or before the earlier of the latest date permitted under federal*
~~the date of enactment of P.L. 111-312 and ending with the week ending 4 weeks prior~~ *law*
provided as
15 *without regard to section 2005 (c) of P.L. 111-5*
16 *to such federal laws*
17 *the end of the*
18 *4th*
week

17 a. The rate of insured unemployment for the period consisting of that week and
18 the immediately preceding 12 weeks equaled or exceeded 120 percent of the average

BILL

1 of such rates for the corresponding 13-week periods ending in each of the preceding
2 3 calendar years, and equaled or exceeded 5 percent; or

3 b. The average rate of total unemployment, seasonally adjusted, as determined
4 by the U.S. secretary of labor, for the period consisting of the most recent 3 months
5 for which data for all states are published before the close of that week equals or
6 exceeds 6.5 percent and equals or exceeds 110 percent of the average for any of the
7 corresponding 3-month periods ending in the preceding 3 calendar years.

(END)

ANS
3-7 →

2011-2012 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-2298/lins
JTK.....

INS 2A:

NOT Under *this* the bill, if this state begins or extends an extended benefit period as a result of ~~the~~ "on" indicator, extended benefits are payable retroactively with respect to weeks of unemployment beginning on or after December 17, 2010.

to qualifying claimants

INS 3-7:

SECTION 1. Initial applicability.

(1) This act first applies retroactively with respect to weeks of unemployment beginning on or after December 17, 2010.

Kuesel, Jeffery

From: LaRocque, Daniel J - DWD [Daniel.LaRocque@dwd.wisconsin.gov]
Sent: Friday, July 01, 2011 10:35 AM
To: Kuesel, Jeffery
Cc: Junceau, Robert - DWD
Subject: FW: Copies of Draft of a Bill Extending 100% Federally Funded UI Extended Benefits

Attachments: Draft of EB extension provision 11-22981-June 2011.pdf

Jeff,

In addition to Bob Junceau's comment on the Analysis of the LRB draft, I would add that we should remove the words "without regard to section 2005(c) of PL 111-5". That language is superfluous. DOL agrees.

Let's discuss next week if you are in.

Dan

From: Junceau, Robert - DWD
Sent: Wednesday, June 29, 2011 4:11 PM
To: Barkelar, Craig D - DWD; Maxwell, Georgia E - DWD
Cc: LaRocque, Daniel J - DWD
Subject: Copies of Draft of a Bill Extending 100% Federally Funded UI Extended Benefits

Dan LaRocque has directed me to send you the attached copy of an LRB draft of an EB bill in case you might need it.

I note that the Analysis should be changed to *include* "state and local governments" as well as "Indian tribal employers" as employers for which the federal government will not provide the share.

In addition, there is a typo on page 1, line 11, "year" should be "years".

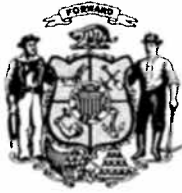
I also suggest that for clarity a comma be placed on page 3, line 2, *between* "P.L. 111-5" and "and any amendments".

Thank you.

Robert Junceau
UI Attorney



Draft of EB
extension provisio..



State of Wisconsin
2011 - 2012 LEGISLATURE



LRB-2298/2

JTK:cjs:jf

1
stays

En: 7/1

2011 BILL

STW

Gov Cat

1 AN ACT *to amend* 108.141 (1) (e) and 108.141 (1) (f) 3. b.; and *to create* 108.141
2 (1) (f) 4. of the statutes; **relating to:** payment of extended unemployment
3 insurance benefits during certain periods in this state.

Analysis by the Legislative Reference Bureau

Currently, the maximum number of weeks of unemployment insurance benefits that an eligible claimant may qualify to receive is normally 26 weeks. However, during certain periods of high unemployment in this state, as defined by law, a claimant who has exhausted all of his or her rights to receive benefits in a given benefit year (period during which benefits are payable to a claimant) may potentially qualify to receive up to 13 weeks of "extended benefits," the cost of which, with certain exceptions, is normally shared between the federal government and employers in this state. Under recent federal legislation, the employer share is also paid by the federal government for private employers, including nonprofit organization employers but not including Indian tribal employers, during certain periods. For extended benefits to be paid in this state, there must be a Wisconsin "on" indicator, which is currently determined by calculating the rates of total or insured unemployment for various periods under one of three methods.

This bill adds a fourth method of determining a Wisconsin "on" indicator, which applies only for so long as the method is permitted under federal law and full federal funding is provided (currently, for claims filed before January 4, 2012). Under this method, 1) the rate of insured unemployment for the period consisting of the week in which the determination is made and the 12 preceding weeks must equal or exceed

BILL

120 percent of the average of such rates for the corresponding 13-week periods ending in each of the preceding 3 calendar years and must equal or exceed 5 percent; or 2) the average rate of seasonally adjusted total unemployment for the period consisting of the most recent 3 months for which national data is available must equal or exceed 6.5 percent and must equal or exceed 110 percent of the average for any of the corresponding 3-month periods ending in the 3 preceding calendar years. Under the bill, if this state begins or extends an extended benefit period as a result of this "on" indicator, extended benefits are payable retroactively to qualifying claimants with respect to weeks of unemployment beginning on or after December 17, 2010.

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

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

1 **SECTION 1.** 108.141 (1) (e) of the statutes is amended to read:

2 108.141 (1) (e) There Except with respect to any week described in par. (f) 4.,
3 there is a Wisconsin "off" indicator for a week if, for the period consisting of that week
4 and the immediately preceding 12 weeks, there is not a Wisconsin "on" indicator.

5 **SECTION 2.** 108.141 (1) (f) 3. b. of the statutes is amended to read:

6 108.141 (1) (f) 3. b. The average rate of total unemployment in this state,
7 seasonally adjusted, as determined by the U.S. secretary of labor for the period
8 consisting of the most recent 3 months for which data for all states are published
9 before the close of that week equals or exceeds 110 percent of the average for either
10 or both of the corresponding 3-month periods ending in the 2 preceding calendar

11 ~~years~~ years ← PLAIN
~~or~~ or

12 **SECTION 3.** 108.141 (1) (f) 4. of the statutes is created to read:

13 108.141 (1) (f) 4. With respect to weeks of unemployment beginning on or after
14 the date of enactment of P.L. 111-312 and ending on or before the earlier of the latest
15 date permitted under federal law or the end of the 4th week prior to the last week

BILL

1 in which federal sharing is provided as authorized by section 2005 (a) of P.L. 111-5

2 ~~Without regard to section 2005 (a) of P.L. 111-5~~ and any amendments to such federal

3 laws:

4 a. The rate of insured unemployment for the period consisting of that week and
5 the immediately preceding 12 weeks equaled or exceeded 120 percent of the average
6 of such rates for the corresponding 13-week periods ending in each of the preceding
7 3 calendar years, and equaled or exceeded 5 percent; or

8 b. The average rate of total unemployment, seasonally adjusted, as determined
9 by the U.S. secretary of labor, for the period consisting of the most recent 3 months
10 for which data for all states are published before the close of that week equals or
11 exceeds 6.5 percent and equals or exceeds 110 percent of the average for any of the
12 corresponding 3-month periods ending in the preceding 3 calendar years.

13 **SECTION 4. Initial applicability.**

14 (1) This act first applies retroactively with respect to weeks of unemployment
15 beginning on or after December 17, 2010.

16 (END)

JACKET

call Dave Carroque
at 267-1406

When ready

- 2298 - Senate
- 2344 - Assembly

Per JTK