



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2011 Assembly Bill 504

Assembly Amendment 1

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2011 Assembly Bill 504 makes various changes to the unemployment insurance (UI) law, relating to concealment of benefit claim information, availability for work, interest on delinquent payments, and the composition and authority of appeal tribunals under the UI law.

For the change relating to interest on delinquent payments, the bill provides that if an employer is delinquent in making by the assigned due date any payment to the Department of Workforce Development required under UI law, the employer must pay interest on the delinquent payment at *that monthly rate that annualized is equal to 9% or to 2% more than the prime rate as published in the Wall Street Journal as of September 30 of the preceding year, whichever is greater*, for each month or fraction thereof that the employer is delinquent from the date such payment became due. Under current law, the interest rate on delinquent payments is *one percent per month*.

Further, the bill provides that the change relating to interest on delinquent payments first applies with respect to accrual of interest for the **first quarter** beginning after the bill's effective date.

Assembly Amendment 1 provides that the change relating to interest on delinquent payments first applies with respect to accrual of interest for the **fourth month** beginning after the bill's effective date.

Legislative History

Assembly Amendment 1 was offered by Representative Ballweg. On February 9, 2012, the Assembly Committee on Labor and Workforce Development recommended adoption of the amendment and recommended passage of Assembly Bill 504, as amended, on votes of Ayes, 8; Noes, 0.

JKR:ksm