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# State of Misconsin 2013 - 2014 LEGISLATURE



## **2013 SENATE BILL 332**

October 4, 2013 – Introduced by Senators Lazich, Moulton, Cowles, Darling, Lehman, Shilling, Olsen, C. Larson and L. Taylor, cosponsored by Representatives Loudenbeck, Kuglitsch, Ballweg, Czaja, Endsley, Kahl, Kolste, Krug, Lemahieu, Marklein, Nygren, Ohnstad, Petryk, Sinicki, Stone, Thiesfeldt, Kestell, Weatherston, Bernier, Vruwink and Kaufert. Referred to Committee on Economic Development and Local Government.

AN ACT to repeal 20.445 (1) (fw), 102.07 (19), 108.02 (12) (dp), 108.02 (26) (c) 17., 108.04 (8) (dm) and 108.04 (16m); to amend 102.11 (1) (c), 102.11 (1) (c), 108.04 (2) (a) (intro.), 108.04 (2) (a) (intro.), 108.04 (2) (a) 3. (intro.), 108.04 (2) (a) 3. (intro.), 108.04 (2) (bm) and 108.04 (2) (bm); and to create 20.445 (1) (fw), 102.07 (19), 108.02 (12) (dp), 108.02 (26) (c) 17., 108.04 (8) (dm) and 108.04 (16m) of the statutes; relating to: participation in certain training by unemployment insurance claimants, granting rule–making authority, and making an appropriation.

### Analysis by the Legislative Reference Bureau

Currently, unemployment insurance (UI) benefits may not be denied to an otherwise eligible individual because the individual is enrolled in a vocational training course or a basic education course that is a prerequisite to such training ("approved training") under certain conditions. A claimant who is enrolled in approved training is not subject to certain benefit denials or reductions that would otherwise preclude the claimant from claiming UI benefits while enrolled in approved training.

This bill creates a pilot program of special occupational training that is not approved training. The bill directs the Department of Workforce Development

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(DWD) to designate three areas served by local workforce development boards in which the program shall be offered. Under the bill, DWD must offer the program throughout each designated area. Under the bill, the training consists of voluntary placements of UI claimants of up to six weeks for periods of not more than 40 hours per week with employers who elect to offer the training directly. A trainee may not be an employee of the employer offering the training. The bill directs DWD to accept applications from employers who wish to offer the training and to place claimants who wish to participate in available openings. On the application, an employer must affirm that it currently has one job opening for each training participant that it seeks in a position that a successful participant would potentially qualify to fill. Under the bill, no claimant may receive more than two placements during a benefit year (period during which benefits are payable). In addition, no claimant may receive a placement for any period that includes a week beginning after the end of the first 26 weeks of the claimant's benefit year. The bill provides that a claimant who receives special occupational training is not disqualified from receiving UI benefits solely as a result of participating in the training. The bill requires each claimant to maintain eligibility for UI benefits while receiving special occupational training, except that a claimant is exempt from the requirement under the UI law to search for work for each week the claimant receives at least 20 hours of occupational training under the program and is not required to accept other suitable work under the UI law if there is a reasonable expectation that the claimant will receive a job offer from the employer providing the training. Under the bill, a claimant who participates in special occupational training receives a stipend of \$75 from DWD for each week in which the claimant participates in the training. The bill appropriates general purpose revenue to make the payments. The bill also provides that a claimant who is participating in special occupational training is considered an employee of the employer providing the training for purposes of worker's compensation benefits.

The program created by the bill sunsets two years after the bill's effective date. The bill directs DWD to report to the legislature and the governor no later than 22 months after the bill's effective date concerning the effectiveness of the program and DWD's recommendations for extension of the program or changes to the program to enhance its effectiveness.

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.** 20.445 (1) (fw) of the statutes is created to read:

20.445 (1) (fw) *Unemployment insurance claimant training stipends*. A sum sufficient to be used to pay stipends to participants in special occupational training under s. 108.04 (16m).

1	Section 2. 20.445 (1) (fw) of the statutes, as created by 2013 Wisconsin Act
2	(this act), is repealed.
3	<b>Section 3.</b> 102.07 (19) of the statutes is created to read:
4	102.07 (19) A person participating in special occupational training under s
5	108.04 (16m) is considered an employee of the employer that is providing that
6	training for purposes of this chapter.
7	Section 4. 102.07 (19) of the statutes, as created by 2013 Wisconsin Act (this
8	act), is repealed.
9	Section 5. 102.11 (1) (c) of the statutes, as affected by 2011 Wisconsin Act 123
10	section 4h, is amended to read:
11	102.11 (1) (c) In the case of a person performing service without fixed earnings
12	or a person participating in special occupational training under s. 108.04 (16m), or
13	when normal full-time days or weeks are not maintained by the employer in the
14	employment in which the employee worked when injured, or when, for other reason
15	earnings cannot be determined under the methods prescribed by par. (a) or (b), the
16	earnings of the injured person shall, for the purpose of calculating compensation
17	payable under this chapter, be taken to be the usual going earnings paid for similar
18	services on a normal full-time basis in the same or similar employment in which
19	earnings can be determined under the methods set out in par. (a) or (b).
20	Section 6. 102.11 (1) (c) of the statutes, as affected by 2013 Wisconsin Act
21	(this act), is amended to read:
22	102.11 (1) (c) In the case of a person performing service without fixed earnings
23	or a person participating in special occupational training under s. 108.04 (16m), or
24	when normal full-time days or weeks are not maintained by the employer in the
25	employment in which the employee worked when injured, or when, for other reason

Act .... (this act), is amended to read:

earnings cannot be determined under the methods prescribed by par. (a) or (b), the							
earnings of the injured person shall, for the purpose of calculating compensation							
payable under this chapter, be taken to be the usual going earnings paid for similar							
services on a normal full-time basis in the same or similar employment in which							
earnings can be determined under the methods set out in par. (a) or (b).							
SECTION 7. 108.02 (12) (dp) of the statutes is created to read:							
108.02 (12) (dp) Paragraph (a) does not apply to an individual who receives a							
stipend for participation in a special occupational training program under s. 108.04							
(16m).							
Section 8. 108.02 (12) (dp) of the statutes, as created by 2013 Wisconsin Act							
(this act), is repealed.							
SECTION 9. 108.02 (26) (c) 17. of the statutes is created to read:							
108.02 (26) (c) 17. A stipend received by an individual who is participating in							
a special occupational training program under s. 108.04 (16m).							
<b>Section 10.</b> 108.02 (26) (c) 17. of the statutes, as created by 2013 Wisconsin							
<b>Section 10.</b> 108.02 (26) (c) 17. of the statutes, as created by 2013 Wisconsin Act (this act), is repealed.							
Act (this act), is repealed.							
Act (this act), is repealed.  Section 11. 108.04 (2) (a) (intro.) of the statutes, as affected by 2011 Wisconsin							
Act (this act), is repealed.  SECTION 11. 108.04 (2) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act 123, section 6s, is amended to read:							
Act (this act), is repealed.  SECTION 11. 108.04 (2) (a) (intro.) of the statutes, as affected by 2011 Wisconsin Act 123, section 6s, is amended to read:  108.04 (2) (a) (intro.) Except as provided in par. (b) and sub. subs. (16) (am) and							

108.04 (2) (a) (intro.) Except as provided in par. (b) and subs. sub. (16) (am) and
(b) and (16m) (f) and as otherwise expressly provided, a claimant is eligible for
benefits as to any given week only if:
<b>SECTION 13.</b> 108.04 (2) (a) 3. (intro.) of the statutes, as affected by 2013
Wisconsin Act 20, is amended to read:
108.04 (2) (a) 3. (intro.) The individual conducts a reasonable search for
suitable work during that week, unless the search requirement is waived under par
(b) or sub. (16m) (fm) or s. 108.062 (10m). The search for suitable work must include
at least 4 actions per week that constitute a reasonable search as prescribed by rule
of the department. In addition, the department may, by rule, require an individual
to take more than 4 reasonable work search actions in any week. The department
shall require a uniform number of reasonable work search actions for similar types
of claimants. This subdivision does not apply to an individual if the department
determines that the individual is currently laid off from employment with an
employer but there is a reasonable expectation of reemployment of the individual by
that employer. In determining whether the individual has a reasonable expectation
of reemployment by an employer, the department shall request the employer to
verify the individual's employment status and shall also consider other factors
including:
<b>SECTION 14.</b> 108.04 (2) (a) 3. (intro.) of the statutes, as affected by 2013
Wisconsin Act (this act), is amended to read:
108.04 (2) (a) 3. (intro.) The individual conducts a reasonable search for
suitable work during that week, unless the search requirement is waived under par

(b) or sub. (16m) (fm) or s. 108.062 (10m). The search for suitable work must include

at least 4 actions per week that constitute a reasonable search as prescribed by rule

of the department. In addition, the department may, by rule, require an individual to take more than 4 reasonable work search actions in any week. The department shall require a uniform number of reasonable work search actions for similar types of claimants. This subdivision does not apply to an individual if the department determines that the individual is currently laid off from employment with an employer but there is a reasonable expectation of reemployment of the individual by that employer. In determining whether the individual has a reasonable expectation of reemployment by an employer, the department shall request the employer to verify the individual's employment status and shall also consider other factors, including:

**SECTION 15.** 108.04 (2) (bm) of the statutes, as affected by 2013 Wisconsin Act 11, is amended to read:

108.04 (2) (bm) A claimant is ineligible to receive benefits for any week for which there is a determination that the claimant failed to conduct a reasonable search for suitable work and the department has not waived the search requirement under par. (b) or <u>sub. (16m) (fm) or</u> s. 108.062 (10m). If the department has paid benefits to a claimant for any such week, the department may recover the overpayment under s. 108.22 (8).

**SECTION 16.** 108.04 (2) (bm) of the statutes, as affected by 2013 Wisconsin Act .... (this act), is amended to read:

108.04 (2) (bm) A claimant is ineligible to receive benefits for any week for which there is a determination that the claimant failed to conduct a reasonable search for suitable work and the department has not waived the search requirement under par. (b) or sub. (16m) (fm) or s. 108.062 (10m). If the department has paid

benefits	to	a	claimant	for	any	such	week,	the	department	may	recover	the
overpayı	men	ıt ı	ınder s. 10	8.22	2 (8).							

**Section 17.** 108.04 (8) (dm) of the statutes is created to read:

108.04 (8) (dm) A claimant has good cause under par. (a) if the claimant is participating in special occupational training under sub. (16m) at the time that the claimant receives an offer of suitable work and the department determines that there is a reasonable expectation that the claimant will receive an offer of full–time work at the end of the training period.

**SECTION 18.** 108.04 (8) (dm) of the statutes, as created by 2013 Wisconsin Act .... (this act), is repealed.

**Section 19.** 108.04 (16m) of the statutes is created to read:

108.04 (**16m**) Special occupational training means training other than approved training that is offered directly by an employer to a claimant who is not employed by the employer.

- (b) The department shall administer a pilot program to offer special occupational training for claimants who wish to participate in areas of this state designated by the department served by 3 local workforce development boards under 29 USC 2832. The department shall offer the program within the entire area served by each designated local workforce development board.
- (c) The department shall accept applications from employers to offer special occupational training to claimants and shall offer claimants the opportunity to receive placements to receive the training. On the application, an employer shall affirm that it has one job opening, as of the date of the application, for each training participant that it seeks in a position that a successful participant would potentially qualify to fill. If the department finds that an employer providing placements under

- this subsection has not hired a reasonable percentage of qualified trainees, the department may decline to accept further applications for placements from that employer.
- (d) The department shall place claimants who apply to receive special occupational training with employers who offer placements. The department may only place a claimant to receive special occupational training during a claimant's benefit year.
- (e) Each placement shall be for a period not exceeding 6 weeks. A claimant may participate in special occupational training for not more than 40 hours per week during a placement. No claimant may receive more than 2 placements during his or her benefit year. No claimant may receive a placement for any period that includes a week beginning after the end of the first 26 weeks of the claimant's benefit year.
- disqualified from receiving benefits solely on account of receiving the training. The department may suspend a claimant's obligation to be available for work during those hours in which the claimant participates in special occupational training but the claimant shall maintain his or her availability for work during other hours of the work week. Except as authorized in this subsection and sub. (8) (dm), a claimant shall maintain his or her eligibility for benefits during the placement and shall terminate a placement if necessary to accept any work that the claimant is required to accept in order to maintain continuous eligibility for benefits.
- (fm) The department shall waive the work search requirement under sub. (2) (a) 3. for each week that a claimant is participating in special occupational training under this subsection for 20 hours or more.

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- (g) The department shall pay a stipend of \$75 per week to each claimant who participates in special occupational training unless the claimant declines the stipend for the entire period of a placement by notifying the department in writing of the declination. The department shall make the payments from the appropriation under s. 20.445 (1) (fw).
- (i) The department shall issue a training certificate to each claimant upon successful completion of each special occupational training placement. The certificate shall describe the skills in which the claimant received training.
  - (j) The department may promulgate rules required to implement this section.
- **SECTION 20.** 108.04 (16m) of the statutes, as created by 2013 Wisconsin Act .... (this act), is repealed.

#### Section 21. Nonstatutory provisions.

- (1) The department of workforce development shall, under section 108.04 (16m) (b) of the statutes, as created by this act, initially designate the areas of this state served by local workforce development boards under 29 USC 2832 that the department of workforce development designated under section 108.04 (16m) (b), 2011 stats.
- (2) No later than 22 months after the first Sunday after publication, the department of workforce development shall submit a report to the legislature, in the manner provided under section 13.172 (2) of the statutes, and to the governor evaluating the effectiveness of the program created by this act and providing the department's recommendations concerning extension of the program or changes to the program that may enhance its effectiveness.

#### SECTION 22. Initial applicability.

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(1) This act first applies with respect to weeks of unemployment beginning on
the effective date of this subsection.
SECTION 23. Effective dates. This act takes effect on the first Sunday after
publication, except as follows:
(1) Special occupational training; sunset. The treatment of sections 102.11
(1) (c) (by Section 6) and 108.04 (2) (a) (intro.) (by Section 12) and 3. (intro.) (by
Section 14) and (bm) (by Section 16) of the statutes and the repeal of sections $20.445$
(1) (fw), 102.07 (19), 108.02 (12) (dp) and (26) (c) 17., and 108.04 (8) (dm) and (16m)

of the statutes take effect on the 104th Sunday following the first Sunday after

11 (END)

publication.