

State of Misconsin 2013 - 2014 LEGISLATURE



PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

(Inserts)

TODAY

(reference)

AN ACT to repeal 108.02 (4m) (g); to renumber 50.498 (4); to renumber and amend 440.12; to amend 13.63 (1) (b), 13.63 (1) (c), 19.55 (2) (d), 29.024 (2r) (title), 29.024 (2r) (c), 29.024 (2r) (d) 1., 48.66 (2m) (c), 48.715 (7), 50.498 (title), 50.498 (2), 50.498 (5), 51.032 (title), 51.032 (2), 51.032 (4), 51.032 (5), 71.78 (4) (o), 73.0301 (2) (c) 2., 73.0302 (title), 73.09 (6m), 101.02 (20) (b), 101.02 (20) (c), 101.02 (20) (d), 102.17 (1) (c), 103.005 (10), 103.275 (2) (b) (intro.), 103.275 (7) (b), 103.275 (7) (c), 103.34 (3) (c), 103.34 (10) (title), 103.92 (3), 104.07 (1) and (2), 105.13 (1), 108.02 (4m) (a), 108.04 (2) (a) 2., 108.04 (2) (a) 3. (intro.), 108.04 (2) (a) 3. c., 108.05 (3) (a), 108.10 (intro.), 108.205 (1), 108.21 (1), 108.22 (1) (a), 115.31 (6m), 118.19 (1m) (a), 118.19 (1m) (b), 138.09 (1m) (b) 2. a., 138.09 (3) (am) 2., 138.09 (4) (c), 138.12 (3) (d) 2. a., 138.12 (5) (am) 1. b., 138.12 (5) (am) 3., 138.14 (4) (a) 2. a., 138.14 (9) (d), 146.40 (4d) (b), 146.40 (4d) (d), 146.40 (4d) (e), 169.35 (title), 169.35 (2), 169.35 (3), 170.12 (3m) (b) 1., 217.05 (1m) (b) 1., 217.09 (4), 217.09 (6), 218.0114 (21e) (a), 218.0114 (21g) (b) 1., 218.0116 (1g) (b), 218.02 (2) (a) 2. a., 218.04 (3) (a) 2. a., 218.04 (5) (b), 218.05 (3) (am) 2. a., 218.05

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(12) (b), 218.05 (12) (e), 218.11 (2) (am) 3., 218.12 (2) (am) 2., 218.21 (2m) (b), 218.31 (1m) (b), 218.41 (2) (am) 2., 218.51 (3) (am) 2., 224.72 (2) (c) 2. a., 224.725 (2) (b) 1. a., 224.927 (1), 227.53 (1) (a) 3., 252.241 (title), 252.241 (2), 254.115 (title), 254.115 (2), 254.176 (5), 254.20 (7), 256.18 (title), 256.18 (2), 256.18 (5), 299.07 (title), 299.07 (1) (b) 1., 299.08 (1) (b) 2., 341.51 (4g) (b), 342.06 (1) (eg), 343.14 (1), 343.14 (2j), 343.305 (6) (e) 3. b., 343.61 (2) (b), 343.62 (2) (b), 343.69 (1), 440.03 (11m) (c), 452.18, 551.412 (4g) (a) 1., 551.605 (2), 562.05 (8m) (a), 562.05 (8m) (b), 563.285 (title), 563.285 (2) (a), 563.285 (2) (b), 628.095 (4) (b), 628.097 (title), 628.097 (2m), 628.10 (2) (cm), 632.69 (2) (c), 632.69 (2) (d) 2... 632.69 (4) (d), 633.14 (2c) (b), 633.14 (2m) (b), 633.15 (2) (d), 751.155 (title), 751.155 (1), 751.155 (2) and 751.155 (3); and to create 50.498 (4) (b), 73.0302 (5), 73.0302 (6), 73.09 (8), 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), 105.13 (4), 108.04 (2) (a) 4. and 5., 108.04 (15), 108.22 (1) (cm), 108.223, 108.227, 138.12 (4) (a) 1m., 138.12 (4) (b) 5m., 138.14 (5) (b) 2m., 138.14 (9) (cm), 170.12 (8) (b) 1. bm., 170.12 (8) (b) 4., 217.06 (5m), 217.09 (1t), 218.0116 (1m) (a) 2m., 218.0116 (1m) (d), 218.02 (3) (dm), 218.02 (6) (d), 218.02 (9) (a) 1m., 218.04 (4) (am) 2m., 218.04 (5) (at), 218.05 (4) (c) 2m., 218.05 (11) (bm), 218.05 (12) (at), 218.11 (6m) (c), 218.12 (3m) (c), 218.22 (3m) (c), 218.32 (3m) (c), 218.41 (3m) (b) 3., 218.51 (4m) (b) 3., 224.44, 224.72 (7m) (bm), 224.725 (6) (bm), 224.77 (2m) (e), 224.95 (1) (bm), 252.241 (5), 254.115 (5), 256.18 (4m), 299.07 (3), 341.51 (4m) (c), 343.305 (6) (e) 6., 343.66 (3m), 440.12 (2), 551.406 (6) (a) 1m., 551.412 (4g) (a) 2m., 551.412 (4g) (d), 562.05 (5) (a) 11., 562.95.(8) (f) and 563.285 (1m) of the statutes; relating to: various changes in the unemployment insurance law; license revocations based on delinquency in



authority; providing a penalty and making explosions.

Analysis by the Legislative Reference Bureau

NOTE: The items contained in this draft are the initial LRB draft of the items. DWD has not completed its review of these items. Some of the language may also require review by the U.S. Department of Labor. In the past, DWD has requested considerable changes to initial LRB drafts after internal review by DWD.

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

BENEFIT CHANGES

Registration and search for work

Currently, with limited exceptions, in order to become and remain eligible to receive UI benefits for any week, a claimant is required, among other things, to register for work and to conduct a reasonable search for suitable work within that week, which must include at least two actions that constitute a reasonable search as prescribed by rule by the Department of Workforce Development (DWD).

This bill requires each claimant, subject to the same exceptions, to register for work in the manner directed by DWD and increases the minimum number of actions that a claimant must undertake to become and remain eligible for benefits to at least four actions per week.

The bill also requires a claimant, subject to the same exceptions, to provide information or job application materials and to participate in a public employment office workshop or training program or in similar reemployment services that do not require a participation fee, if either is required by DWD for a given week. The bill allows DWD to use the information or job application materials provided by a claimant to assess the claimant's efforts, skills, and ability to find or obtain work and to develop a list of potential opportunities for a claimant to obtain suitable work. However, the bill provides that a claimant who is subject to the work search requirement need not apply for a specific position on that list in order to satisfy that requirement.

Treatment of cafeteria plan amounts in benefit calculations

Currently, employers must report wages to DWD and these reports are used to determine the UI benefit eligibility and amounts of benefits payable to UI claimants. The wages reported do not include salary reduction amounts withheld from employees for cafeteria plan benefits (fringe benefits the value of which is excluded from gross income under the federal Internal Revenue Code). However, these amounts are included in the formula that is used to determine the benefit eligibility and amounts payable to claimants. DWD may require employers to report the amounts in their wage reports and employers must maintain records of these amounts.

This bill excludes salary reduction amounts for cafeteria plan benefits in calculating the wages that were paid to a claimant for purposes of determining the

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Ins MD1 claimant's benefit eligibility and amounts. The bill also deletes reporting and record-keeping requirements for these amounts. The effect is to raise the threshold for benefit eligibility and to potentially decrease the amount of benefits that may become payable to certain claimants whose wages include deductions for these amounts.

TAX CHANGES

Interest on delinquent payments

Currently, if an employer does not make a payment required under the UI law to DWD by the due date, the employer must pay interest on the amount owed equal to a variable rate determined by law from the date that the payment became due. Revenues from interest payments are used to administer the UI program. This bill permits DWD to waive or decrease the interest charged to an employer in limited circumstances as prescribed by rule of DWD.

OTHER CHANGES

License revocations based on UI contribution delinquencies

Current law requires various state agencies and boards (licensing departments) that issue various licenses and other credentials (licenses) to revoke a license or deny an application for a license if the Department of Revenue (DOR) certifies that the license holder or applicant owes DOR delinquent taxes. Current law also allows the Wisconsin Supreme Court to decide whether to revoke or deny an application for a license to practice law if the license holder or applicant is certified by DOR to owe delinquent taxes. This bill creates similar provisions for license holders and applicants that DWD certifies are liable for delinquent UI contributions. UI contributions are taxes employers must pay to DWD for deposit with the federal government, and which are then used to pay the claims of claimants for UI benefits. The bill also includes within the definition of UI contributions other assessments, interest, fees, and penalties that have been imposed upon employers in connection with their UI contribution obligations. The provisions created in the bill apply only to delinquent UI contributions for which the employer has exhausted all legal rights to challenge the employer's liability.

Under the bill, each licensing department must enter into a memorandum of understanding with DWD. Under the memorandum, the licensing department must ask DWD to certify whether a license holder or applicant is liable for delinquent UI contributions. If DWD certifies to a licensing department that a license holder or applicant is liable for delinquent UI contributions, the licensing department must revoke the license or deny the application for a license. A licensing department must mail a notice of revocation or denial to the license holder or applicant, and the notice must inform the applicant or license holder of the right to a review of DWD's certification at a hearing conducted by DWD. The hearing is limited to questions of mistaken identity and prior payment of the delinquent UI contributions. Following the hearing, if DWD does not uphold its certification, DWD must issue the holder or applicant a nondelinquency certificate and the licensing department must reinstate the license or approve the application for a license without requiring any additional application, fee, or test, unless there are other grounds for denial or revocation. If

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DWD does uphold its certification, DWD must so inform the license holder or applicant and the licensing department. The license holder or applicant may seek judicial review of an adverse determination by DWD at the hearing by filing a petition for review in the Dane County circuit court and may appeal the court's decision. A license holder or applicant whose license has been revoked or denied because of delinquent UI contributions may also, after satisfying that debt, request DWD to issue a nondelinquency certificate, which the license holder or applicant may then present to have the license reinstated, unless there are other grounds for not reinstating the license or for denying the application.

The bill includes the following within the definition of licensing department: the Department of Administration; the Board of Commissioners of Public Lands; the Department of Children and Families; the Government Accountability Board; the Department of Financial Institutions; the Department of Health Services; the Department of Natural Resources; the Department of Public Instruction; the Department of Revenue; the Department of Safety and Professional Services; the Office of the Commissioner of Insurance; and the Department of Transportation. The bill applies to various licenses administered by the aforementioned licensing departments.

The bill allows DWD to deny an application for or revoke various licenses administered by DWD if the license holder or applicant is liable for delinquent UI contributions. Such a license holder or applicant has the same rights to review by DWD and to judicial review as do holders of or applicants for licenses administered by other licensing departments.

The bill also requests the Wisconsin Supreme Court to enter into a similar memorandum of understanding with DWD. If DWD determines that a licensed attorney or an applicant for a license to practice law is liable for delinquent UI contributions, DWD may send the attorney or applicant a notice of that determination. The attorney or applicant has the same rights to a hearing and judicial review as do other license holders or applicants. However, DWD may not send the supreme court a certification of UI contribution delinquency until the attorney or applicant has exercised or exhausted his or her full rights to judicial review. If the determination is upheld following the holder or applicant's exercise or exhaustion of rights to judicial review, DWD may then certify to the supreme court that the attorney or applicant is liable for delinquent UI contributions. The supreme court may then decide whether to suspend, revoke, or deny the attorney's or applicant's license to practice law.

Financial record matching program

Currently, the Departments of Children and Families, Revenue, and Health Services (departments) operate financial records matching programs whereby the departments, for various asset verification or determination purposes, match data possessed by the departments with the records of financial institutions. This bill establishes a similar financial records matching program with DWD to allow DWD to identify the assets of persons who are delinquent in paying debts related to the UI program (UI debtors).

Under the program, financial institutions doing business in this state must enter into agreements with DWD to participate in a financial institution matching option or a state matching option. DWD may pay such a financial institution up to \$125 per calendar quarter for participating.

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Under the financial institution matching option, at least once every calendar quarter DWD sends information to the financial institution, including names, addresses, and social security numbers, about UI debtors. The financial institution determines whether any UI debtor has an ownership interest in an account at the financial institution and, if so, sends DWD information about the account, such as the type, number, and balance.

Under the state matching option, at least once every calendar quarter the financial institution sends DWD information about accounts maintained at the financial institution, including the name and social security number of each person having an ownership interest in each account. On the basis of that information, DWD determines whether any UI debtor has an ownership interest in an account at the financial institution and, if so, may request further information from the financial institution, including the person's address of record and the account balance.

The bill prohibits DWD from disclosing or retaining information concerning account holders who are not UI debtors; prohibits employees, agents, officers, and directors of financial institutions from disclosing or retaining information concerning UI debtors; and prohibits both DWD and financial institutions from using any information received under the program for any purpose not related to the program. The bill provides penalties for any employee, agent, officer, or director of a financial institution who violates any of the prohibitions. The bill also provides that a financial institution is not liable for disclosing financial information, or for taking any other action, in compliance with the program.

Tardy filing fees

Currently, each employer must file a quarterly report with DWD identifying the name of and wages paid to each employee who is employed by the employer in employment covered by the UI law during the most recent calendar quarter. With limited exceptions, if an employer is delinquent in filing the report, the employer must pay a tardy filing fee of \$50. Revenue from tardy filing fees is used for various purposes to support the UI program. This bill increases the tardy filing fee to \$100 or \$20 per employee, whichever is greater, but provides that if the employer files the report within 30 days of its due date, the fee remains at \$50.

Social security numbers maintained by DOT

Under current law, an individual who applies to the Department of Transportation (DOT) for vehicle title, for a motor vehicle operator's license or an identification card, or for registration as a motor vehicle dealer must, with limited exceptions, state his or her social security number on the application. DOT is generally required to maintain the confidentiality of these social security numbers but may disclose these social security numbers in limited circumstances, including to the Department of Children and Families and DOR for specified purposes.





This bill allows these social security numbers to also be disclosed to DWD for the sole purpose of enforcing or administering DWD's collection responsibilities related to UI.

Because this bill creates a new crime or revises a penalty for an existing crime, the Joint Review Committee on Criminal Penalties may be requested to prepare a report concerning the proposed penalty and the costs or savings that are likely to result if the bill is enacted.

result if the bill is enacted.

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



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

SECTION 1. 13.63 (1) (b) of the statutes is amended to read:

13.63 (1) (b) Except as provided under par. (am), the board shall not issue a license to an applicant who does not provide his or her social security number. The board shall not issue a license to an applicant or shall revoke any license issued to a lobbyist if the department of revenue certifies to the board that the applicant or lobbyist is liable for delinquent taxes under s. 73.0301 or if the department of workforce development certifies to the board that the applicant or lobbyist is liable for delinquent unemployment insurance contributions under s. 108.227. The board shall refuse to issue a license or shall suspend any existing license for failure of an applicant or licensee to pay court-ordered payments of child or family support, maintenance, birth expenses, medical expenses or other expenses related to the support of a child or former spouse or failure of an applicant or licensee to comply, after appropriate notice, with a subpoena or warrant issued by the department of children and families or a county child support agency under s. 59.53 (5) and related to paternity or child support proceedings, as provided in a memorandum of understanding entered into under s. 49.857. No application may be disapproved by the board except an application for a license by a person who is ineligible for licensure

1	under this subsection or s. 13.69 (4) or an application by a lobbyist whose license has
2	been revoked under this subsection or s. 13.69 (7) and only for the period of such
3	ineligibility or revocation.
4	SECTION 2. 13.63 (1) (c) of the statutes is amended to read:
5	13.63 (1) (c) Denial of a license on the basis of a certification by the department
6	of revenue or the department of workforce development may be reviewed under s.
7	73.0301 or 108.227, whichever is applicable. Except with respect to a license that is
8	denied or suspended pursuant to a memorandum of understanding entered into
9	under s. 49.857, denial or suspension of any other license may be reviewed under ch.
10	227.
11	SECTION 3. 19.55 (2) (d) of the statutes is amended to read:
12	19.55 (2) (d) Records of the social security number of any individual who files
13	an application for licensure as a lobbyist under s. 13.63 or who registers as a principal
14	under s. 13.64, except to the department of children and families for purposes of
15	administration of s. 49.22 or, to the department of revenue for purposes of
16	administration of s. 73.0301, and to the department of workforce development for
	purposes of administration of s. 108.227.
18 77 29	SECTION 4. 29.024 (2r) (title) of the statutes is amended to read:
29	29.024 (2r) (title) Denial and revocation of approvals based on tax
20	DELINQUENCY DELINQUENT TAXES OR UNEMPLOYMENT INSURANCE CONTRIBUTIONS.
21	Section 5. 29.024 (2r) (c) of the statutes is amended to read:
22	29.024 (2r) (c) Disclosure of numbers. The department of natural resources
23	may not disclose any information received under par. (a) to any person except to the
24	department of revenue for the sole purpose of making certifications required under

s. 73.0301 and to the department of workforce development for the sole purpose of making certifications required under s. 108.227.

SECTION 6. 29.024 (2r) (d) 1. of the statutes is amended to read:

29.024 (2r) (d) 1. Except as provided in subd. 2., the department shall deny an application to issue or renew, or revoke if already issued, an approval specified in par. (a) if the applicant for or the holder of the approval fails to provide the information required under par. (a) er, if the department of revenue certifies that the applicant or approval holder is liable for delinquent taxes under s. 73.0301, or if the department of workforce development certifies that the applicant or approval holder is liable for delinquent insurance contributions under s. 108.227.

SECTION 7. 48.66 (2m) (c) of the statutes is amended to read:

48.66 (2m) (c) The subunit of the department that obtains a social security number or a federal employer identification number under par. (a) 1. may not disclose that information to any person except to the department of revenue for the sole purpose of requesting certifications under s. 73.0301 and to the department of workforce development for the sole purpose of requesting certifications under s. 108.227 or on the request of the subunit of the department that administers the child and spousal support program under s. 49.22 (2m).

SECTION 8. 48.715 (7) of the statutes is amended to read:

48.715 (7) The department shall deny an application for the issuance or continuation of a license under s. 48.66 (1) (a) or a probationary license under s. 48.69 to operate a child welfare agency, group home, shelter care facility, or child care center, or revoke such a license already issued, if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes or if the department of workforce development certifies under s. 108.227 that the applicant

<u>or li</u>	censee is l	<u>liable for d</u>	elinquent	unemployment	insura	nce contribut	ions. A	An action
take	en under tl	his subsec	tion is sub	ject to review or	nly as p	provided unde	er s. 73	3.0301 (5)
<u>or 1</u>	08.227 (5)	and not a	s provided	l in s. 48.72.				
	SECTION	9. 50.498	3 (title) of t	the statutes is a	amend	ed to read:		
	50.498	(title)	Denial,	nonrenewal	and	revocation	of	license,
cer	tification	or regist	tration ba	ased on tax de	linqu	ency delinq	uent t	taxes or
une	mployme	ent insur	ance con	<u>tributions</u> .				
	SECTION	10. 50.49	98 (2) of th	e statutes is an	nended	l to read:		
	50.498 (2	2) The de	partment :	may not disclos	se any	information 1	receive	ed under
sub.	(1) to any	y person e	xcept to th	ne department	of reve	enue for the s	sole pu	ırpose of
requ	esting ce	rtification	s under s	. 73.0301 <u>and</u>	to the	e departmen	t of w	orkforce
deve	elopment f	for the sole	e purpose	of requesting ce	ertifica	tions under s	s. 108.	<u>227</u> .
	SECTION	11. 50.49	8 (4) of the	e statutes is rei	numbe	red 50.498 (4	a) (a).	
	SECTION	12. 50.49	8 (4) (b) of	f the statutes is	create	ed to read:		
	50.498 (4	1) (b) The	departme	nt shall deny a	n appl:	ication for th	e issua	ance of a
certi	ficate of a	approval,	license or	provisional lice	ense sj	pecified in su	ab. (1)	or shall
revo	ke a certif	ficate of ap	proval, lic	ense or provisi	onal lic	ense specifie	d in su	ab. (1), if
the	departme	ent of wor	kforce de	velopment cert	tifies ı	ınder s. 108	3.227 t	that the
appl	icant for o	or holder o	f the certif	ficate of approv	al, lice	nse or provisi	ional l	icense is
liabl	e for delin	nquent un	employme	nt insurance co	ntribu	tions.		
	SECTION	13. 50.49	8 (5) of the	e statutes is am	nended	to read:		
	50.498 (5	5) An acti	on taken	under sub. (3)	or (4) i	s subject to 1	review	only as
prov	ided unde	er s. 73.03	301 (2) (b)	and (5) or s.	108.22	7 (5) and (6)	, whic	hever is
	<u>icable</u> .							
	SECTION	14. 51.03	2 (title) of	the statutes is	ameno	led to read:		

51.032 (title) Denial and revocations of certification or approval based
on tax delinquency delinquent taxes or unemployment insurance
contributions.
SECTION 15. 51.032 (2) of the statutes is amended to read:
51.032 (2) The department may not disclose any information received under
sub. (1) to any person except to the department of revenue for the sole purpose of
requesting certifications under s. 73.0301 and to the department of workforce
development for the sole purpose of requesting certifications under s. 108.227.
SECTION 16. 51.032 (4) of the statutes is amended to read:
51.032 (4) The department shall deny an application for the issuance of a
certification or approval specified in sub. (1) or shall revoke a certification or
approval specified in sub. (1) if the department of revenue certifies under s. 73.0301
that the applicant for or holder of a certification or approval is liable for delinquent
taxes or if the department of workforce development certifies under s. 108.227 that
the applicant for or holder of a certification or approval is liable for delinquent
unemployment insurance contributions.
SECTION 17. 51.032 (5) of the statutes is amended to read:
51.032 (5) An action taken under sub. (3) or (4) is subject to review only as
provided under s. 73.0301 (2) (b) and (5) or s. 108.227 (5) and (6), whichever is
applicable.
SECTION 18. 71.78 (4) (o) of the statutes is amended to read:
71.78 (4) (o) A licensing department or the supreme court, if the supreme court
agrees, for the purpose of denial, nonrenewal, discontinuation and revocation of a
license based on tax delinquency under s. 73.0301 or unemployment insurance
contribution delinquency under s. 108.227.

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SECTION 19.	73.0301	(2)(c)2.	of the statutes	is amended	to read:
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73.0301 (2) (c) 2. A licensing department may not disclose any information received under subd. 1. a. or b. to any person except to the department of revenue for the purpose of requesting certifications under par. (b) (a) 1. or 2. in accordance with the memorandum of understanding under sub. (4) and administering state taxes or, to the department of workforce development for the purpose of requesting certifications under s. 108.227 (2) (a) 1. or 2. in accordance with the memorandum of understanding under s. 108.227 (4) and administering the unemployment insurance program, and to the department of children and families for the purpose of administering s. 49.22.

Section 20. 73.0302 (title) of the statutes is amended to read:

73.0302 (title) Liability for delinquent taxes or unemployment insurance contributions.

SECTION 21. 73.0302 (5) of the statutes is created to read:

73.0302 (5) If the department of workforce development certifies under s. 108.227 that an applicant for certification or recertification under s. 73.03 (50) or a person who holds a certificate issued under s. 73.03 (50) is liable for delinquent unemployment insurance contributions, the department of revenue shall deny the application or revoke the certificate. A person subject to a denial or revocation under this subsection for delinquent unemployment insurance contributions is entitled to a notice under s. 108.227 (2) (b) 1. b. and hearing under s. 108.227 (5) (a) but is not entitled to any other notice or hearing under this chapter.

SECTION 22. 73.0302 (6) of the statutes is created to read:

73.0302 **(6)** The department of revenue may disclose a social security number obtained under s. 73.03 (50) (c) to the department of workforce development for the purpose of requesting certifications under s. 108.227.

SECTION 23. 73.09 (6m) of the statutes is amended to read:

73.09 (6m) Social security numbers. Each applicant for certification or recertification under this section shall provide the applicant's social security number on the application. The department of revenue may not disclose a social security number that it obtains under this subsection, except to the department of workforce development for the purpose of requesting certifications under s. 108.227. The department of revenue may not certify or recertify any person who fails to provide his or her social security number on his or her application.

Section 24. 73.09 (8) of the statutes is created to read:

73.09 (8) Liability for delinquent unemployment insurance contributions. If the department of workforce development certifies under s. 108.227 that an applicant for certification or recertification under this section is liable for delinquent unemployment insurance contributions, the department of revenue shall deny the application for certification or recertification or revoke the certificate. A person subject to a denial or revocation under this subsection for delinquent unemployment insurance contributions is entitled to a notice under s. 108.227 (2) (b) 1. b. and hearing under s. 108.227 (5) (a) but is not entitled to any other notice or hearing under this chapter.

SECTION 25. 101.02 (20) (b) of the statutes is amended to read:

101.02 (20) (b) Except as provided in par. (e), the department of safety and professional services may not issue or renew a license unless each applicant who is an individual provides the department of safety and professional services with his

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or her social security number and each applicant that is not an individual provides the department of safety and professional services with its federal employer identification number. The department of safety and professional services may not disclose the social security number or the federal employer identification number of an applicant for a license or license renewal except to the department of revenue for the sole purpose of requesting certifications under s. 73.0301 and to the department of workforce development for the sole purpose of requesting certifications under s. 108.227.

Section 26. 101.02 (20) (c) of the statutes is amended to read:

101.02 (20) (c) The department of safety and professional services may not issue or renew a license if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes or if the department of workforce development certifies under s. 108.227 that the applicant or licensee is liable for delinquent unemployment insurance contributions.

SECTION 27. 101.02 (20) (d) of the statutes is amended to read:

101.02 (20) (d) The department of safety and professional services shall revoke a license if the department of revenue certifies under s. 73.0301 that the licensee is liable for delinquent taxes or if the department of workforce development certifies under s. 108.227 that the licensee is liable for delinquent unemployment insurance contributions.

Section 28. 102.17 (1) (c) of the statutes is amended to read:

102.17 (1) (c) Any party shall have the right to be present at any hearing, in person or by attorney or any other agent, and to present such testimony as may be pertinent to the controversy before the department. No person, firm, or corporation, other than an attorney at law who is licensed to practice law in the state, may appear

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on behalf of any party in interest before the department or any member or employee of the department assigned to conduct any hearing, investigation, or inquiry relative to a claim for compensation or benefits under this chapter, unless the person is 18 years of age or older, does not have an arrest or conviction record, subject to ss. 111.321, 111.322 and 111.335, is otherwise qualified, and has obtained from the department a license with authorization to appear in matters or proceedings before the department. Except as provided under pars. (cm) and, (cr), and (ct), the license shall be issued by the department under rules promulgated by the department. The department shall maintain in its office a current list of persons to whom licenses have been issued. Any license may be suspended or revoked by the department for fraud or serious misconduct on the part of an agent, any license may be denied, suspended, nonrenewed, or otherwise withheld by the department for failure to pay court-ordered payments as provided in par. (cm) on the part of an agent, and any license may be denied or revoked if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes or if the department determines under par. (ct) that the applicant or licensee is liable for delinquent contributions. Before suspending or revoking the license of the agent on the grounds of fraud or misconduct, the department shall give notice in writing to the agent of the charges of fraud or misconduct and shall give the agent full opportunity to be heard in relation to those charges. In denying, suspending, restricting, refusing to renew, or otherwise withholding a license for failure to pay court-ordered payments as provided in par. (cm), the department shall follow the procedure provided in a memorandum of understanding entered into under s. 49.857. The license and certificate of authority shall, unless otherwise suspended or revoked, be in force from the date of issuance until the June 30 following the date of issuance and

may be renewed by the department from time to time, but each renewed license shall expire on the June 30 following the issuance of the renewed license.

SECTION 29. 102.17 (1) (ct) of the statutes is created to read:

102.17 (1) (ct) 1. The department may deny an application for the issuance or renewal of a license under par. (c), or revoke such a license already issued, if the department determines that the applicant or licensee is liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding par. (c), an action taken under this subdivision is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.

- 2. If the department denies an application or revokes a license under subd. 1., the department shall mail a notice of denial or revocation to the applicant or license holder. The notice shall include a statement of the facts that warrant the denial or revocation and a statement that the applicant or license holder may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or license holder is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under subd. 1. that an applicant or license holder is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or license holder may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this subdivision.
- 4. If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose license is revoked or whose application is denied under subd. 1. is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the department

1	shall reinstate the license or approve the application, unless there are other grounds
2	for revocation or denial. The department may not charge a fee for reinstatement of
3	a license under this subdivision.
4	SECTION 30. 103.005 (10) of the statutes is amended to read:
5	103.005 (10) Except as provided in ss. 103.06 (5) (d), 103.275 (2) (bm) and, (br),
6	and (bt), 103.34 (10) (b) and, (c), and (d), 103.91 (4) (b) and, (c), and (d), 103.92 (6) and,
7	(7), and (8), 104.07 (5) and, (6), and (7), and 105.13 (2) and, (3), and (4), orders of the
8	department under chs. 103 to 106 shall be subject to review in the manner provided
9	in ch. 227.
10	SECTION 31. 103.275 (2) (b) (intro.) of the statutes is amended to read:
11	103.275 (2) (b) (intro.) Except as provided under pars. (bm) and, (br), and (bt),
12	upon receipt of a properly completed application, the department shall issue a
13	house-to-house employer certificate if all of the following apply:
14	Section 32. 103.275 (2) (bt) of the statutes is created to read:
15	103.275 (2) (bt) 1. The department may deny an application for the issuance
16	or renewal of a house-to-house employer certificate, or revoke such a certificate
17	already issued, if the department determines that the applicant or house-to-house
18	employer is liable for delinquent contributions, as defined in s. 108.227 (1) (d).
19	Notwithstanding sub. (7) and s. 103.005 (10), an action taken under this subdivision
20	is subject to review only as provided under s. 108.227 (5) and not as provided in sub.
21	(7) and ch. 227.
22	2. If the department denies an application or revokes a certificate under subd.
23	1., the department shall mail a notice of denial or revocation to the applicant or
24	house-to-house employer. The notice shall include a statement of the facts that

warrant the denial or revocation and a statement that the applicant or

- house-to-house employer may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or house-to-house employer is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under subd. 1. that an applicant or house-to-house employer is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or house-to-house employer may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this subdivision.
- 4. If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose certificate is revoked or whose application is denied under subd. 1. is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the department shall reinstate the certificate or approve the application, unless there are other grounds for revocation or denial. The department may not charge a fee for reinstatement of a certificate under this subdivision.

SECTION 33. 103.275 (7) (b) of the statutes is amended to read:

103.275 (7) (b) Except as provided in sub. (2) (bm) and, (br), and (bt), after providing at least 10 days' notice to a house-to-house employer, the department may, on its own or upon a written and signed complaint, suspend the house-to-house employer's certificate. The department shall serve a copy of the complaint with notice of a suspension of the certificate on the person complained against, and the person shall file an answer to the complaint with the department and the complainant within 10 days after service. After receiving the answer, the department shall set the matter for hearing as promptly as possible and within 30

days after the date of filing the complaint. Either party may appear at the hearing in person or by attorney or agent. The department shall make its findings and determination concerning the suspension within 90 days after the date that the hearing is concluded and send a copy to each interested party.

Section 34. 103.275 (7) (c) of the statutes is amended to read:

103.275 (7) (c) Except as provided in sub. (2) (bm) and, (br), and (bt), the department may revoke a certificate issued under sub. (2) after holding a public hearing at a place designated by the department. At least 10 days prior to the revocation hearing, the department shall send written notice of the time and place of the revocation hearing to the person holding the certificate and to the person's attorney or agent of record by mailing the notice to their last–known address. The testimony presented and proceedings at the revocation hearing shall be recorded and preserved as the records of the department. The department shall, as soon after the hearing as possible, make its findings and determination concerning revocation and send a copy to each interested party.

SECTION 35. 103.34 (3) (c) of the statutes is amended to read:

103.34 (3) (c) Subject to par. (d) and sub. (10) (b) and, (c), and (d), after completing the investigation under par. (b), the department shall issue a certificate of registration to the applicant if the department determines that the applicant meets the minimum requirements under this section and rules promulgated under sub. (13) for issuance of a certificate of registration and is satisfied that the applicant will comply with this section and those rules.

Section 36. 103.34 (10) (title) of the statutes is amended to read:

103.34 (10) (title) CHILD SUPPORT; DELINQUENT TAXES OR UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

SECTION 37. 103.34 (10) (d) of the statutes is created to read:

103.34 (10) (d) 1. The department may deny an application for the issuance or renewal of a certificate of registration, or revoke a certificate of registration already issued, if the department determines that the applicant or registrant is liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an action taken under this subdivision is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.

- 2. If the department denies an application or revokes a certificate of registration under subd. 1., the department shall mail a notice of denial or revocation to the applicant or registrant. The notice shall include a statement of the facts that warrant the denial or revocation and a statement that the applicant or registrant may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or registrant is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under subd. 1. that an applicant or registrant is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or registrant may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this subdivision.
- 4. If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose certificate of registration is revoked or whose application is denied under subd. 1. is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the department shall reinstate the certificate of registration or approve the

application, unless there are other grounds for revocation or denial. The department may not charge a fee for reinstatement of a certificate under this subdivision.

SECTION 38. 103.91 (4) (d) of the statutes is created to read:

- 103.91 (4) (d) 1. The department may deny an application for the issuance or renewal of a certificate of registration under sub. (1), or revoke such a certificate already issued, if the department determines that the applicant or registrant is liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an action taken under this subdivision is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.
- 2. If the department denies an application or revokes a certificate of registration under subd. 1., the department shall mail a notice of denial or revocation to the applicant or registrant. The notice shall include a statement of the facts that warrant the denial or revocation and a statement that the applicant or registrant may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or registrant is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under subd. 1. that an applicant or registrant is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or registrant may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this subdivision.
- 4. If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose certificate is revoked or whose application is denied under subd. 1. is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the

department shall reinstate the certificate or approve the application, unless there are other grounds for revocation or denial. The department may not charge a fee for reinstatement of a certificate under this subdivision.

SECTION 39. 103.92 (3) of the statutes is amended to read:

103.92 (3) Certificate. The department shall inspect each camp for which application to operate is made, to determine if it is in compliance with the rules of the department establishing minimum standards for migrant labor camps. Except as provided under subs. (6) and, (7), and (8), if the department finds that the camp is in compliance with the rules, it shall issue a certificate authorizing the camp to operate until March 31 of the next year. The department shall refuse to issue a certificate if it finds that the camp is in violation of such rules, if the person maintaining the camp has failed to pay court-ordered payments as provided in sub. (6) or if the person maintaining the camp is liable for delinquent taxes as provided in sub. (7) or delinquent unemployment insurance contributions as provided in sub. (8).

Section 40. 103.92 (8) of the statutes is created to read:

103.92 (8) Liability for delinquent unemployment insurance contributions.

- (a) The department may deny an application for the issuance or renewal of a certificate to operate a migrant labor camp, or revoke such a certificate already issued, if the department determines that the applicant or person operating the camp is liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an action taken under this paragraph is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.
- (b) If the department denies an application or revokes a certificate under par.(a), the department shall mail a notice of denial or revocation to the applicant or

- person operating the camp. The notice shall include a statement of the facts that warrant the denial or revocation and a statement that the applicant or person operating the camp may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or person operating the camp is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- (c) If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under par. (a) that an applicant or person operating a camp is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or person operating a camp may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this paragraph.
- (d) If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose certificate is revoked or whose application is denied under par. (a) is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the department shall reinstate the certificate or approve the application, unless there are other grounds for revocation or denial. The department may not charge a fee for reinstatement of a certificate under this paragraph.

SECTION 41. 104.07 (1) and (2) of the statutes are amended to read:

104.07 (1) The department shall make rules, and, except as provided under subs. (5) and, (6), and (7), grant licenses to any employer who employs any employee who is unable to earn the living wage determined by the department, permitting the employee to work for a wage that is commensurate with the employee's ability. Each license so granted shall establish a wage for the licensee.

(2) The department shall make rules, and, except as provided under subs. (5) and, (6), and (7), grant licenses to sheltered workshops, to permit the employment of workers with disabilities who are unable to earn the living wage at a wage that is commensurate with their ability and productivity. A license granted to a sheltered workshop under this subsection may be issued for the entire workshop or a department of the workshop.

SECTION 42. 104.07 (7) of the statutes is created to read:

104.07 (7) (a) The department may deny an application for the issuance or renewal of a license under sub. (1) or (2), or revoke such a license already issued, if the department determines that the applicant or licensee is liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an action taken under this paragraph is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.

- (b) If the department denies an application or revokes a license under par. (a), the department shall mail a notice of denial or revocation to the applicant or licensee. The notice shall include a statement of the facts that warrant the denial or revocation and a statement that the applicant or licensee may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or licensee is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- (c) If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under par. (a) that an applicant or licensee is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or licensee may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this paragraph.

(d) If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose license is revoked or whose application is denied under par. (a) is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the department shall reinstate the license or approve the application, unless there are other grounds for revocation or denial. The department may not charge a fee for reinstatement of a license under this paragraph.

Section 43. 105.13 (1) of the statutes is amended to read:

105.13 (1) The department may issue licenses to employment agents, and refuse to issue a license whenever, after investigation, the department finds that the character of the applicant makes the applicant unfit to be an employment agent, that the applicant has failed to pay court-ordered payments as provided in sub. (2) or, that the applicant is liable for delinquent taxes as provided in sub. (3), or that the applicant is liable for delinquent unemployment insurance contributions as provided in sub. (4), or when the premises for conducting the business of an employment agent is found upon investigation to be unfit for such use. Any license granted by the department may be suspended or revoked by it upon notice to the licensee and good cause. Failure to comply with this chapter and rules promulgated thereunder, or with any lawful orders of the department, is cause to suspend or revoke a license. Failure to pay court-ordered payments as provided in sub. (2) is cause to deny, suspend, restrict, refuse to renew or otherwise withhold a license. Liability for delinquent taxes as provided in sub. (3) or delinquent unemployment insurance contributions as provided in sub. (4) is cause to deny or revoke a license.

SECTION 44. 105.13 (4) of the statutes is created to read:

105.13 (4) (a) The department may deny an application for the issuance or renewal of an employment agent's license, or revoke such a license already issued,

if the department determines that the applicant or licensee is liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an action taken under this paragraph is subject to review only as provided under s. 108.227 (5) and not as provided in ch. 227.

- (b) If the department denies an application or revokes a license under par. (a), the department shall mail a notice of denial or revocation to the applicant or licensee. The notice shall include a statement of the facts that warrant the denial or revocation and a statement that the applicant or licensee may, within 30 days after the date on which the notice of denial or revocation is mailed, file a written request with the department to have the determination that the applicant or licensee is liable for delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).
- (c) If, after a hearing under s. 108.227 (5) (a), the department affirms a determination under par. (a) that an applicant or licensee is liable for delinquent contributions, the department shall affirm its denial or revocation. An applicant or licensee may seek judicial review under s. 108.227 (6) of an affirmation by the department of a denial or revocation under this paragraph.
- (d) If, after a hearing under s. 108.227 (5) (a), the department determines that a person whose license is revoked or whose application is denied under par. (a) is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the department shall reinstate the license or approve the application, unless there are other grounds for revocation or denial. The department may not charge a fee for reinstatement of a license under this paragraph.

SECTION 45. 108.02 (4m) (a) of the statutes is amended to read:

108.02 (4m) (a) All earnings for wage-earning service which are paid to an employee during his or her base period as a result of employment for an employer

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except any payment made to or on behalf of an employee or his or her beneficiary under a cafeteria plan within the meaning of 26 USC 125, if the payment would not be treated as wages without regard to that plan and if 26 USC 125 would not treat the payment as constructively received;

SECTION 46. 108.02 (4m) (g) of the statutes is repealed.

SECTION 47. 108.04 (2) (a) 2. of the statutes is amended to read:

108.04 (2) (a) 2. As of that week, the individual has registered for work; and as directed by the department;

SECTION 48. 108.04 (2) (a) 3. (intro.) of the statutes 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). The search for suitable work must include 2 at least 4 actions per week that constitute a reasonable search as prescribed by rule of the department. 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 49. 108.04(2)(a) 3. c. of the statutes is amended to read:

108.04 (2) (a) 3. c. Whether the individual has recall rights with the employer under the terms of any applicable collective bargaining agreement.

SECTION 50. 108.04 (2) (a) 4. and 5. of the statutes are created to read:

108.04 (2) (a) 4. The claimant provides information or job application materials that are requested by the department; and

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5. The claimant participates in a public employment office workshop or training program or in similar reemployment services that are required by the department under sub. (15) (a) 2.

Section 51. 108.04 (15) of the statutes is created to read:

108.04 (15) DEPARTMENT POWERS TO ASSIST CLAIMANTS. (a) Except as provided in par. (b), the department may do any of the following for the purpose of assisting claimants to find or obtain work:

- 1. Use the information or materials provided under sub. (2) (a) 4. to assess a claimant's efforts, skills, and ability to find or obtain work and to develop a list of potential opportunities for a claimant to obtain suitable work. A claimant who otherwise satisfies the requirement under sub. (2) (a) 3. is not required to apply for any specific positions on the list in order to satisfy that requirement.
- 2. Require a claimant to participate in a public employment office workshop or training program or in similar reemployment services that do not charge the claimant a participation fee and that offer instruction to improve the claimant's ability to obtain suitable work.
- (b) This subsection does not apply with respect to a claimant who is exempt from any of the requirements in sub. (2) (a) 2. or 3. in a given week.

SECTION 52. 108.05 (3) (a) of the statutes is amended to read:

108.05 (3) (a) Except as provided in pars. (c), (d) and (dm) if an eligible employee earns wages in a given week, the first \$30 of the wages shall be disregarded and the employee's applicable weekly benefit payment shall be reduced by 67% of the remaining amount, except that no such employee is eligible for benefits if the employee's benefit payment would be less than \$5 for any week. For purposes of this paragraph, "wages" includes any salary reduction amounts earned that are not

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wages and that are deducted from the salary of a claimant by an employer pursuant to a salary reduction agreement under a cafeteria plan, within the meaning of 26 USC-125, and any amount that a claimant would have earned in available work under s. 108.04 (1) (a) which is treated as wages under s. 108.04 (1) (bm), but excludes any amount that a claimant earns for services performed as a volunteer fire fighter, volunteer emergency medical technician, or volunteer first responder. In applying this paragraph, the department shall disregard discrepancies of less than \$2 between wages reported by employees and employers.

SECTION 53. 108.10 (intro.) of the statutes is amended to read:

108.10 Settlement of issues other than benefit claims. (intro.) In connection with any issue arising under this chapter as to the status or liability of an employing unit in this state, for which no review is provided under s. 108.09 or 108.227 (5) and whether or not a penalty is provided in s. 108.24, the following

procedure shall apply:

SECTION 54. 108.205 (I) of the statutes is amended to read:

108.205 (1) Each employer shall file with the department, in such form as the department by rule requires, a quarterly report showing the name, social security number and wages paid to each employee who is employed by the employer in employment with the employer during the quarter. The department may also by rule require each employer to include in the report any salary reduction amounts that are not wages and that would have been paid to each such employee by the employer as salary during the quarter but for a salary reduction agreement under a cafeteria plan, within the meaning of 26 USC 125. The employer shall file the report no later than the last day of the month following the completion of each quarter.

SECTION 55. 108.21 (1) of the statutes is amended to read:

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108.21 (1) Every employing unit which employs one or more individuals to perform work in this state shall keep an accurate work record for each individual employed by it, including full name, address and social security number, which will permit determination of the weekly wages earned by each such individual, the wages paid within each quarter to that individual and the salary reduction amounts that are not wages and that would have been paid by the employing unit to that individual as salary but for a salary reduction agreement under a cafeteria plan, within the meaning of 26 USC 125. Each such employing unit shall permit any authorized representative of the department to examine, at any reasonable time, the work record and any other records which may show any wages paid by the employing unit, or any salary reduction amounts that are not wages and that would have been paid by the employing unit as salary but for a salary reduction agreement under a cafeteria plan, within the meaning of 26 USC 125, regardless of the format in which such a record is maintained. If such a record is maintained by an employing unit in machine-readable format, the employing unit shall provide the department with information necessary to retrieve the record. If the department determines that the employing unit is unable to provide access to such a record or that the retrieval capability at the site where the record is maintained is not adequate for efficient examination, the employing unit shall provide a copy of the record to the department and shall allow the department to remove the copy from that site for such period as will permit examination at another location. Each such employing unit shall furnish to the department upon demand a sworn statement of the information contained in any such record.

Section 56. 108.22 (1) (a) of the statutes is amended to read:

(a).

108.22 (1) (a) If Except as provided in par. (cm), if any employer, other than an
employer which has ceased business and has not paid or incurred a liability to pay
wages in any quarter following the cessation of business, is delinquent in making by
the assigned due date any payment to the department required of it under this
chapter, the employer shall pay interest on the delinquent payment at that monthly
rate that annualized is equal to 9 percent or to 2 percent 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. If any such employer is
delinquent in making filing any quarterly report under s. 108.205 (1) by the assigned
due date, the employer shall pay department may assess a tardy filing fee of \$50 to
the employer for each delinquent quarterly report in the amount of \$100 or \$20 per
employee, as reported on the employer's most recent quarterly report, whichever is
greater, or, if the report is filed within 30 days of its due date, in the amount of \$50.
If the department cannot determine the number of the employer's employees from
the employer's most recent quarterly report, the department may reasonably
estimate the number of the employer's employees for purposes of this paragraph.
Section 57. 108.22 (1) (cm) of the statutes is created to read:
108.22 (1) (cm) In limited circumstances as prescribed by rule of the
department, the department may waive or decrease the interest charged under par.

SECTION 58. 108.223 of the statutes is created to read:

108.223 Financial record matching program. (1) DEFINITIONS. In this section:

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- (a) "Account" means a demand deposit account, checking account, negotiable withdrawal order account, savings account, time deposit account, or money market mutual fund account.
 - (b) "Debtor" has the meaning given in s. 108.225 (1) (c).
 - (c) "Financial institution" has the meaning given in 12 USC 3401 (1).
- (2) MATCHING PROGRAM AND AGREEMENTS. (a) The department shall operate a financial record matching program under this section for the purpose of identifying the assets of debtors.
- (b) The department shall enter into agreements with financial institutions doing business in this state to operate the financial record matching program under this section. An agreement shall require the financial institution to participate in the financial record matching program by electing either the financial institution matching option under sub. (3) or the state matching option under sub. (4). The financial institution and the department may by mutual agreement make changes to the agreement. A financial institution that wishes to choose a different matching option shall provide the department with at least 60 days notice. The department shall furnish the financial institution with a signed copy of the agreement.
- (c) The department may reimburse a financial institution up to \$125 per calendar quarter for participating in the financial record matching program under this section. The department shall make reimbursements under this paragraph from the appropriation under s. 20.445 (1) (n).
- (d) To the extent feasible, the information to be exchanged under the matching program shall be provided by electronic data exchange as prescribed by the department in the agreement under par. (b).

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- (3) FINANCIAL INSTITUTION MATCHING OPTION. If a financial institution with which the department has an agreement under sub. (2) elects the financial institution matching option under this subsection, all of the following apply:
- (a) At least once each calendar quarter, the department shall provide to the financial institution, in the manner specified in the agreement under sub. (2) (b), information regarding debtors. The information shall include names and social security or other taxpayer identification numbers.
- (b) Based on the information received under par. (a), the financial institution shall take actions necessary to determine whether any debtor has an ownership interest in an account maintained at the financial institution. If the financial institution determines that a debtor has an ownership interest in an account at the financial institution, the financial institution shall provide the department with a notice containing the debtor's name, address of record, social security number or other taxpayer identification number, and account information. The account information shall include the account number, the account type, the nature of the ownership interest in the account, and the balance of the account at the time that the record match is made. The notice under this paragraph shall be provided in the manner specified in the agreement under sub. (2) (b) and, to the extent feasible, by an electronic data exchange.
- (4) STATE MATCHING OPTION. If a financial institution with which the department has an agreement under sub. (2) elects the state matching option under this subsection, all of the following apply:
- (a) At least once each calendar quarter, the financial institution shall provide the department with information concerning all accounts maintained at the financial institution. For each account maintained at the financial institution, the

- financial institution shall notify the department of the name and social security number or other tax identification number of each person having an ownership interest in the account, together with a description of each person's interest. The information required under this paragraph shall be provided in the manner specified in the agreement under sub. (2) (b) and, to the extent feasible, by an electronic data exchange.
- (b) The department shall take actions necessary to determine whether any debtor has an ownership interest in an account maintained at the financial institution providing information under par. (a). Upon the request of the department, the financial institution shall provide to the department, for each debtor who matches information provided by the financial institution under par. (a), the address of record, the account number and account type, and the balance of the account.
- institution participating in the financial record matching program under this section, and the employees, agents, officers, and directors of the financial institution, may use information received from the department under sub. (3) only for the purpose of matching records and may use information provided by the department in requesting additional information under sub. (4) only for the purpose of providing the additional information. Neither the financial institution nor any employee, agent, officer, or director of the financial institution may disclose or retain information received from the department concerning debtors. Any person who violates this subsection may be fined not less than \$50 nor more than \$1,000 or imprisoned in the county jail for not less than 10 days or more than one year or both.

a credential.

(6) Use of information by department. The department may use information
provided by a financial institution under this section only for matching records under
sub. (4), for administering the financial record matching program under this section,
and for pursuing the collection of amounts owed to the department by debtors. The
department may not disclose or retain information received from a financial
institution under this section concerning account holders who are not debtors.
(7) FINANCIAL INSTITUTION LIABILITY. A financial institution is not liable to any
person for disclosing information to the department in accordance with an
agreement under this section or for any other action that the financial institution
takes in good faith to comply with this section.
SECTION 59. 108.227 of the statutes is created to read:
108.227 License denial, nonrenewal, discontinuation, suspension and
revocation based on delinquent unemployment insurance contributions.
(1) DEFINITIONS. In this section:
(a) "Contribution" includes contributions under ss. 108.17 and 108.18, interest
for a nontimely payment or a fee assessed on an employer, an assessment under s.
108.19, any payment due for a forfeiture imposed upon an employing unit under s.
108.04(11)(c), and any other penalty assessed by the department under this chapter
against an employing unit.
(b) "Credential" has the meaning given in s. $440.01(2)(a)$, but does not include
a registration as an inactive licensee under s. 452.12 (6) (b).
(c) "Credentialing board" means a board, examining board or affiliated
credentialing board in the department of safety and professional services that grants

Section 59

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- (d) "Liable for delinquent contributions" means that a person has exhausted all of the person's remedies under s. 108.10 to challenge the assertion that the person owes the department any contributions and the person is delinquent in the payment of those contributions.
 - (e) "License" means any of the following:
 - 1. An approval specified in s. 29.024 (2r) or a license specified in s. 169.35.
- 2. A license issued by the department of children and families under s. 48.66 8 (1) (a) to a child welfare agency, group home, shelter care facility, or child care center, 9 as required by s. 48.60, 48.625, 48.65, or 938.22 (7).
 - 3. A license, certificate of approval, provisional license, conditional license, certification, certification card, registration, permit, training permit or approval specified in s. 50.35, 50.49 (6) (a) or (10), 51.038, 51.04, 51.42 (7) (b) 11., 51.421 (3) (a), 51.45 (8), 146.40 (3) or (3m), 252.23 (2), 252.24 (2), 254.176, 254.20 (3), 255.08 (2) (a), 256.15 (5) (a) or (b), (6g) (a), (7), or (8) (a) or (f) or 343.305 (6) (a) or a permit for operation of a campground specified in s. 254.47 (1).
 - 5. A license, as defined in s. 101.02 (20) (a).
 - 6. A license or certificate of registration issued by the department of financial institutions, or a division of it, under ss. 138.09, 138.12, 138.14, 217.06, 218.0101 to 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93 or under subch. IV of ch. 551.
 - 7. A license described in s. 218.0114 (14) (a) and (g), a license described in s. 218.0114 (14) (b), (c) or (e), a license issued under s. 218.11, 218.12, 218.22, 218.32, 218.41, 343.61 or 343.62, a buyer identification card issued under s. 218.51 or a certificate of registration issued under s. 341.51.
 - 7m. A license issued under s. 562.05 or 563.24.

- 8. A license, registration or certification specified in s. 299.07 (1) (a).
 9. A credential.
 - 10. A license or permit granted by the department of public instruction.
- 4 11. A license to practice law.

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- 5 12. A license issued under s. 628.04, 632.69 (2), or 633.14 or a temporary license issued under s. 628.09.
 - 13. A license issued by the government accountability board under s. 13.63 (1).
- 8 14. A permit under s. 170.12.
 - 15. A certificate under s. 73.03 (50) or a certification under s. 73.09.
 - of commissioners of public lands; the department of children and families; the government accountability board; the department of financial institutions; the department of health services; the department of natural resources; the department of public instruction; the department of revenue; the department of safety and professional services; the office of the commissioner of insurance; or the department of transportation.
 - (g) "Nondelinquency certificate" means a certificate that the department of workforce development issues to a person and that states that the person is not liable for delinquent contributions.
 - (2) Duties and powers of licensing departments. (a) Each licensing department and the supreme court, if the supreme court agrees, shall enter into a memorandum of understanding with the department of workforce development under sub. (4) (a) that requires the licensing department or supreme court to do all of the following:

- 1. Request the department of workforce development to certify whether an applicant for a license or license renewal or continuation is liable for delinquent contributions. With respect to an applicant for a license granted by a credentialing board, the department of safety and professional services shall make a request under this subdivision. This subdivision does not apply to the department of transportation with respect to licenses described in sub. (1) (e) 7.
- 2. Request the department of workforce development to certify whether a license holder is liable for delinquent contributions. With respect to a holder of a license granted by a credentialing board, the department of safety and professional services shall make a request under this subdivision.
- (b) Each licensing department and the supreme court, if the supreme court agrees, shall do all of the following:
- 1. a. If, after a request is made under par. (a) 1. or 2., the department of workforce development certifies that the license holder or applicant for a license or license renewal or continuation is liable for delinquent contributions, revoke the license or deny the application for the license or license renewal or continuation. The department of transportation may suspend licenses described in sub. (1) (e) 7. in lieu of revoking those licenses. A suspension, revocation, or denial under this subd. 1. a. is not subject to administrative review or, except as provided in sub. (6), judicial review. With respect to a license granted by a credentialing board, the department of safety and professional services shall make a revocation or denial under this subd. 1. a. With respect to a license to practice law, the department of workforce development shall not submit a certification under this subd. 1. a. to the supreme court until after the license holder or applicant has exhausted his or her remedies under subs. (5) (a) and (6) or has failed to make use of such remedies.

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b. Mail a notice of suspension, revocation, or denial under subd. 1. a. to the license holder or applicant. The notice shall include a statement of the facts that warrant the suspension, revocation, or denial and a statement that the license holder or applicant may, within 30 days after the date on which the notice of suspension, revocation, or denial is mailed, file a written request with the department of workforce development to have the certification of contribution delinquency on which the suspension, revocation, or denial is based reviewed at a hearing under sub. (5) (a) and that the license holder or applicant may seek judicial review under sub. (6) of an affirmation under sub. (5) (b) 2. that the person is liable for delinquent contributions. With respect to a license granted by a credentialing board, the department of safety and professional services shall mail a notice under this subd. 1. b. With respect to a license to practice law, the department of workforce development shall mail a notice under this subd. 1. b. and the notice shall indicate that the license holder or applicant may request a hearing under sub. (5) (a) and may request judicial review under sub. (6) and that the department of workforce development will submit a certificate of delinquency to suspend, revoke, or deny a license to practice law to the supreme court after the license holder or applicant has exhausted his or her remedies under subs. (5) (a) and (6) or has failed to make use of such remedies. A notice sent to a person who holds a license to practice law or who is an applicant for a license to practice law shall also indicate that the department of workforce development may not submit a certificate of delinquency to the supreme court if the license holder or applicant pays the delinquent contributions in full or enters into an agreement with the department of workforce development to satisfy the delinquency.

2. Except as provided in subd. 2m., if notified by the department of workforce development that the department of workforce development has affirmed a certification of contribution delinquency after a hearing under sub. (5) (a), affirm a suspension, revocation, or denial under subd. 1. a. With respect to a license granted by a credentialing board, the department of safety and professional services shall make an affirmation under this subdivision.

2m. With respect to a license to practice law, if notified by the department of workforce development that the department of workforce development has affirmed a certification of contribution delinquency after any requested review under subs. (5) (a) and (6), decide whether to suspend, revoke, or deny a license to practice law.

- 3. If a person submits a nondelinquency certificate issued under sub. (5) (b) 1., reinstate the license or grant the application for the license or license renewal or continuation, unless there are other grounds for suspending or revoking the license or for denying the application for the license or license renewal or continuation. If reinstatement is required under this subdivision, a person is not required to submit a new application or other material or to take a new test. No separate fee may be charged for reinstatement of a license under this subdivision. With respect to a license granted by a credentialing board, the department of safety and professional services shall reinstate a license or grant an application under this subdivision.
- 4. If a person whose license has been suspended or revoked or whose application for a license or license renewal or continuation has been denied under subd. 1. a. submits a nondelinquency certificate issued under sub. (3) (a) 2., reinstate the license or grant the person's application for the license or license renewal or continuation, unless there are other grounds for not reinstating the license or for denying the application for the license or license renewal or continuation. With

- respect to a license granted by a credentialing board, the department of safety and professional services shall reinstate a license or grant an application under this subdivision.
- (c) 1. Each licensing department and the supreme court may require a license holder or an applicant for a license or license renewal or continuation to provide the following information upon request:
- a. If the license holder or applicant is an individual and has a social security number, the license holder's or applicant's social security number.
- am. If the license holder or applicant is an individual and does not have a social security number, a statement made or subscribed under oath or affirmation that the license holder or applicant does not have a social security number. The form of the statement shall be prescribed by the department of children and families. A license issued in reliance upon a false statement submitted under this subd. 1. am. is invalid.
- b. If the license holder or applicant is not an individual, the license holder's or applicant's federal employer identification number.
- 2. A licensing department may not disclose any information received under subd. 1. a. or b. to any person except to the department of workforce development for the purpose of requesting certifications under par. (a) 1. or 2. in accordance with the memorandum of understanding under sub. (4) and administering the unemployment insurance program, to the department of revenue for the purpose of requesting certifications under s. 73.0301 (2) (a) 1. or 2. in accordance with the memorandum of understanding under s. 73.0301 (4) and administering state taxes, and to the department of children and families for the purpose of administering s. 49.22.

SECTION 59

- (3) DUTIES AND POWERS OF DEPARTMENT OF WORKFORCE DEVELOPMENT. (a) The department of workforce development shall do all of the following:
- 1. Enter into a memorandum of understanding with each licensing department and the supreme court, if the supreme court agrees, under sub. (4) (a).
- 2. Upon the request of any applicant for issuance, renewal, continuation, or reinstatement of a license whose license has been previously revoked or suspended or whose application for a license or license renewal or continuation has been previously denied under sub. (2) (b) 1. a., issue a nondelinquency certificate to the applicant if the applicant is not liable for delinquent contributions.
- 3. Upon the request of any person whose license or certificate has been previously revoked or denied under s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), reinstate the license or certificate if the applicant is not liable for delinquent contributions.
- (b) If a request for certification is made under sub. (2) (a) 1. or 2., the department of workforce development may, in accordance with a memorandum of understanding entered into under par. (a) 1., certify to the licensing department or the supreme court that the applicant or license holder is liable for delinquent contributions.
- (4) Memorandum of understanding shall include procedures that do all of the following:
- 1. Establish requirements for making requests under sub. (2) (a) 1. and 2., including specifying the time when a licensing department or the supreme court shall make requests under sub. (2) (a) 1. and 2., and for making certifications under sub. (3) (b).
 - 2. Implement the requirements specified in sub. (2) (b) 3. and 4.

(b) The department of workforce development and the licensing department
shall consider all of the following factors in establishing requirements under par. (a)
1.:

- 1. The need to issue licenses in a timely manner.
- 2. The convenience of applicants.
- 3. The impact on collecting delinquent contributions.
- 4. The effects on program administration.
- 5. Whether a suspension, revocation, or denial under sub. (2) (b) 1. a. will have an impact on public health, safety, or welfare or the environment.
- hearing requested by a license holder or applicant for a license or license renewal or continuation under sub. (2) (b) 1. b., or as requested under s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), to review a certification or determination of contribution delinquency that is the basis of a denial, suspension, or revocation of a license or certificate in accordance with this section or an action taken under s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4). A hearing under this paragraph is limited to questions of mistaken identity of the license or certificate holder or applicant and of prior payment of the contributions that the department of workforce development certified or determined the license or certificate holder or applicant owes the department. At a hearing under this paragraph, any statement filed by the department of workforce development, the licensing department, or the supreme court, if the supreme court agrees, may be admitted into evidence and is prima facie evidence of the facts that it contains. Notwithstanding ch. 227, a person entitled to

- a hearing under this paragraph is not entitled to any other notice, hearing, or review, except as provided in sub. (6).
- (b) After a hearing conducted under par. (a) or, in the case of a determination related to a license to practice law, after a hearing under par. (a) or, if the hearing is appealed, after judicial review under sub. (6), the department of workforce development shall do one of the following:
- 1. Issue a nondelinquency certificate to a license holder or an applicant for a license or license renewal or continuation if the department determines that the license holder or applicant is not liable for delinquent contributions. For a hearing requested in response to an action taken under s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), the department shall grant a license or certificate or reinstate a license or certificate if the department determines that the applicant for or the holder of the license or certificate is not liable for delinquent contributions, unless there are other grounds for denying the application or revoking the license or certificate.
- 2. Provide notice that the department of workforce development has affirmed its certification of contribution delinquency to a license holder; to an applicant for a license, a license renewal, or a license continuation; and to the licensing department or the supreme court, if the supreme court agrees. For a hearing requested in response to an action taken under s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), the department of workforce development shall provide notice to the license or certificate holder or applicant that the department of workforce development has affirmed its determination of contribution delinquency.