



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-1975/22
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PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

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1 **AN ACT** ~~to repeal~~ 20.445 (1) (fx), 108.02 (4m) (g), 108.02 (13) (kL) and 108.06 (7);
2 **to renumber** 50.498 (4); **to renumber and amend** 440.12; **to amend** 13.63
3 (1) (b), 13.63 (1) (c), 19.55 (2) (d), 29.024 (2r) (title), 29.024 (2r) (c), 29.024 (2r)
4 (d) 1., 48.66 (2m) (c), 48.715 (7), 50.498 (title), 50.498 (2), 50.498 (5), 51.032
5 (title), 51.032 (2), 51.032 (4), 51.032 (5), 71.78 (4) (o), 73.0301 (2) (c) 2., 73.0302
6 (title), 73.09 (6m), 101.02 (20) (b), 101.02 (20) (c), 101.02 (20) (d), 102.17 (1) (c),
7 103.005 (10), 103.275 (2) (b) (intro.), 103.275 (7) (b), 103.275 (7) (c), 103.34 (3)
8 (c), 103.34 (10) (title), 103.92 (3), 104.07 (1) and (2), 105.13 (1), 108.02 (4m) (a),
9 108.02 (13) (a), 108.04 (1) (g) (intro.), 108.04 (1) (hm), 108.04 (2) (a) 2., 108.04
10 (2) (a) 3. (intro.), 108.04 (2) (a) 3. c., 108.04 (8) (a) and (c), 108.05 (3) (a), 108.06
11 (1), 108.06 (2) (c), 108.06 (2) (cm), 108.06 (3), 108.06 (6) (intro.), 108.10 (intro.),
12 108.16 (2) (g) and (h), 108.14 (19), 108.19 (1m), 108.19 (1m), 108.205 (1), 108.21
13 (1), 108.22 (1) (a), 115.31 (6m), 118.19 (1m) (a), 118.19 (1m) (b), 138.09 (1m) (b)
14 2. a., 138.09 (3) (am) 2., 138.09 (4) (c), 138.12 (3) (d) 2. a., 138.12 (5) (am) 1. b.,
15 138.12 (5) (am) 3., 138.14 (4) (a) 2. a., 138.14 (9) (d), 146.40 (4d) (b), 146.40 (4d)

1 ~~(d), 146.40 (4d) (e), 169.35 (title), 169.35 (2), 169.35 (3), 170.12 (3m) (b) 1.,~~
2 ~~217.05 (1m) (b) 1., 217.09 (4), 217.09 (6), 218.0114 (21e) (a), 218.0114 (21g) (b)~~
3 ~~1., 218.0116 (1g) (b), 218.02 (2) (a) 2. a., 218.04 (3) (a) 2. a., 218.04 (5) (b), 218.05~~
4 ~~(3) (am) 2. a., 218.05 (12) (b), 218.05 (12) (e), 218.11 (2) (am) 3., 218.12 (2) (am)~~
5 ~~2., 218.21 (2m) (b), 218.31 (1m) (b), 218.41 (2) (am) 2., 218.51 (3) (am) 2., 224.72~~
6 ~~(2) (c) 2. a., 224.725 (2) (b) 1. a., 224.927 (1), 227.53 (1) (a) 3., 252.241 (title),~~
7 ~~252.241 (2), 254.115 (title), 254.115 (2), 254.176 (5), 254.20 (7), 256.18 (title),~~
8 ~~256.18 (2), 256.18 (5), 299.07 (title), 299.07 (1) (b) 1., 299.08 (1) (b) 2., 341.51 (4g)~~
9 ~~(b), 342.06 (1) (eg), 343.14 (1), 343.14 (2j), 343.305 (6) (e) 3. b., 343.61 (2) (b),~~
10 ~~343.62 (2) (b), 343.69 (1), 440.03 (11m) (c), 452.18, 551.412 (4g) (a) 1., 551.605~~
11 ~~(2), 562.05 (8m) (a), 562.05 (8m) (b), 563.285 (title), 563.285 (2) (a), 563.285 (2)~~
12 ~~(b), 628.095 (4) (b), 628.097 (title), 628.097 (2m), 628.10 (2) (cm), 632.69 (2) (c),~~
13 ~~632.69 (2) (d) 2., 632.69 (4) (d), 633.14 (2c) (b), 633.14 (2m) (b), 633.15 (2) (d),~~
14 ~~751.155 (title), 751.155 (1), 751.155 (2) and 751.155 (3); and **to create** 20.445~~
15 ~~(1) (fx), 50.498 (4) (b), 73.0302 (5), 73.0302 (6), 73.09 (8), 102.17 (1) (ct), 103.275~~
16 ~~(2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), 105.13 (4), 108.04~~
17 ~~(2) (a) 4. and 5., 108.04 (2) (g), 108.04 (15), 108.14 (20), 108.14 (21), 108.22 (1)~~
18 ~~(cm), 108.223, 108.227, 138.12 (4) (a) 1m., 138.12 (4) (b) 5m., 138.14 (5) (b) 2m.,~~
19 ~~138.14 (9) (cm), 170.12 (8) (b) 1. bm., 170.12 (8) (b) 4., 217.06 (5m), 217.09 (1t),~~
20 ~~218.0116 (1m) (a) 2m., 218.0116 (1m) (d), 218.02 (3) (dm), 218.02 (6) (d), 218.02~~
21 ~~(9) (a) 1m., 218.04 (4) (am) 2m., 218.04 (5) (at), 218.05 (4) (c) 2m., 218.05 (11)~~
22 ~~(bm), 218.05 (12) (at), 218.11 (6m) (c), 218.12 (3m) (c), 218.22 (3m) (c), 218.32~~
23 ~~(3m) (c), 218.41 (3m) (b) 3., 218.51 (4m) (b) 3., 224.44, 224.72 (7m) (bm), 224.725~~
24 ~~(6) (bm), 224.77 (2m) (e), 224.95 (1) (bm), 252.241 (5), 254.115 (5), 256.18 (4m),~~
25 ~~299.07 (3), 341.51 (4m) (c), 343.305 (6) (e) 6., 343.66 (3m), 440.12 (2), 551.406~~

1 (6) (a) 1m., 551.412 (4g) (a) 2m., 551.412 (4g) (d), 562.05 (5) (a) 11., 562.05 (8)
 2 (f) and 563.285 (1m) of the statutes; **relating to:** various changes in the
 3 unemployment insurance law; payment of interest on advances made by the
 4 federal government to the unemployment reserve fund; license revocations
 5 based on delinquency in payment of unemployment insurance contributions;
 6 granting rule-making authority; providing a penalty; and making
 7 appropriations.

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.


Failure to accept suitable work or recall to former employer

Currently, with certain exceptions, if an employee fails, without good cause, to accept suitable work when offered or to return to work with a former employer that

recalls the employee within 52 weeks after the employee last worked for the employer, the employee is ineligible to receive benefits until four weeks have elapsed since the end of the week in which the failure occurs and the employee earns wages, or certain other amounts treated as wages, equal to at least four times the employee's weekly benefit rate in employment covered by the unemployment insurance law of any state or the federal government.

Subject to all of the same exceptions and qualifications, the bill changes the number of weeks required to requalify under these provisions to at least ten weeks and changes the amount of wages an employee must earn to requalify under these provisions to at least ten times the employee's weekly benefit rate.

Temporary help companies and work search

The bill provides that there is a rebuttable presumption that a claimant who is subject to the UI law's work search requirement has not conducted a reasonable search for suitable work in a given week if: 1) the claimant was last employed by a temporary help company, as defined under current law; 2) during that week, the individual did not contact the temporary help company for an assignment; and 3) the temporary help company submits a notice to the department reporting that the individual failed to so contact the temporary help company. The claimant may overcome the rebuttable presumption only by a showing that the claimant did in fact contact the temporary help company for an assignment or by showing that the claimant had good cause for failing to do so. The bill specifically provides that the claimant's contact of the temporary help company for a given week counts as one action toward the UI law's work search requirement for that week.

Extended training benefits

Currently, benefits may not be denied to an otherwise eligible claimant because the claimant is enrolled in a vocational training course or a basic education course that is a prerequisite to such training ("approved training") under certain conditions. Currently, a claimant may also qualify to receive benefits while participating in an extended training program under certain conditions, under such a program, if a claimant 1) has exhausted all other rights to benefits, 2) is currently enrolled in an approved training program and was so enrolled prior to the end of the claimant's benefit year (period during which benefits are payable) that qualified the claimant for benefits, 3) if not in a current benefit year, has a benefit year that ended no earlier than 52 weeks prior to the week for which the claimant first claims extended training benefits, and 4) is not receiving any similar stipends or other training allowances for nontraining costs, is entitled to extended training benefits of up to 26 times the same benefit rate that applied to the claimant during his or her most recent benefit year if the claimant is being trained for entry into a high-demand occupation. In addition, if the benefit year of such a claimant expires in a week in which extended or other additional federal or state benefits are payable generally, the claimant is also eligible for extended training benefits while enrolled in a training program if the claimant first enrolled in the program within 52 weeks after the end of the claimant's benefit year that qualified the claimant for benefits. This bill deletes extended training benefits.

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 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.

Failure of claimants to provide requested information

Currently, DWD may require a claimant to answer questions relating to his or her UI benefit eligibility and to provide certain demographic information for auditing purposes. A claimant is not eligible to receive benefits for any week in which the claimant fails to comply with a request by DWD for information and for any subsequent week until the claimant provides the information or satisfies DWD that he or she has good cause for failure to provide the requested information. If a claimant later complies with a request or satisfies DWD that he or she has good cause for failure to comply, the claimant is eligible to receive benefits beginning with the week in which the failure occurred, if otherwise qualified. Under this bill, if a claimant later complies with a request, the claimant is not eligible to receive benefits until the claimant complies with the request *and* satisfies DWD that he or she has good cause for failure to comply with the request. The bill also provides that if a claimant later complies with a request and does not have good cause for his or her initial failure to comply with the request, the claimant is eligible only to receive benefits beginning with the week in which the claimant complies with the request, if otherwise qualified.

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.

Treatment of limited liability companies consisting of the same members

Currently, for purposes of the UI law, multiple limited liability companies (LLCs) that consist of the same members are treated as a single employer unless, subject to certain provisions, each of those LLCs files a written request with DWD to be treated as a separate employer and DWD approves the request. Under the bill, consistent with the Federal Unemployment Tax Act (FUTA), multiple LLCs that consist of the same members are always treated as separate employers, for purposes of the UI law.

OTHER CHANGES***Payment of interest on federal advances to reserve fund***

Currently, if in any year the balance in the unemployment reserve fund is insufficient to make full payment of unemployment insurance benefits that become payable to claimants for that year, the Department of Workforce Development (DWD) secures an advance from the federal unemployment account to enable this state to make full payment of all benefits that become payable. Whenever the balance in the unemployment reserve fund is sufficient to repay the federal government for its advances and to continue to make payment of the benefits that become payable, DWD repays the federal government for its outstanding advances. Annually, the federal government assesses interest to this state on this state's outstanding advances that have not been repaid. Currently, if in any year DWD is unable to make full payment of the interest that becomes due from certain other limited sources, each employer must pay an assessment to the state unemployment interest payment fund in an amount specified by law sufficient to enable DWD to make full payment of the interest due for that year.

This bill appropriates a sum sufficient not exceeding \$30,000,000 from general purpose revenues to pay any interest that becomes due to the federal government prior to July 1, 2015, on outstanding advances made to the unemployment reserve fund. Under the bill, DWD must first use any available moneys from this appropriation to make payment of the interest due for any year. If the amount appropriated, together with other available sources, is insufficient to make full payment of the interest that becomes due for any year, each employer must pay an assessment in the amount determined by DWD sufficient to cover the deficiency. If the moneys appropriated under the bill are not fully expended at the end of the 2013-15 fiscal biennium, the balance is retained in the general fund.

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 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.

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.

Work search audits of claimants

The bill requires DWD to conduct random audits on claimants for regular UI benefits to assess compliance with the UI law's work search requirement. The bill requires DWD to include in its annual fraud report that is presented to the Council on Unemployment Insurance information about these audits and the number of audits conducted in the previous year.

Online portal for filing complaints

The bill requires DWD to maintain a portal on the Internet that allows employers to log in and file complaints with DWD related to the administration of the UI law.

Fraud investigation positions

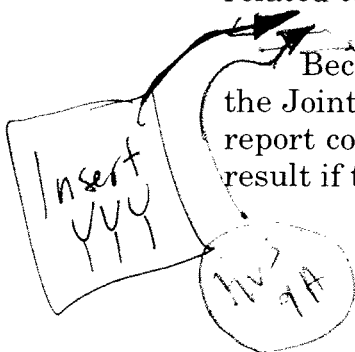
The bill authorizes the creation of three GPR-funded positions in DWD for the investigation of UI fraud and appropriates the necessary moneys to fund the positions.

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~~ 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.



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

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

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

2 13.63 (1) (b) Except as provided under par. (am), the board shall not issue a
3 license to an applicant who does not provide his or her social security number. The
4 board shall not issue a license to an applicant or shall revoke any license issued to
5 a lobbyist if the department of revenue certifies to the board that the applicant or
6 lobbyist is liable for delinquent taxes under s. 73.0301 or if the department of
7 workforce development certifies to the board that the applicant or lobbyist is liable
8 for delinquent unemployment insurance contributions under s. 108.227. The board
9 shall refuse to issue a license or shall suspend any existing license for failure of an
10 applicant or licensee to pay court-ordered payments of child or family support,
11 maintenance, birth expenses, medical expenses or other expenses related to the
12 support of a child or former spouse or failure of an applicant or licensee to comply,
13 after appropriate notice, with a subpoena or warrant issued by the department of
14 children and families or a county child support agency under s. 59.53 (5) and related
15 to paternity or child support proceedings, as provided in a memorandum of
16 understanding entered into under s. 49.857. No application may be disapproved by
17 the board except an application for a license by a person who is ineligible for licensure
18 under this subsection or s. 13.69 (4) or an application by a lobbyist whose license has
19 been revoked under this subsection or s. 13.69 (7) and only for the period of such
20 ineligibility or revocation.

21 **SECTION 2.** 13.63 (1) (c) of the statutes is amended to read:

1 13.63 (1) (c) Denial of a license on the basis of a certification by the department
2 of revenue or the department of workforce development may be reviewed under s.
3 73.0301 or 108.227, whichever is applicable. Except with respect to a license that is
4 denied or suspended pursuant to a memorandum of understanding entered into
5 under s. 49.857, denial or suspension of any other license may be reviewed under ch.
6 227.

7 **SECTION 3.** 19.55 (2) (d) of the statutes is amended to read:

8 19.55 (2) (d) Records of the social security number of any individual who files
9 an application for licensure as a lobbyist under s. 13.63 or who registers as a principal
10 under s. 13.64, except to the department of children and families for purposes of
11 administration of s. 49.22 ~~or~~, to the department of revenue for purposes of
12 administration of s. 73.0301, and to the department of workforce development for
13 purposes of administration of s. 108.227.

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

15 20.445 (1) (fx) *Interest on federal advances.* A sum sufficient, not exceeding
16 \$30,000,000, to pay interest on advances made by the federal government to the
17 unemployment reserve fund under s. 108.19 (1m).

18 **SECTION 5.** 20.445 (1) (fx) of the statutes, as created by 2013 Wisconsin Act
19 (this act), is repealed.

20 **SECTION 6.** 29.024 (2r) (title) of the statutes is amended to read:

21 29.024 (2r) (title) DENIAL AND REVOCATION OF APPROVALS BASED ON TAX
22 DELINQUENCY DELINQUENT TAXES OR UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

23 **SECTION 7.** 29.024 (2r) (c) of the statutes is amended to read:

24 29.024 (2r) (c) *Disclosure of numbers.* The department of natural resources
25 may not disclose any information received under par. (a) to any person except to the

IRS 11-19

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

4 **SECTION 8.** 29.024 (2r) (d) 1. of the statutes is amended to read:

5 29.024 (2r) (d) 1. Except as provided in subd. 2., the department shall deny an
6 application to issue or renew, or revoke if already issued, an approval specified in par.
7 (a) if the applicant for or the holder of the approval fails to provide the information
8 required under par. (a) ~~or~~, if the department of revenue certifies that the applicant
9 or approval holder is liable for delinquent taxes under s. 73.0301, or if the
10 department of workforce development certifies that the applicant or approval holder
11 is liable for delinquent unemployment insurance contributions under s. 108.227.

12 **SECTION 9.** 48.66 (2m) (c) of the statutes is amended to read:

13 48.66 (2m) (c) The subunit of the department that obtains a social security
14 number or a federal employer identification number under par. (a) 1. may not
15 disclose that information to any person except to the department of revenue for the
16 sole purpose of requesting certifications under s. 73.0301 and to the department of
17 workforce development for the sole purpose of requesting certifications under s.
18 108.227 or on the request of the subunit of the department that administers the child
19 and spousal support program under s. 49.22 (2m).

20 **SECTION 10.** 48.715 (7) of the statutes is amended to read:

21 48.715 (7) The department shall deny an application for the issuance or
22 continuation of a license under s. 48.66 (1) (a) or a probationary license under s. 48.69
23 to operate a child welfare agency, group home, shelter care facility, or child care
24 center, or revoke such a license already issued, if the department of revenue certifies
25 under s. 73.0301 that the applicant or licensee is liable for delinquent taxes or if the

1 department of workforce development certifies under s. 108.227 that the applicant
2 or licensee is liable for delinquent unemployment insurance contributions. An action
3 taken under this subsection is subject to review only as provided under s. 73.0301 (5)
4 or 108.227 (5) and not as provided in s. 48.72.

5 **SECTION 11.** 50.498 (title) of the statutes is amended to read:

6 **50.498** (title) **Denial, nonrenewal and revocation of license,**
7 **certification or registration based on ~~tax delinquency~~ delinquent taxes or**
8 **unemployment insurance contributions.**

9 **SECTION 12.** 50.498 (2) of the statutes is amended to read:

10 50.498 (2) The department may not disclose any information received under
11 sub. (1) to any person except to the department of revenue for the sole purpose of
12 requesting certifications under s. 73.0301 and to the department of workforce
13 development for the sole purpose of requesting certifications under s. 108.227.

14 **SECTION 13.** 50.498 (4) of the statutes is renumbered 50.498 (4) (a).

15 **SECTION 14.** 50.498 (4) (b) of the statutes is created to read:

16 50.498 (4) (b) The department shall deny an application for the issuance of a
17 certificate of approval, license or provisional license specified in sub. (1) or shall
18 revoke a certificate of approval, license or provisional license specified in sub. (1), if
19 the department of workforce development certifies under s. 108.227 that the
20 applicant for or holder of the certificate of approval, license or provisional license is
21 liable for delinquent unemployment insurance contributions.

22 **SECTION 15.** 50.498 (5) of the statutes is amended to read:

23 50.498 (5) An action taken under sub. (3) or (4) is subject to review only as
24 provided under s. 73.0301 (2) (b) and (5) or s. 108.227 (5) and (6), whichever is
25 applicable.

1 **SECTION 16.** 51.032 (title) of the statutes is amended to read:

2 **51.032 (title) Denial and revocations of certification or approval based**
3 **on ~~tax delinquency~~ delinquent taxes or unemployment insurance**
4 **contributions.**

5 **SECTION 17.** 51.032 (2) of the statutes is amended to read:

6 51.032 (2) The department may not disclose any information received under
7 sub. (1) to any person except to the department of revenue for the sole purpose of
8 requesting certifications under s. 73.0301 and to the department of workforce
9 development for the sole purpose of requesting certifications under s. 108.227.

10 **SECTION 18.** 51.032 (4) of the statutes is amended to read:

11 51.032 (4) The department shall deny an application for the issuance of a
12 certification or approval specified in sub. (1) or shall revoke a certification or
13 approval specified in sub. (1) if the department of revenue certifies under s. 73.0301
14 that the applicant for or holder of a certification or approval is liable for delinquent
15 taxes or if the department of workforce development certifies under s. 108.227 that
16 the applicant for or holder of a certification or approval is liable for delinquent
17 unemployment insurance contributions.

18 **SECTION 19.** 51.032 (5) of the statutes is amended to read:

19 51.032 (5) An action taken under sub. (3) or (4) is subject to review only as
20 provided under s. 73.0301 (2) (b) and (5) or s. 108.227 (5) and (6), whichever is
21 applicable.

22 **SECTION 20.** 71.78 (4) (o) of the statutes is amended to read:

23 71.78 (4) (o) A licensing department or the supreme court, if the supreme court
24 agrees, for the purpose of denial, nonrenewal, discontinuation and revocation of a

1 license based on tax delinquency under s. 73.0301 or unemployment insurance
2 contribution delinquency under s. 108.227.

3 **SECTION 21.** 73.0301 (2) (c) 2. of the statutes is amended to read:

4 73.0301 (2) (c) 2. A licensing department may not disclose any information
5 received under subd. 1. a. or b. to any person except to the department of revenue for
6 the purpose of requesting certifications under par. (b) (a) 1. or 2. in accordance with
7 the memorandum of understanding under sub. (4) and administering state taxes ~~or,~~
8 to the department of workforce development for the purpose of requesting
9 certifications under s. 108.227 (2) (a) 1. or 2. in accordance with the memorandum
10 of understanding under s. 108.227 (4) and administering the unemployment
11 insurance program, and to the department of children and families for the purpose
12 of administering s. 49.22.

13 **SECTION 22.** 73.0302 (title) of the statutes is amended to read:

14 **73.0302** (title) **Liability for delinquent taxes or unemployment**
15 **insurance contributions.**

16 **SECTION 23.** 73.0302 (5) of the statutes is created to read:

17 73.0302 (5) If the department of workforce development certifies under s.
18 108.227 that an applicant for certification or recertification under s. 73.03 (5) or a
19 person who holds a certificate issued under s. 73.03 (5) is liable for delinquent
20 unemployment insurance contributions, the department of revenue shall deny the
21 application or revoke the certificate. A person subject to a denial or revocation under
22 this subsection for delinquent unemployment insurance contributions is entitled to
23 a notice under s. 108.227 (2) (b) 1. b. and hearing under s. 108.227 (5) (a) but is not
24 entitled to any other notice or hearing under this chapter.

25 **SECTION 24.** 73.0302 (6) of the statutes is created to read:

1 73.0302 (6) The department of revenue may disclose a social security number
2 obtained under s. 73.03 (50) (c) to the department of workforce development for the
3 purpose of requesting certifications under s. 108.227.

4 **SECTION 25.** 73.09 (6m) of the statutes is amended to read:

5 73.09 (6m) SOCIAL SECURITY NUMBERS. Each applicant for certification or
6 recertification under this section shall provide the applicant's social security number
7 on the application. The department of revenue may not disclose a social security
8 number that it obtains under this subsection, except to the department of workforce
9 development for the purpose of requesting certifications under s. 108.227. The
10 department of revenue may not certify or recertify any person who fails to provide
11 his or her social security number on his or her application.

12 **SECTION 26.** 73.09 (8) of the statutes is created to read:

13 73.09 (8) LIABILITY FOR DELINQUENT UNEMPLOYMENT INSURANCE CONTRIBUTIONS.
14 If the department of workforce development certifies under s. 108.227 that an
15 applicant for certification or recertification under this section is liable for delinquent
16 unemployment insurance contributions, the department of revenue shall deny the
17 application for certification or recertification or revoke the certificate. A person
18 subject to a denial or revocation under this subsection for delinquent unemployment
19 insurance contributions is entitled to a notice under s. 108.227 (2) (b) 1. b. and
20 hearing under s. 108.227 (5) (a) but is not entitled to any other notice or hearing
21 under this chapter.

22 **SECTION 27.** 101.02 (20) (b) of the statutes is amended to read:

23 101.02 (20) (b) Except as provided in par. (e), the department of safety and
24 professional services may not issue or renew a license unless each applicant who is
25 an individual provides the department of safety and professional services with his

1 or her social security number and each applicant that is not an individual provides
2 the department of safety and professional services with its federal employer
3 identification number. The department of safety and professional services may not
4 disclose the social security number or the federal employer identification number of
5 an applicant for a license or license renewal except to the department of revenue for
6 the sole purpose of requesting certifications under s. 73.0301 and to the department
7 of workforce development for the sole purpose of requesting certifications under s.
8 108.227.

9 **SECTION 28.** 101.02 (20) (c) of the statutes is amended to read:

10 101.02 (20) (c) The department of safety and professional services may not
11 issue or renew a license if the department of revenue certifies under s. 73.0301 that
12 the applicant or licensee is liable for delinquent taxes or if the department of
13 workforce development certifies under s. 108.227 that the applicant or licensee is
14 liable for delinquent unemployment insurance contributions.

15 **SECTION 29.** 101.02 (20) (d) of the statutes is amended to read:

16 101.02 (20) (d) The department of safety and professional services shall revoke
17 a license if the department of revenue certifies under s. 73.0301 that the licensee is
18 liable for delinquent taxes or if the department of workforce development certifies
19 under s. 108.227 that the licensee is liable for delinquent unemployment insurance
20 contributions.

21 **SECTION 30.** 102.17 (1) (c) of the statutes is amended to read:

22 102.17 (1) (c) Any party shall have the right to be present at any hearing, in
23 person or by attorney or any other agent, and to present such testimony as may be
24 pertinent to the controversy before the department. No person, firm, or corporation,
25 other than an attorney at law who is licensed to practice law in the state, may appear

SECTION 30

1 on behalf of any party in interest before the department or any member or employee
2 of the department assigned to conduct any hearing, investigation, or inquiry relative
3 to a claim for compensation or benefits under this chapter, unless the person is 18
4 years of age or older, does not have an arrest or conviction record, subject to ss.
5 111.321, 111.322 and 111.335, is otherwise qualified, and has obtained from the
6 department a license with authorization to appear in matters or proceedings before
7 the department. Except as provided under pars. (cm) ~~and~~, (cr), and (ct), the license
8 shall be issued by the department under rules promulgated by the department. The
9 department shall maintain in its office a current list of persons to whom licenses have
10 been issued. Any license may be suspended or revoked by the department for fraud
11 or serious misconduct on the part of an agent, any license may be denied, suspended,
12 nonrenewed, or otherwise withheld by the department for failure to pay
13 court-ordered payments as provided in par. (cm) on the part of an agent, and any
14 license may be denied or revoked if the department of revenue certifies under s.
15 73.0301 that the applicant or licensee is liable for delinquent taxes or if the
16 department determines under par. (ct) that the applicant or licensee is liable for
17 delinquent contributions. Before suspending or revoking the license of the agent on
18 the grounds of fraud or misconduct, the department shall give notice in writing to the
19 agent of the charges of fraud or misconduct and shall give the agent full opportunity
20 to be heard in relation to those charges. In denying, suspending, restricting, refusing
21 to renew, or otherwise withholding a license for failure to pay court-ordered
22 payments as provided in par. (cm), the department shall follow the procedure
23 provided in a memorandum of understanding entered into under s. 49.857. The
24 license and certificate of authority shall, unless otherwise suspended or revoked, be
25 in force from the date of issuance until the June 30 following the date of issuance and

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

3 **SECTION 31.** 102.17 (1) (ct) of the statutes is created to read:

4 102.17 (1) (ct) 1. The department may deny an application for the issuance or
5 renewal of a license under par. (c), or revoke such a license already issued, if the
6 department determines that the applicant or licensee is liable for delinquent
7 contributions, as defined in s. 108.227 (1) (d). Notwithstanding par. (c), an action
8 taken under this subdivision is subject to review only as provided under s. 108.227
9 (5) and not as provided in ch. 227.

10 2. If the department denies an application or revokes a license under subd. 1.,
11 the department shall mail a notice of denial or revocation to the applicant or license
12 holder. The notice shall include a statement of the facts that warrant the denial or
13 revocation and a statement that the applicant or license holder may, within 30 days
14 after the date on which the notice of denial or revocation is mailed, file a written
15 request with the department to have the determination that the applicant or license
16 holder is liable for delinquent contributions reviewed at a hearing under s. 108.227
17 (5) (a).

18 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a
19 determination under subd. 1. that an applicant or license holder is liable for
20 delinquent contributions, the department shall affirm its denial or revocation. An
21 applicant or license holder may seek judicial review under s. 108.227 (6) of an
22 affirmation by the department of a denial or revocation under this subdivision.

23 4. If, after a hearing under s. 108.227 (5) (a), the department determines that
24 a person whose license is revoked or whose application is denied under subd. 1. is not
25 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 32.** 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 33.** 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 34.** 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
25 warrant the denial or revocation and a statement that the applicant or

1 house-to-house employer may, within 30 days after the date on which the notice of
2 denial or revocation is mailed, file a written request with the department to have the
3 determination that the applicant or house-to-house employer is liable for
4 delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).

5 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a
6 determination under subd. 1. that an applicant or house-to-house employer is liable
7 for delinquent contributions, the department shall affirm its denial or revocation.
8 An applicant or house-to-house employer may seek judicial review under s. 108.227
9 (6) of an affirmation by the department of a denial or revocation under this
10 subdivision.

11 4. If, after a hearing under s. 108.227 (5) (a), the department determines that
12 a person whose certificate is revoked or whose application is denied under subd. 1.
13 is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the
14 department shall reinstate the certificate or approve the application, unless there
15 are other grounds for revocation or denial. The department may not charge a fee for
16 reinstatement of a certificate under this subdivision.

17 **SECTION 35.** 103.275 (7) (b) of the statutes is amended to read:

18 103.275 (7) (b) Except as provided in sub. (2) (bm) ~~and~~, (br), and (bt), after
19 providing at least 10 days' notice to a house-to-house employer, the department may,
20 on its own or upon a written and signed complaint, suspend the house-to-house
21 employer's certificate. The department shall serve a copy of the complaint with
22 notice of a suspension of the certificate on the person complained against, and the
23 person shall file an answer to the complaint with the department and the
24 complainant within 10 days after service. After receiving the answer, the
25 department shall set the matter for hearing as promptly as possible and within 30

SECTION 35

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

5 **SECTION 36.** 103.275 (7) (c) of the statutes is amended to read:

6 103.275 (7) (c) Except as provided in sub. (2) (bm) ~~and~~, (br), and (bt), the
7 department may revoke a certificate issued under sub. (2) after holding a public
8 hearing at a place designated by the department. At least 10 days prior to the
9 revocation hearing, the department shall send written notice of the time and place
10 of the revocation hearing to the person holding the certificate and to the person's
11 attorney or agent of record by mailing the notice to their last-known address. The
12 testimony presented and proceedings at the revocation hearing shall be recorded and
13 preserved as the records of the department. The department shall, as soon after the
14 hearing as possible, make its findings and determination concerning revocation and
15 send a copy to each interested party.

16 **SECTION 37.** 103.34 (3) (c) of the statutes is amended to read:

17 103.34 (3) (c) Subject to par. (d) and sub. (10) (b) ~~and~~, (c), and (d), after
18 completing the investigation under par. (b), the department shall issue a certificate
19 of registration to the applicant if the department determines that the applicant
20 meets the minimum requirements under this section and rules promulgated under
21 sub. (13) for issuance of a certificate of registration and is satisfied that the applicant
22 will comply with this section and those rules.

23 **SECTION 38.** 103.34 (10) (title) of the statutes is amended to read:

24 103.34 (10) (title) CHILD SUPPORT; DELINQUENT TAXES OR UNEMPLOYMENT
25 INSURANCE CONTRIBUTIONS.

1 **SECTION 39.** 103.34 (10) (d) of the statutes is created to read:

2 103.34 **(10)** (d) 1. The department may deny an application for the issuance or
3 renewal of a certificate of registration, or revoke a certificate of registration already
4 issued, if the department determines that the applicant or registrant is liable for
5 delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005
6 (10), an action taken under this subdivision is subject to review only as provided
7 under s. 108.227 (5) and not as provided in ch. 227.

8 2. If the department denies an application or revokes a certificate of
9 registration under subd. 1., the department shall mail a notice of denial or revocation
10 to the applicant or registrant. The notice shall include a statement of the facts that
11 warrant the denial or revocation and a statement that the applicant or registrant
12 may, within 30 days after the date on which the notice of denial or revocation is
13 mailed, file a written request with the department to have the determination that
14 the applicant or registrant is liable for delinquent contributions reviewed at a
15 hearing under s. 108.227 (5) (a).

16 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a
17 determination under subd. 1. that an applicant or registrant is liable for delinquent
18 contributions, the department shall affirm its denial or revocation. An applicant or
19 registrant may seek judicial review under s. 108.227 (6) of an affirmation by the
20 department of a denial or revocation under this subdivision.

21 4. If, after a hearing under s. 108.227 (5) (a), the department determines that
22 a person whose certificate of registration is revoked or whose application is denied
23 under subd. 1. is not liable for delinquent contributions, as defined in s. 108.227 (1)
24 (d), the department shall reinstate the certificate of registration or approve the

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

3 **SECTION 40.** 103.91 (4) (d) of the statutes is created to read:

4 103.91 (4) (d) 1. The department may deny an application for the issuance or
5 renewal of a certificate of registration under sub. (1), or revoke such a certificate
6 already issued, if the department determines that the applicant or registrant is
7 liable for delinquent contributions, as defined in s. 108.227 (1) (d). Notwithstanding
8 s. 103.005 (10), an action taken under this subdivision is subject to review only as
9 provided under s. 108.227 (5) and not as provided in ch. 227.

10 2. If the department denies an application or revokes a certificate of
11 registration under subd. 1., the department shall mail a notice of denial or revocation
12 to the applicant or registrant. The notice shall include a statement of the facts that
13 warrant the denial or revocation and a statement that the applicant or registrant
14 may, within 30 days after the date on which the notice of denial or revocation is
15 mailed, file a written request with the department to have the determination that
16 the applicant or registrant is liable for delinquent contributions reviewed at a
17 hearing under s. 108.227 (5) (a).

18 3. If, after a hearing under s. 108.227 (5) (a), the department affirms a
19 determination under subd. 1. that an applicant or registrant is liable for delinquent
20 contributions, the department shall affirm its denial or revocation. An applicant or
21 registrant may seek judicial review under s. 108.227 (6) of an affirmation by the
22 department of a denial or revocation under this subdivision.

23 4. If, after a hearing under s. 108.227 (5) (a), the department determines that
24 a person whose certificate is revoked or whose application is denied under subd. 1.
25 is not liable for delinquent contributions, as defined in s. 108.227 (1) (d), the

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

4 **SECTION 41.** 103.92 (3) of the statutes is amended to read:

5 103.92 (3) CERTIFICATE. The department shall inspect each camp for which
6 application to operate is made, to determine if it is in compliance with the rules of
7 the department establishing minimum standards for migrant labor camps. Except
8 as provided under subs. (6) ~~and~~, (7), and (8), if the department finds that the camp
9 is in compliance with the rules, it shall issue a certificate authorizing the camp to
10 operate until March 31 of the next year. The department shall refuse to issue a
11 certificate if it finds that the camp is in violation of such rules, if the person
12 maintaining the camp has failed to pay court-ordered payments as provided in sub.
13 (6) or if the person maintaining the camp is liable for delinquent taxes as provided
14 in sub. (7) or delinquent unemployment insurance contributions as provided in sub.
15 (8).

16 **SECTION 42.** 103.92 (8) of the statutes is created to read:

17 103.92 (8) LIABILITY FOR DELINQUENT UNEMPLOYMENT INSURANCE CONTRIBUTIONS.

18 (a) The department may deny an application for the issuance or renewal of a
19 certificate to operate a migrant labor camp, or revoke such a certificate already
20 issued, if the department determines that the applicant or person operating the
21 camp is liable for delinquent contributions, as defined in s. 108.227 (1) (d).
22 Notwithstanding s. 103.005 (10), an action taken under this paragraph is subject to
23 review only as provided under s. 108.227 (5) and not as provided in ch. 227.

24 (b) If the department denies an application or revokes a certificate under par.

25 (a), the department shall mail a notice of denial or revocation to the applicant or

1 person operating the camp. The notice shall include a statement of the facts that
2 warrant the denial or revocation and a statement that the applicant or person
3 operating the camp may, within 30 days after the date on which the notice of denial
4 or revocation is mailed, file a written request with the department to have the
5 determination that the applicant or person operating the camp is liable for
6 delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).

7 (c) If, after a hearing under s. 108.227 (5) (a), the department affirms a
8 determination under par. (a) that an applicant or person operating a camp is liable
9 for delinquent contributions, the department shall affirm its denial or revocation.
10 An applicant or person operating a camp may seek judicial review under s. 108.227
11 (6) of an affirmation by the department of a denial or revocation under this
12 paragraph.

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

19 **SECTION 43.** 104.07 (1) and (2) of the statutes are amended to read:

20 104.07 (1) The department shall make rules, and, except as provided under
21 subs. (5) ~~and, (6), and (7)~~, grant licenses to any employer who employs any employee
22 who is unable to earn the living wage determined by the department, permitting the
23 employee to work for a wage that is commensurate with the employee's ability. Each
24 license so granted shall establish a wage for the licensee.

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

7 **SECTION 44.** 104.07 (7) of the statutes is created to read:

8 104.07 (7) (a) The department may deny an application for the issuance or
9 renewal of a license under sub. (1) or (2), or revoke such a license already issued, if
10 the department determines that the applicant or licensee is liable for delinquent
11 contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an
12 action taken under this paragraph is subject to review only as provided under s.
13 108.227 (5) and not as provided in ch. 227.

14 (b) If the department denies an application or revokes a license under par. (a),
15 the department shall mail a notice of denial or revocation to the applicant or licensee.
16 The notice shall include a statement of the facts that warrant the denial or revocation
17 and a statement that the applicant or licensee may, within 30 days after the date on
18 which the notice of denial or revocation is mailed, file a written request with the
19 department to have the determination that the applicant or licensee is liable for
20 delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).

21 (c) If, after a hearing under s. 108.227 (5) (a), the department affirms a
22 determination under par. (a) that an applicant or licensee is liable for delinquent
23 contributions, the department shall affirm its denial or revocation. An applicant or
24 licensee may seek judicial review under s. 108.227 (6) of an affirmation by the
25 department of a denial or revocation under this paragraph.

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

7 **SECTION 45.** 105.13 (1) of the statutes is amended to read:

8 105.13 (1) The department may issue licenses to employment agents, and
9 refuse to issue a license whenever, after investigation, the department finds that the
10 character of the applicant makes the applicant unfit to be an employment agent, that
11 the applicant has failed to pay court-ordered payments as provided in sub. (2) ~~or~~, that
12 the applicant is liable for delinquent taxes as provided in sub. (3), or that the
13 applicant is liable for delinquent unemployment insurance contributions as
14 provided in sub. (4), or when the premises for conducting the business of an
15 employment agent is found upon investigation to be unfit for such use. Any license
16 granted by the department may be suspended or revoked by it upon notice to the
17 licensee and good cause. Failure to comply with this chapter and rules promulgated
18 thereunder, or with any lawful orders of the department, is cause to suspend or
19 revoke a license. Failure to pay court-ordered payments as provided in sub. (2) is
20 cause to deny, suspend, restrict, refuse to renew or otherwise withhold a license.
21 Liability for delinquent taxes as provided in sub. (3) or delinquent unemployment
22 insurance contributions as provided in sub. (4) is cause to deny or revoke a license.

23 **SECTION 46.** 105.13 (4) of the statutes is created to read:

24 105.13 (4) (a) The department may deny an application for the issuance or
25 renewal of an employment agent's license, or revoke such a license already issued,

1 if the department determines that the applicant or licensee is liable for delinquent
2 contributions, as defined in s. 108.227 (1) (d). Notwithstanding s. 103.005 (10), an
3 action taken under this paragraph is subject to review only as provided under s.
4 108.227 (5) and not as provided in ch. 227.

5 (b) If the department denies an application or revokes a license under par. (a),
6 the department shall mail a notice of denial or revocation to the applicant or licensee.
7 The notice shall include a statement of the facts that warrant the denial or revocation
8 and a statement that the applicant or licensee may, within 30 days after the date on
9 which the notice of denial or revocation is mailed, file a written request with the
10 department to have the determination that the applicant or licensee is liable for
11 delinquent contributions reviewed at a hearing under s. 108.227 (5) (a).

12 (c) If, after a hearing under s. 108.227 (5) (a), the department affirms a
13 determination under par. (a) that an applicant or licensee is liable for delinquent
14 contributions, the department shall affirm its denial or revocation. An applicant or
15 licensee may seek judicial review under s. 108.227 (6) of an affirmation by the
16 department of a denial or revocation under this paragraph.

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

23 **SECTION 47.** 108.02 (4m) (a) of the statutes is amended to read:

24 108.02 (4m) (a) All earnings for wage-earning service which are paid to an
25 employee during his or her base period as a result of employment for an employer

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

5 **SECTION 48.** 108.02 (4m) (g) of the statutes is repealed.

6 **SECTION 49.** 108.02 (13) (a) of the statutes is amended to read:

7 108.02 (13) (a) “Employer” means every government unit and Indian tribe, and
8 any person, association, corporation, whether domestic or foreign, or legal
9 representative, debtor in possession or trustee in bankruptcy or receiver or trustee
10 of a person, partnership, association, or corporation, or guardian of the estate of a
11 person, or legal representative of a deceased person, any partnership or partnerships
12 consisting of the same partners, except as provided in par. (L), any limited liability
13 company ~~or limited liability companies consisting of the same members, except as~~
14 ~~provided in par. (kL)~~, and any fraternal benefit society as defined in s. 614.01 (1) (a),
15 which is subject to this chapter under the statutes of 1975, or which has had
16 employment in this state and becomes subject to this chapter under this subsection
17 and, notwithstanding any other provisions of this section, any service insurance
18 corporation organized or operating under ch. 613, except as provided in s. 108.152
19 (6) (a) 3.

20 **SECTION 50.** 108.02 (13) (kL) of the statutes is repealed.

21 **SECTION 51.** 108.04 (1) (g) (intro.) of the statutes is amended to read:

22 108.04 (1) (g) (intro.) Except as provided in par. (gm) ~~and s. 108.06 (7) (d)~~, the
23 base period wages utilized to compute total benefits payable to an individual under
24 s. 108.06 (1) as a result of the following employment shall not exceed 10 times the
25 individual’s weekly benefit rate based solely on that employment under s. 108.05 (1):

INS 30-20

1 **SECTION 52.** 108.04 (1) (hm) of the statutes is amended to read:

2 108.04 (1) (hm) The department may require any claimant to appear before it
3 and to answer truthfully, orally or in writing, any questions relating to the claimant's
4 eligibility for benefits ~~and~~ or to provide such demographic information as may be
5 necessary to permit the department to conduct a statistically valid sample audit of
6 compliance with this chapter. A claimant is not eligible to receive benefits for any
7 week in which the claimant fails to comply with a request by the department to
8 provide the information required under this paragraph, or any subsequent week,
9 until the claimant complies or satisfies the department that he or she ~~had~~ has good
10 cause for failure to comply with a request of the department under this paragraph.
11 If a claimant later complies with a request by the department ~~or~~ and satisfies the
12 department that he or she ~~had~~ has good cause for failure to comply with a the request,
13 the claimant is eligible to receive benefits ~~as of~~ beginning with the week in which the
14 failure occurred, if otherwise qualified. If a claimant later complies with a request
15 by the department but does not have good cause for the initial failure to comply with
16 the request, the claimant is eligible only to receive benefits beginning with the week
17 in which the claimant complies with the request, if otherwise qualified.

18 **SECTION 53.** 108.04 (2) (a) 2. of the statutes is amended to read:

19 108.04 (2) (a) 2. As of that week, the individual has registered for work; ~~and~~
20 as directed by the department;

21 **SECTION 54.** 108.04 (2) (a) 3. (intro.) of the statutes is amended to read:

22 108.04 (2) (a) 3. (intro.) The individual conducts a reasonable search for
23 suitable work during that week, unless the search requirement is waived under par.
24 (b). The search for suitable work must include ~~2~~ at least 4 actions per week that
25 constitute a reasonable search as prescribed by rule of the department. This

1 subdivision does not apply to an individual if the department determines that the
2 individual is currently laid off from employment with an employer but there is a
3 reasonable expectation of reemployment of the individual by that employer. In
4 determining whether the individual has a reasonable expectation of reemployment
5 by an employer, the department shall request the employer to verify the individual's
6 employment status and shall also consider other factors, including:

7 **SECTION 55.** 108.04 (2) (a) 3. c. of the statutes is amended to read:

8 108.04 (2) (a) 3. c. Whether the individual has recall rights with the employer
9 under the terms of any applicable collective bargaining agreement;

10 **SECTION 56.** 108.04 (2) (a) 4. and 5. of the statutes are created to read:

11 108.04 (2) (a) 4. The claimant provides information or job application materials
12 that are requested by the department; and

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

16 **SECTION 57.** 108.04 (2) (g) of the statutes is created to read:

17 108.04 (2) (g) 1. There is a rebuttable presumption that a claimant who is
18 subject to the requirement under par. (a) 3. to conduct a reasonable search for
19 suitable work has not conducted a reasonable search for suitable work in a given
20 week if all of the following apply:

21 a. The claimant was last employed by a temporary help company.

22 b. During that week, the claimant did not contact the temporary help company
23 for an assignment.

24 c. The temporary help company submits a notice to the department reporting
25 that the claimant did not contact the company for an assignment.

NS 33-10 ✓
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1 2. A claimant may only rebut the presumption under subd. 1. if the claimant
2 demonstrates one of the following to the department for a given week:

3 a. That the claimant did contact the temporary help company for an
4 assignment during that week.

5 b. That the claimant had good cause for his or her failure to contact the
6 temporary help company for an assignment during that week.

7 3. If a claimant who was last employed by a temporary help company contacts
8 the temporary help company during a given week for an assignment, that contact
9 constitutes one action that constitutes a reasonable search for suitable work, for
10 purposes of par. (a) 3.

11 **SECTION 58.** 108.04 (8) (a) and (c) of the statutes are amended to read:

12 108.04 (8) (a) If an employee fails, without good cause, to accept suitable work
13 when offered, the employee is ineligible to receive benefits until ~~4~~ 10 weeks have
14 elapsed since the end of the week in which the failure occurs and the employee earns
15 wages after the week in which the failure occurs equal to at least ~~4~~ 10 times the
16 employee's weekly benefit rate under s. 108.05 (1) in employment or other work
17 covered by the unemployment insurance law of any state or the federal government.
18 For purposes of requalification, the employee's weekly benefit rate shall be that rate
19 which would have been paid had the failure not occurred. This paragraph does not
20 preclude an employee from establishing a benefit year during a period in which the
21 employee is ineligible to receive benefits under this paragraph if the employee
22 qualifies to establish a benefit year under s. 108.06 (2) (a). The department shall
23 charge to the fund's balancing account any benefits otherwise chargeable to the
24 account of an employer that is subject to the contribution requirements under ss.

1 108.17 and 108.18 whenever an employee of that employer fails, without good cause,
2 to accept suitable work offered by that employer.

3 (c) If an employee fails, without good cause, to return to work with a former
4 employer that recalls the employee within 52 weeks after the employee last worked
5 for that employer, the employee is ineligible to receive benefits until ~~4~~ 10 weeks have
6 elapsed since the end of the week in which the failure occurs and the employee earns
7 wages after the week in which the failure occurs equal to at least ~~4~~ 10 times the
8 employee's weekly benefit rate under s. 108.05 (1) in employment or other work
9 covered by the unemployment insurance law of any state or the federal government.
10 For purposes of requalification, the employee's weekly benefit rate shall be that rate
11 which would have been paid had the failure not occurred. This paragraph does not
12 preclude an employee from establishing a benefit year during a period in which the
13 employee is ineligible to receive benefits under this paragraph if the employee
14 qualifies to establish a benefit year under s. 108.06 (2) (a). The department shall
15 charge to the fund's balancing account any benefits otherwise chargeable to the
16 account of any employer that is subject to the contribution requirements under ss.
17 108.17 and 108.18 whenever an employee of that employer fails, without good cause,
18 to return to work with that employer. If an employee receives actual notice of a recall
19 to work, par. (a) applies in lieu of this paragraph.

20 **SECTION 59.** 108.04 (15) of the statutes is created to read:

21 108.04 (15) DEPARTMENT POWERS TO ASSIST CLAIMANTS. (a) Except as provided
22 in par. (b), the department may do any of the following for the purpose of assisting
23 claimants to find or obtain work:

24 1. Use the information or materials provided under sub. (2) (a) 4. to assess a
25 claimant's efforts, skills, and ability to find or obtain work and to develop a list of

1 potential opportunities for a claimant to obtain suitable work. A claimant who
2 otherwise satisfies the requirement under sub. (2) (a) 3. is not required to apply for
3 any specific positions on the list in order to satisfy that requirement.

4 2. Require a claimant to participate in a public employment office workshop or
5 training program or in similar reemployment services that do not charge the
6 claimant a participation fee and that offer instruction to improve the claimant's
7 ability to obtain suitable work.

8 (b) This subsection does not apply with respect to a claimant who is exempt
9 from any of the requirements in sub. (2) (a) 2. or 3. in a given week.

INS
35-9
INS
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10 SECTION 60. 108.05 (3) (a) of the statutes is amended to read:

11 108.05 (3) (a) Except as provided in pars. (c), (d) and (dm) if an eligible employee
12 earns wages in a given week, the first \$30 of the wages shall be disregarded and the
13 employee's applicable weekly benefit payment shall be reduced by 67% of the
14 remaining amount, except that no such employee is eligible for benefits if the
15 employee's benefit payment would be less than \$5 for any week. For purposes of this
16 paragraph, "wages" includes ~~any salary reduction amounts earned that are not~~
17 ~~wages and that are deducted from the salary of a claimant by an employer pursuant~~
18 ~~to a salary reduction agreement under a cafeteria plan, within the meaning of 26~~
19 ~~USC 125, and any amount that a claimant would have earned in available work~~
20 ~~under s. 108.04 (1) (a) which is treated as wages under s. 108.04 (1) (bm), but excludes~~
21 ~~any amount that a claimant earns for services performed as a volunteer fire fighter,~~
22 ~~volunteer emergency medical technician, or volunteer first responder. In applying~~
23 ~~this paragraph, the department shall disregard discrepancies of less than \$2~~
24 ~~between wages reported by employees and employers.~~

25 SECTION 61. 108.06 (1) of the statutes is amended to read:

INS
35-24

SECTION 61

1 108.06 (1) Except as provided in ~~subs. sub. (6) and (7)~~ and ss. 108.141 and
2 108.142, no claimant may receive total benefits based on employment in a base
3 period greater than 26 times the claimant's weekly benefit rate under s. 108.05 (1)
4 or 40% of the claimant's base period wages, whichever is lower. Except as provided
5 in ~~subs. sub. (6) and (7)~~ and ss. 108.141 and 108.142, if a claimant's base period wages
6 are reduced or canceled under s. 108.04 (5) or (18), or suspended under s. 108.04 (1)
7 (f), (10) (a), or (17), the claimant may not receive total benefits based on employment
8 in a base period greater than 26 times the claimant's weekly benefit rate under s.
9 108.05 (1) or 40% of the base period wages not reduced, canceled or suspended which
10 were paid or payable to the claimant, whichever is lower.

11 **SECTION 62.** 108.06 (2) (c) of the statutes is amended to read:

12 108.06 (2) (c) No benefits are payable to a claimant for any week of
13 unemployment not occurring during the claimant's benefit year except under ~~sub. (7)~~
14 and ss. 108.141 and 108.142.

15 **SECTION 63.** 108.06 (2) (cm) of the statutes is amended to read:

16 108.06 (2) (cm) If an employee qualifies to receive benefits using the base period
17 described in s. 108.02 (4) (b), the wages used to compute the employee's benefit
18 entitlement are not available for use in any subsequent benefit computation for the
19 same employee, except under ~~sub. (7) and~~ s. 108.141 or 108.142.

20 **SECTION 64.** 108.06 (3) of the statutes is amended to read:

21 108.06 (3) There shall be payable to an employee, for weeks ending within the
22 employee's benefit year, only those benefits computed for that benefit year based on
23 the wages paid to the employee in the immediately preceding base period. Wages
24 used in a given benefit computation are not available for use in any subsequent
25 benefit computation except under ~~sub. (7) and~~ s. 108.141.

1 **SECTION 65.** 108.06 (6) (intro.) of the statutes is amended to read:

2 108.06 (6) (intro.) If a claimant has established a benefit year prior to the
3 effective date of any increase in the maximum weekly benefit rate provided under
4 s. 108.05 (1), the claimant has not exhausted his or her total benefit entitlement
5 under sub. (1) for that benefit year on that effective date, and the claimant was
6 entitled to receive the maximum weekly benefit rate under s. 108.05 (1) that was in
7 effect prior to that effective date, the limitation on the total benefits authorized to
8 be paid to a claimant under sub. (1) does not apply to that claimant in that benefit
9 year. Unless ~~sub. (7) or~~ s. 108.141 or 108.142 applies, the claimant's remaining
10 benefit entitlement in that benefit year for the period beginning on that effective date
11 shall be computed by:

12 **SECTION 66.** 108.06 (7) of the statutes is repealed.

13 **SECTION 67.** 108.10 (intro.) of the statutes is amended to read:

14 **108.10 Settlement of issues other than benefit claims.** (intro.) In
15 connection with any issue arising under this chapter as to the status or liability of
16 an employing unit in this state, for which no review is provided under s. 108.09 or
17 108.227 (5) and whether or not a penalty is provided in s. 108.24, the following
18 procedure shall apply:

19 **SECTION 68.** 108.16 (2) (g) and (h) of the statutes are amended to read:

20 108.16 (2) (g) Whenever the department receives a request of 2 or more
21 partnerships ~~or limited liability companies~~ consisting of the same partners ~~or~~
22 ~~members~~ to be treated as separate employers prior to October 1 of any year, the
23 department shall apportion the balance in any existing account of the partnerships
24 ~~or limited liability companies~~ among the separate employers on January 1 following
25 the date of receipt of the request in proportion to the payrolls incurred in the

WS 37-18 ✓

1 businesses operated by each of the employers in the 4 completed calendar quarters
2 ending on the computation date preceding the date of receipt of the request and shall
3 calculate the reserve percentage of each separate employer in accordance with the
4 proportion of the payroll attributable to that employer. Section 108.18 (2) is not made
5 applicable to the separate employers by reason of such treatment. For purposes of
6 s. 108.18 (7), the department shall treat the partnerships ~~or limited liability~~
7 ~~companies~~ as separate employers on November 1 preceding that January 1. For
8 purposes of s. 108.18 (7) (b) and (c), the department shall treat the separate
9 employers as existing employers on that January 1.

10 (h) Whenever, prior to October 1 of any year, the department receives a written
11 request by all partnerships ~~or limited liability companies~~ consisting of the same
12 partners ~~or members~~ which have elected to be treated as separate employers for the
13 partnerships ~~or limited liability companies~~ to be treated as a single employer, the
14 department shall combine the balances in the existing accounts of the separate
15 employers into a new account on January 1 following the date of receipt of the request
16 and shall calculate the reserve percentage of the single employer in accordance with
17 the combined payroll attributable to each of the separate employers in the 4
18 completed calendar quarters ending on the computation date preceding that
19 January 1. Section 108.18 (2) is not made applicable to the single employer by reason
20 of such treatment. For purposes of s. 108.18 (7), the department shall treat the
21 partnerships ~~or limited liability companies~~ as a single employer on November 1
22 preceding that January 1. For purposes of s. 108.18 (7) (b) and (c), the department
23 shall treat the single employer as an existing employer on that January 1.

24 **SECTION 69.** 108.14 (19) of the statutes is amended to read:

1 108.14 (19) On or about February 15 annually, the department shall prepare
 2 and furnish to the council on unemployment insurance a report summarizing the
 3 department's activities related to detection and prosecution of unemployment
 4 insurance fraud in the preceding year. The department shall include in the report
 5 information about audits conducted by the department under sub. 108.14 (20),
 6 including the number of audits performed, in the previous year.

7 SECTION 70. 108.14 (20) of the statutes is created to read:

8 108.14 (20) The department shall conduct random audits on claimants for
 9 benefits under this chapter to assess compliance with the work search requirements
 10 under s. 108.04 (2) (a) 3.

11 SECTION 71. 108.14 (21) of the statutes is created to read:

12 108.14 (21) The department shall maintain a portal on the Internet that allows
 13 employers to log in and file with the department complaints related to the
 14 administration of this chapter.

15 SECTION 72. 108.19 (1m) of the statutes is amended to read:

16 108.19 (1m) Each The department shall pay any interest due on advances from
 17 the federal unemployment account to the unemployment reserve fund under Title
 18 XII of the federal social security act (42 USC 1321 to 1324) by first applying any
 19 amount available for that purpose from the appropriation under s. 20.445 (1) (fx).
 20 If the amount appropriated under s. 20.445 (1) (fx) is insufficient to make full
 21 payment of the amount due for any year, the department shall then apply any
 22 unencumbered balance in the unemployment interest payment fund and any
 23 amounts paid under s. 108.20 (2m). If those amounts are insufficient to make full
 24 payment of the amount due for any year, the department shall require each employer
 25 subject to this chapter as of the date a rate is established under this subsection shall

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 INS 39-14A
 INS 39-14B

SECTION 72

1 to pay an assessment to the unemployment interest payment fund at a rate
2 established by the department sufficient to pay interest due on those advances from
3 ~~the federal unemployment account under title XII of the social security act (42 USC~~
4 ~~1321 to 1324)~~. The rate established by the department for employers who finance
5 benefits under s. 108.15 (2), 108.151 (2), or 108.152 (1) shall be 75% of the rate
6 established for other employers. The amount of any employer's assessment shall be
7 the product of the rate established for that employer multiplied by the employer's
8 payroll of the previous calendar year as taken from quarterly employment and wage
9 reports filed by the employer under s. 108.205 (1) or, in the absence of the filing of
10 such reports, estimates made by the department. Each assessment made under this
11 subsection is due on the 30th day commencing after the date on which notice of the
12 assessment is mailed by the department. If the amounts collected from employers
13 under this subsection are in excess of the amounts needed to pay interest due, the
14 department shall use any excess to pay interest owed in subsequent years on
15 advances from the federal unemployment account. If the department determines
16 that additional interest obligations are unlikely, the department shall transfer the
17 excess to the balancing account of the fund.

18 **SECTION 73.** 108.19 (1m) of the statutes, as affected by 2013 Wisconsin Act
19 (this act), is amended to read:

20 108.19 (1m) ~~The department shall pay any interest due on advances from the~~
21 ~~federal unemployment account to the unemployment reserve fund under Title XII of~~
22 ~~the federal social security act (42 USC 1321 to 1324) by first applying any amount~~
23 ~~available for that purpose from the appropriation under s. 20.445 (1) (fx). If the~~
24 ~~amount appropriated under s. 20.445 (1) (fx) is insufficient to make full payment of~~
25 ~~the amount due for any year, the department shall then apply any unencumbered~~

1 ~~balance in the unemployment interest payment fund and any amounts paid under~~
2 ~~s. 108.20 (2m). If those amounts are insufficient to make full payment of the amount~~
3 ~~due for any year, the department shall require each~~ Each employer subject to this
4 chapter as of the date a rate is established under this subsection ~~to shall~~ pay an
5 assessment to the unemployment interest payment fund at a rate established by the
6 department sufficient to pay interest due on ~~those~~ advances from the federal
7 unemployment account under Title XII of the social security act (42 USC 1321 to
8 1324). The rate established by the department for employers who finance benefits
9 under s. 108.15 (2), 108.151 (2), or 108.152 (1) shall be 75% of the rate established
10 for other employers. The amount of any employer's assessment shall be the product
11 of the rate established for that employer multiplied by the employer's payroll of the
12 previous calendar year as taken from quarterly employment and wage reports filed
13 by the employer under s. 108.205 (1) or, in the absence of the filing of such reports,
14 estimates made by the department. Each assessment made under this subsection
15 is due on the 30th day commencing after the date on which notice of the assessment
16 is mailed by the department. If the amounts collected from employers under this
17 subsection are in excess of the amounts needed to pay interest due, the department
18 shall use any excess to pay interest owed in subsequent years on advances from the
19 federal unemployment account. If the department determines that additional
20 interest obligations are unlikely, the department shall transfer the excess to the
21 balancing account of the fund.

22 **SECTION 74.** 108.205 (1) of the statutes is amended to read:

23 108.205 (1) Each employer shall file with the department, in such form as the
24 department by rule requires, a quarterly report showing the name, social security
25 number and wages paid to each employee who is employed by the employer in

1 employment with the employer during the quarter. ~~The department may also by rule~~
2 ~~require each employer to include in the report any salary reduction amounts that are~~
3 ~~not wages and that would have been paid to each such employee by the employer as~~
4 ~~salary during the quarter but for a salary reduction agreement under a cafeteria~~
5 ~~plan, within the meaning of 26 USC 125.~~ The employer shall file the report no later
6 than the last day of the month following the completion of each quarter.

7 **SECTION 75.** 108.21 (1) of the statutes is amended to read:

8 108.21 (1) Every employing unit which employs one or more individuals to
9 perform work in this state shall keep an accurate work record for each individual
10 employed by it, including full name, address and social security number, which will
11 permit determination of the weekly wages earned by each such individual, the wages
12 paid within each quarter to that individual ~~and the salary reduction amounts that~~
13 ~~are not wages and that would have been paid by the employing unit to that individual~~
14 ~~as salary but for a salary reduction agreement under a cafeteria plan, within the~~
15 ~~meaning of 26 USC 125.~~ Each such employing unit shall permit any authorized
16 representative of the department to examine, at any reasonable time, the work
17 record and any other records which may show any wages paid by the employing unit,
18 ~~or any salary reduction amounts that are not wages and that would have been paid~~
19 ~~by the employing unit as salary but for a salary reduction agreement under a~~
20 ~~cafeteria plan, within the meaning of 26 USC 125,~~ regardless of the format in which
21 such a record is maintained. If such a record is maintained by an employing unit in
22 machine-readable format, the employing unit shall provide the department with
23 information necessary to retrieve the record. If the department determines that the
24 employing unit is unable to provide access to such a record or that the retrieval
25 capability at the site where the record is maintained is not adequate for efficient

1 examination, the employing unit shall provide a copy of the record to the department
2 and shall allow the department to remove the copy from that site for such period as
3 will permit examination at another location. Each such employing unit shall furnish
4 to the department upon demand a sworn statement of the information contained in
5 any such record.

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

7 108.22 (1) (a) If Except as provided in par. (cm), if any employer, other than an
8 employer which has ceased business and has not paid or incurred a liability to pay
9 wages in any quarter following the cessation of business, is delinquent in making by
10 the assigned due date any payment to the department required of it under this
11 chapter, the employer shall pay interest on the delinquent payment at that monthly
12 rate that annualized is equal to 9 percent or to 2 percent more than the prime rate
13 as published in the Wall Street Journal as of September 30 of the preceding year,
14 whichever is greater, for each month or fraction thereof that the employer is
15 delinquent from the date such payment became due. If any such employer is
16 delinquent in making filing any quarterly report under s. 108.205 (1) by the assigned
17 due date, the employer shall pay department may assess a tardy filing fee of \$50 to
18 the employer for each delinquent quarterly report in the amount of \$100 or \$20 per
19 employee, as reported on the employer's most recent quarterly report, whichever is
20 greater, or, if the report is filed within 30 days of its due date, in the amount of \$50.
21 If the department cannot determine the number of the employer's employees from
22 the employer's most recent quarterly report, the department may reasonably
23 estimate the number of the employer's employees for purposes of this paragraph.

24 **SECTION 77.** 108.22 (1) (cm) of the statutes is created to read:

1 108.22 (1) (cm) In limited circumstances as prescribed by rule of the
2 department, the department may waive or decrease the interest charged under par.
3 (a).

4 **SECTION 78.** 108.223 of the statutes is created to read:

5 **108.223 Financial record matching program. (1) DEFINITIONS.** In this
6 section:

7 (a) “Account” means a demand deposit account, checking account, negotiable
8 withdrawal order account, savings account, time deposit account, or money market
9 mutual fund account.

10 (b) “Debtor” has the meaning given in s. 108.225 (1) (c).

11 (c) “Financial institution” has the meaning given in 12 USC 3401 (1).

12 **(2) MATCHING PROGRAM AND AGREEMENTS.** (a) The department shall operate a
13 financial record matching program under this section for the purpose of identifying
14 the assets of debtors.

15 (b) The department shall enter into agreements with financial institutions
16 doing business in this state to operate the financial record matching program under
17 this section. An agreement shall require the financial institution to participate in
18 the financial record matching program by electing either the financial institution
19 matching option under sub. (3) or the state matching option under sub. (4). The
20 financial institution and the department may by mutual agreement make changes
21 to the agreement. A financial institution that wishes to choose a different matching
22 option shall provide the department with at least 60 days notice. The department
23 shall furnish the financial institution with a signed copy of the agreement.

24 (c) The department may reimburse a financial institution up to \$125 per
25 calendar quarter for participating in the financial record matching program under

1 this section. The department shall make reimbursements under this paragraph
2 from the appropriation under s. 20.445 (1) (n).

3 (d) To the extent feasible, the information to be exchanged under the matching
4 program shall be provided by electronic data exchange as prescribed by the
5 department in the agreement under par. (b).

6 **(3) FINANCIAL INSTITUTION MATCHING OPTION.** If a financial institution with
7 which the department has an agreement under sub. (2) elects the financial
8 institution matching option under this subsection, all of the following apply:

9 (a) At least once each calendar quarter, the department shall provide to the
10 financial institution, in the manner specified in the agreement under sub. (2) (b),
11 information regarding debtors. The information shall include names and social
12 security or other taxpayer identification numbers.

13 (b) Based on the information received under par. (a), the financial institution
14 shall take actions necessary to determine whether any debtor has an ownership
15 interest in an account maintained at the financial institution. If the financial
16 institution determines that a debtor has an ownership interest in an account at the
17 financial institution, the financial institution shall provide the department with a
18 notice containing the debtor's name, address of record, social security number or
19 other taxpayer identification number, and account information. The account
20 information shall include the account number, the account type, the nature of the
21 ownership interest in the account, and the balance of the account at the time that the
22 record match is made. The notice under this paragraph shall be provided in the
23 manner specified in the agreement under sub. (2) (b) and, to the extent feasible, by
24 an electronic data exchange.

1 **(4) STATE MATCHING OPTION.** If a financial institution with which the department
2 has an agreement under sub. (2) elects the state matching option under this
3 subsection, all of the following apply:

4 (a) At least once each calendar quarter, the financial institution shall provide
5 the department with information concerning all accounts maintained at the
6 financial institution. For each account maintained at the financial institution, the
7 financial institution shall notify the department of the name and social security
8 number or other tax identification number of each person having an ownership
9 interest in the account, together with a description of each person's interest. The
10 information required under this paragraph shall be provided in the manner specified
11 in the agreement under sub. (2) (b) and, to the extent feasible, by an electronic data
12 exchange.

13 (b) The department shall take actions necessary to determine whether any
14 debtor has an ownership interest in an account maintained at the financial
15 institution providing information under par. (a). Upon the request of the
16 department, the financial institution shall provide to the department, for each
17 debtor who matches information provided by the financial institution under par. (a),
18 the address of record, the account number and account type, and the balance of the
19 account.

20 **(5) USE OF INFORMATION BY FINANCIAL INSTITUTION; PENALTY.** A financial
21 institution participating in the financial record matching program under this
22 section, and the employees, agents, officers, and directors of the financial institution,
23 may use information received from the department under sub. (3) only for the
24 purpose of matching records and may use information provided by the department
25 in requesting additional information under sub. (4) only for the purpose of providing

1 the additional information. Neither the financial institution nor any employee,
2 agent, officer, or director of the financial institution may disclose or retain
3 information received from the department concerning debtors. Any person who
4 violates this subsection may be fined not less than \$50 nor more than \$1,000 or
5 imprisoned in the county jail for not less than 10 days or more than one year or both.

6 (6) USE OF INFORMATION BY DEPARTMENT. The department may use information
7 provided by a financial institution under this section only for matching records under
8 sub. (4), for administering the financial record matching program under this section,
9 and for pursuing the collection of amounts owed to the department by debtors. The
10 department may not disclose or retain information received from a financial
11 institution under this section concerning account holders who are not debtors.

12 (7) FINANCIAL INSTITUTION LIABILITY. A financial institution is not liable to any
13 person for disclosing information to the department in accordance with an
14 agreement under this section or for any other action that the financial institution
15 takes in good faith to comply with this section.

16 SECTION 79. 108.227 of the statutes is created to read:

17 **108.227 License denial, nonrenewal, discontinuation, suspension and**
18 **revocation based on delinquent unemployment insurance contributions.**

19 (1) DEFINITIONS. In this section:

20 (a) "Contribution" includes contributions under ss. 108.17 and 108.18, interest
21 for a nontimely payment or a fee assessed on an employer, an assessment under s.
22 108.19, any payment due for a forfeiture imposed upon an employing unit under s.
23 108.04 (11) (c), and any other penalty assessed by the department under this chapter
24 against an employing unit.

1 (b) “Credential” has the meaning given in s. 440.01 (2) (a), but does not include
2 a registration as an inactive licensee under s. 452.12 (6) (b).

3 (c) “Credentialing board” means a board, examining board or affiliated
4 credentialing board in the department of safety and professional services that grants
5 a credential.

6 (d) “Liable for delinquent contributions” means that a person has exhausted
7 all of the person’s remedies under s. 108.10 to challenge the assertion that the person
8 owes the department any contributions and the person is delinquent in the payment
9 of those contributions.

10 (e) “License” means any of the following:

11 1. An approval specified in s. 29.024 (2r) or a license specified in s. 169.35.

12 2. A license issued by the department of children and families under s. 48.66
13 (1) (a) to a child welfare agency, group home, shelter care facility, or child care center,
14 as required by s. 48.60, 48.625, 48.65, or 938.22 (7).

15 3. A license, certificate of approval, provisional license, conditional license,
16 certification, certification card, registration, permit, training permit or approval
17 specified in s. 50.35, 50.49 (6) (a) or (10), 51.038, 51.04, 51.42 (7) (b) 11., 51.421 (3)
18 (a), 51.45 (8), 146.40 (3) or (3m), 252.23 (2), 252.24 (2), 254.176, 254.20 (3), 255.08 (2)
19 (a), 256.15 (5) (a) or (b), (6g) (a), (7), or (8) (a) or (f) or 343.305 (6) (a) or a permit for
20 operation of a campground specified in s. 254.47 (1).

21 5. A license, as defined in s. 101.02 (20) (a).

22 6. A license or certificate of registration issued by the department of financial
23 institutions, or a division of it, under ss. 138.09, 138.12, 138.14, 217.06, 218.0101 to
24 218.0163, 218.02, 218.04, 218.05, 224.72, 224.725, 224.93 or under subch. IV of ch.
25 551.

1 7. A license described in s. 218.0114 (14) (a) and (g), a license described in s.
2 218.0114 (14) (b), (c) or (e), a license issued under s. 218.11, 218.12, 218.22, 218.32,
3 218.41, 343.61 or 343.62, a buyer identification card issued under s. 218.51 or a
4 certificate of registration issued under s. 341.51.

5 7m. A license issued under s. 562.05 or 563.24.

6 8. A license, registration or certification specified in s. 299.07 (1) (a).

7 9. A credential.

8 10. A license or permit granted by the department of public instruction.

9 11. A license to practice law.

10 12. A license issued under s. 628.04, 632.69 (2), or 633.14 or a temporary license
11 issued under s. 628.09.

12 13. A license issued by the government accountability board under s. 13.63 (1).

13 14. A permit under s. 170.12.

14 15. A certificate under s. 73.03 (50) or a certification under s. 73.09.

15 (f) “Licensing department” means the department of administration; the board
16 of commissioners of public lands; the department of children and families; the
17 government accountability board; the department of financial institutions; the
18 department of health services; the department of natural resources; the department
19 of public instruction; the department of revenue; the department of safety and
20 professional services; the office of the commissioner of insurance; or the department
21 of transportation.

22 (g) “Nondelinquency certificate” means a certificate that the department of
23 workforce development issues to a person and that states that the person is not liable
24 for delinquent contributions.