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To the Honorable Members of the Senate:

I have approved Senate Bill 200 as 2013 Wisconsin Act 36 and have deposited it in the Office of the Secretary of State. I have exercised the partial veto in Sections 24, 25, 26, 108 as it relates to certificates under s. 73.03(50), and 238 as it relates to ss. 73.0302 (title), 73.0302(5) and 73.0302(6).

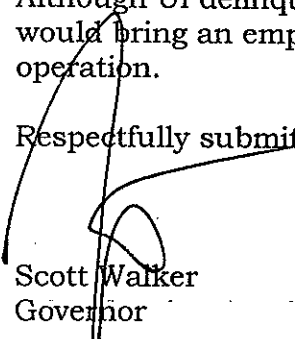
Senate Bill 200 contains a number of reforms to the unemployment insurance law (UI) that will reduce fraud and waste, provide more clarity for employers and result in savings to the unemployment reserve fund. Among the many significant policies in this bill are provisions that require various state departments to revoke or deny licenses or certificates for licensees or applicants that are delinquent in UI contributions upon request of the Department of Workforce Development (DWD). These provisions are an important mechanism for recouping delinquent UI contributions and ensuring the health of the unemployment reserve fund. This partial veto protects the integrity of these important provisions. However, the bill includes Business Tax Registration (BTR) certificates among those that may be revoked or denied for unemployment insurance delinquency.

I have exercised the partial veto in Sections 24, 25, 26, 108 as it relates to certificates under s. 73.03(50), and 238 as it relates to ss. 73.0302 (title), 73.0302(5) and 73.0302(6) because the inclusion of BTR certificates in the licensure revocation and denial for UI contribution delinquency provisions of the bill is unnecessarily broad.

All businesses in the state are required to hold BTR certificates in order to operate and as such, inclusion of this certification is excessively far-reaching. Further, a revocation of a BTR certificate requires the business to close and lay off any employees. If DWD pursues revocation of a BTR certificate, the Department of Revenue could be required to shut down a business for unemployment insurance issues. If a business is closed due to revocation of a BTR certificate, the business would no longer be able to pay its debts to DOR or any other state agency.

Although UI delinquency is a serious issue, there are other tools available to DWD that would bring an employer into compliance without jeopardizing the business' entire operation.

Respectfully submitted,


Scott Walker
Governor

Date: July 8, 2013