1 **Section 320.** 102.835 (7) (b) of the statutes is amended to read: 102.835 (7) (b) The department office may refund or credit any amount left 2 3 after the applications under par. (a), upon submission of a claim for a refund or credit 4 and satisfactory proof of the claim, to the person entitled to that amount. History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185. 5 **Section 321.** 102.835 (8) of the statutes is amended to read: 6 102.835 (8) Release of Levy. The department office may release the levy upon 7 all or part of property levied upon to facilitate the collection of the liability or to grant 8 relief from a wrongful levy, but that release does not prevent any later levy. History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185. 9 **Section 322.** 102.835 (9) of the statutes is amended to read: 102.835 (9) Wrongful Levy. If the department office determines that property 10 has been wrongfully levied upon, the department office may return the property at 11 12 any time, or may return an amount of money equal to the amount of money levied 13 upon. History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185. 14 **Section 323.** 102.835 (10) of the statutes is amended to read: 102.835 (10) Preservation of remedies. The availability of the remedy under 15 this section does not abridge the right of the department office to pursue other 16 17 remedies. History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185. 18 **Section 324.** 102.835 (12) of the statutes is amended to read: 19 102.835 (12) Notice before Levy. If no proceeding for review permitted by law is pending, the department office shall make a demand to the debtor for payment of 20 21 the debt which that is subject to levy and give notice that the department office may 22 pursue legal action for collection of the debt against the debtor. The department office shall make the demand for payment and give the notice at least 10 days prior 23

to the levy, personally or by any type of mail service which that requires a signature
of acceptance, at the address of the debtor as it appears on the records of the
department office. The demand for payment and notice shall include a statement of
the amount of the debt, including costs and fees, and the name of the debtor who is
liable for the debt. The debtor's failure to accept or receive the notice does not prevent
the department office from making the levy. Notice prior to levy is not required for
a subsequent levy on any debt of the same debtor within one year after the date of
service of the original levy.

History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185.

Section 325. 102.835 (13) (a) of the statutes is amended to read:

102.835 (13) (a) The department office shall serve the levy upon the debtor and 3rd party by personal service or by any type of mail service which that requires a signature of acceptance.

History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185.

Section 326. 102.835 (13) (c) of the statutes is amended to read:

102.835 (13) (c) The department representative of the office who serves the levy shall certify service of process on the notice of levy form and the person served shall acknowledge receipt of the certification by signing and dating it. If service is made by mail, the return receipt is the certificate of service of the levy.

History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185.

Section 327. 102.835 (14) of the statutes is amended to read:

102.835 (14) Answer by 3RD Party. Within 20 days after the service of the levy upon a 3rd party, the 3rd party shall file an answer with the department office stating whether the 3rd party is in possession of or obligated with respect to property or rights to property of the debtor, including a description of the property or the rights to property and the nature and dollar amount of any such obligation. If the 3rd party

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is an insurance company, the insurance company shall file an answer with the department office within 45 days after the service of the levy.

History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185.

SECTION 328. 102.835 (19) of the statutes is amended to read:

102.835 (19) Hearing. Any debtor who is subject to a levy proceeding made by
the department office may request a hearing under s. 102.17 to review the levy
proceeding. The hearing is limited to questions of prior payment of the debt that the
department office is proceeding against, and mistaken identity of the debtor. The
levy is not stayed pending the hearing in any case in which property is secured
through the levy.

History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185.

SECTION 329. 102.85 (2) (a) of the statutes is amended to read:

11 102.85 (2) (a) Gives false information about the coverage to his or her 12 employees, the department office, or any other person who contracts with the 13 employer and who requests evidence of worker's compensation coverage in relation 14 to that contract.

History: 1989 a. 64; 1993 a. 81; 1995 a. 201; 1997 a. 283; 2001 a. 109; 2003 a. 33, 139, 326.

SECTION 330. 102.85 (5) (a) of the statutes is amended to read:

102.85 (5) (a) The payment of any judgment under this section may be suspended or deferred for not more than 90 days in the discretion of the court. The court shall suspend a judgment under this section upon the motion of the department office, if the department office is satisfied that the employer's violation of s. 102.16 (3) or 102.28 (2) was beyond the employer's control and that the employer is no longer violates in violation of s. 102.16 (3) or 102.28 (2). In cases where If a deposit has been made, any forfeitures, surcharges, fees, and costs imposed under ch. 814 shall be taken out of the deposit and the balance, if any, returned to the employer.

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1	SECTION 331. 102.87 (1) of the statutes is renumbered 102.87 (1m).
2	SECTION 332. 102.87 (1d) of the statutes is created to read:
3	102.87 (1d) In this section, "deputy" means any person employed by the office
4	who is designated as a deputy, who possesses special, technical, scientific,
5	managerial or personal abilities or qualities in matters within the jurisdiction of the
6	office, and who may be engaged in the performance of duties under the direction of
7	the commissioner, calling for the exercise of those abilities or qualities.
8	Section 333. 102.87 (2) (intro.) of the statutes is amended to read:
. 9	102.87 (2) (intro.) A citation under this section shall be signed by a department
10	deputy, or by an officer who has authority to make arrests for the violation, and shall
11	contain substantially the following information:
12	History: 1989 a. 64; 1997 a. 27; 1999 a. 14; 2003 a. 139; 2005 a. 172. SECTION 334. 102.87 (2) (b) of the statutes is amended to read:
13	102.87 (2) (b) The name and office or department of the issuing department
14	deputy or officer.
15	History: 1989 a. 64; 1997 a. 27; 1999 a. 14; 2003 a. 139; 2005 a. 172. SECTION 335. 102.87 (3) of the statutes is amended to read:
16	102.87 (3) A defendant issued a citation under this section may deposit the
17	amount of money that the issuing department deputy or officer directs by mailing or
18	delivering the deposit and a copy of the citation before the court appearance date to
19	the clerk of the circuit court in the county where the violation occurred, to the
20	department office, or to the sheriff's office or police headquarters of the officer who
21	issued the citation. The basic amount of the deposit shall be determined under a

deposit schedule established by the judicial conference. The judicial conference shall

annually review and revise the schedule. In addition to the basic amount determined

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1 by the schedule, the deposit shall include the costs, fees, and surcharges imposed $\mathbf{2}$ under ch. 814.

History: 1989 a. 64; 1997 a. 27; 1999 a. 14; 2003 a. 139; 2005 a. 172.

SECTION 336. 102.87 (9) of the statutes is amended to read:

102.87 (9) A department deputy or an officer who collects under this section a forfeiture and costs, fees, and surcharges imposed under ch. 814 under this section shall pay the money to the county treasurer within 20 days after its receipt. If the department deputy or officer fails to make timely payment, the county treasurer may collect the payment from the department deputy or officer by an action in the treasurer's name of office and upon the official bond of the department deputy or officer, with interest at the rate of 12% 12 percent per year from the time when it the payment should have been paid made.

History: 1989 a. 64; 1997 a. 27; 1999 a. 14; 2003 a. 139; 2005 a. 172.

SECTION 337. 102.88 (1) of the statutes is amended to read:

102.88 (1) When a person is convicted of any violation of this chapter or of any department rule or order of the office, and it is alleged in the indictment, information, or complaint, and proved or admitted on trial or ascertained by the court after conviction that the person was previously subjected to a fine or forfeiture within a period of 5 years under s. 102.85, the person may be fined not more than \$2,000 or imprisoned for not more than 90 days or both.

History: 1989 a. 64; 1991 a. 85. **Section 338.** 102.89 (1) of the statutes is amended to read:

102.89 (1) Whoever is concerned in the commission of a violation of this chapter or of any department rule or order of the office under this chapter for which a forfeiture is imposed is a principal and may be charged with and convicted of the

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violation although he or she did not directly commit it the violation and although the person who directly committed it the violation has not been convicted of the violation.

History: 1989 a. 64.

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Section 339. 108.227 (1) (e) 16. of the statutes is created to read:

108.227 (1) (e) 16. A license issued by the division of hearings and appeals in
the department of administration under s. 102.17 (1) (c).

Section 340. 108.227 (1m) (intro.) of the statutes is amended to read:

108.227 (1m) GENERAL PROVISIONS. (intro.) The department shall promulgate rules specifying procedures to be used before taking action under sub. (3) (b) or s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4) with respect to a person whose license or credential is to be denied, not renewed, discontinued, suspended, or revoked, including rules with respect to all of the following:

13 Cross-reference: Cross-reference: Cross-reference: See also ch. DWD 114, Wis. adm. code. Cross-reference: History: 2013 a. 36, 276, 357.

Section 341. 108.227 (3) (a) 3. of the statutes is amended to read:

108.227 (3) (a) 3. Upon the request of any person whose license or certificate has been previously revoked or denied under s. 102.17 (1) (et), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), reinstate the license or certificate if the applicant is not liable for delinquent contributions.

History: 2013 a. 36, 276, 357.

Section 342. 108.227 (5) (a) of the statutes is amended to read:

108.227 (5) (a) The department of workforce development shall conduct a hearing requested by a license holder or applicant for a license or license renewal or continuation under sub. (2) (b) 1. b., or as requested under s. 102.17 (1) (ct), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), to review a certification or determination of contribution delinquency that is the basis of a

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denial, suspension, or revocation of a license or certificate in accordance with this section or an action taken under s. 102.17 (1) (et), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4). A hearing under this paragraph is limited to questions of mistaken identity of the license or certificate holder or applicant and of prior payment of the contributions that the department of workforce development certified or determined the license or certificate holder or applicant owes the department. At a hearing under this paragraph, any statement filed by the department of workforce development, the licensing department, or the supreme court, if the supreme court agrees, may be admitted into evidence and is prima facie evidence of the facts that it contains. Notwithstanding ch. 227, a person entitled to a hearing under this paragraph is not entitled to any other notice, hearing, or review, except as provided in sub. (6).

History: 2013 a. 36, 276, 357.

Section 343. 108.227 (5) (b) 1. of the statutes is amended to read:

applicant for a license or license renewal or continuation if the department determines that the license holder or applicant is not liable for delinquent contributions. For a hearing requested in response to an action taken under s. 102.17 (1) (et), 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), the department shall grant a license or certificate or reinstate a license or certificate if the department determines that the applicant for or the holder of the license or certificate is not liable for delinquent contributions, unless there are other grounds for denying the application or revoking the license or certificate.

History: 2013 a. 36, 276, 357.

108.227 (5) (b) 2. Provide notice that the department of workforce development
has affirmed its certification of contribution delinquency to a license holder; to an
applicant for a license, a license renewal, or a license continuation; and to the
licensing department or the supreme court, if the supreme court agrees. For a
hearing requested in response to an action taken under s. 102.17 (1) (et), 103.275 (2)
(bt),103.34(10)(d),103.91(4)(d),103.92(8),104.07(7),or105.13(4),thedepartment
of workforce development shall provide notice to the license or certificate holder or
applicant that the department of workforce development has affirmed its
determination of contribution delinquency.

History: 2013 a. 36, 276, 357.

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SECTION 345. 227.43 (1) (bm) of the statutes is created to read:

11 227.43 (1) (bm) Assign a hearing examiner to preside over any hearing or review of a worker's compensation claim or other dispute under ch. 102.

SECTION 346. 227.43 (2) (am) of the statutes is created to read:

227.43 (2) (am) The office of the commissioner of insurance shall notify the division of hearings and appeals of every pending hearing to which the administrator of the division is required to assign a hearing examiner under sub. (1) (bm) after the office of the commissioner of insurance is notified that a hearing on the matter is required.

Section 347. 227.43 (3) (bm) of the statutes is created to read:

227.43 (3) (bm) The administrator of the division of hearings and appeals may set the fees to be charged for any services rendered to the office of the commissioner of insurance by a hearing examiner under this section. The fee shall cover the total cost of the services less any costs covered by the appropriation under s. 20.505 (4) (f).

Section 348. 227.43 (4) (bm) of the statutes is created to read:

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227.43 (4) (bm) The office of the commissioner of insurance shall pay all costs of the services of a hearing examiner assigned under sub. (1) (bm), according to the fees set under sub. (3) (bm).

History: 1977 c. 418; 1981 c. 20 s. 2202 (1) (b); 1983 a. 27; 1985 a. 182 ss. 16 to 18, 29, 31; Stats. 1985 s. 227.43; 1993 a. 16; 1995 a. 370; 1997 a. 3, 27; 1999 a. 9, 31, 185, 186; 2003 a. 118; 2005 a. 465; 2007 a. 20 ss. 2998 to 3001, 9121 (6) (a); 2013 a. 115.

SECTION 349. 230.08 (2) (e) 6. of the statutes is amended to read:

230.08 **(2)** (e) 6. Workforce development — 9.8.

History: 1971 c. 40, 270; 1973 c. 333, 335; 1977 c. 29, 187; 1977 c. 196 ss. 34, 108, 130 (5); 1977 c. 272, 418, 449; Stats. 1977 s. 230.08; 1979 c. 34, 189, 221, 356, 361; 1981 c. 20, 347, 374; 1983 a. 27 ss. 16050 to 1609am, 2200 (15); 1983 a. 189 s. 329 (27); 1983 a. 371, 378; 1985 a. 29; 1987 a. 27, 119, 204, 354, 399, 403; 1989 a. 31, 107, 119, 122, 169, 208, 219, 336; 1991 a. 39, 250, 269; 1993 a. 16, 349, 399; 1995 a. 27 ss. 6245 to 6277m, 9126 (19), 9130 (4); 1995 a. 216; 1997 a. 3, 27, 179, 194, 237; 1999 a. 9, 42, 87, 186; 2001 a. 16, 19, 109; 2003 a. 33 ss. 2392 to 2407b, 9160; 2003 a. 91, 326; 2005 a. 22, 25; 2007 a. 1; 2007 a. 20 ss. 3006 to 3014, 9121 (6) (a); 2009 a. 28; 2011 a. 10, 32, 38, 155; 2013 a. 20 ss. 2000 to 2010, 2365m, 9448; 2013 a. 166.

Section 350. 303.07 (7) of the statutes is amended to read:

303.07 (7) If any inmate of a reforestation camp, in the performance of work in connection with the maintenance of the camp, is injured so as to be permanently incapacitated, or to have materially reduced earning power, the inmate may upon discharge be allowed and paid such compensation as the department of workforce development office of the commissioner of insurance finds the inmate entitled to. The inmate shall be compensated on the same basis as if the injury had been covered by ch. 102, except that the total paid to any such the inmate shall not exceed \$1,000 and may be paid in installments. If the inmate is from an adjoining county such that county shall pay such the compensation. In case of dispute the procedure for hearing, award, and appeal shall be as set forth in ss. 102.16 to 102.26.

17 Cross-reference: Cross-reference: See also LHRC, Wis. adm. code. Cross-reference:

History: 1971 c. 164 s. 85; 1973 c. 198; 1975 c. 147 s. 54; 1975 c. 199, 430; 1977 c. 29; 1977 c. 418 s. 924 (18) (e); 1983 a. 66, 528; 1985 a. 29 s. 3202 (23); 1989 a. 31 s. 1688; Stats. 1989 s. 303.07; 1993 a. 194; 1995 a. 27 s. 9130 (4); 1997 a. 3, 133.

SECTION 351. 303.21 (1) (a) of the statutes is amended to read:

303.21 (1) (a) If an inmate of a state institution, in the performance of assigned work is injured so as to be permanently incapacitated or to have materially reduced earning power, the inmate may, upon being released from such institution, either upon release on parole or extended supervision or upon final discharge, be allowed and paid such compensation as the department of workforce development office of

the commissioner of insurance finds the inmate entitled to. The inmate shall be
compensated on the same basis as if the injury had been covered by ch. 102, except
that the total paid to any inmate may not exceed \$10,000 and may be paid in
installments. If the injury results from employment in a prison industry, the
payment shall be made from the revolving appropriation for its operation. If there
is no revolving appropriation, payment shall be made from the general fund. In case
of dispute, the procedure for hearing, award, and appeal shall be as set forth in ss
102.16 to 102.26.

History: 1975 c. 147 s. 54; 1975 c. 199; 1977 c. 29, 195; 1981 c. 20; 1985 a. 29; 1989 a. 31 s. 1696; Stats. 1989 s. 303.21; 1993 a. 81; 1995 a. 27 ss. 6400, 6401, 9130 (4); 1995 a. 416; 1997 a. 3, 283.

Section 352. 601.415 (13) of the statutes is created to read:

601.415 (13) WORKER'S COMPENSATION ADMINISTRATION. The commissioner shall perform the duties specified to be performed by the commissioner in ch. 102.

Section 353. 626.12 (3) of the statutes is amended to read:

626.12 (3) Physical impairment. Rates or rating plans may not take into account the physical impairment of employees. Any employer who applies or promotes any oppressive plan of physical examination and rejection of employees or applicants for employment shall forfeit the right to experience rating. If the department of workforce development office determines that grounds exist for such forfeiture it, the office shall file with the commissioner a certified copy of its findings, which shall automatically suspend any experience rating credit for the employer. The department office shall make the determination as prescribed in the same manner as the department of workforce development makes determinations under ss. 103.005 (5) (b) to (f), (6) to (11), (13) (b) to (d), and (16), so far as such subsections

those provisions are applicable, subject to review under ch. 227. Restoration of an employer to the advantages of experience rating shall be by the same procedure.

History: 1975 c. 148; 1995 a. 27 ss. 7037, 9130 (4); 1997 a. 3.

SECTION 354. 626.32 (1) (a) of the statutes is amended to read:

626.32 (1) (a) General. Every insurer writing any insurance specified under s. 626.03 shall report its insurance in this state to the bureau at least annually, on forms and under rules prescribed by the bureau. The bureau shall file, under rules promulgated by the department of workforce development office, a record of such reports with that department the office. No such information contained in those reports may be made public by the bureau or any of its employees except as required by law and in accordance with its rules. No such information contained in those reports may be made public by the department of workforce development office or any of its employees except as authorized by the bureau.

History: 1975 c. 148, 199; 1995 a. 27 s. 9130 (4); 1997 a. 3; 2001 a. 37.

SECTION 355. 645.47 (1) (a) of the statutes is amended to read:

645.47 (1) (a) General requirements. The liquidator shall give notice of the liquidation order as soon as possible by first class mail and either by telegram or telephone to the insurance commissioner of each jurisdiction in which the insurer is licensed to do business, by first class mail and by telephone to the department of workforce development of this state if the insurer is or has been an insurer of worker's compensation, by first class mail to all insurance agents having a duty under s. 645.48, by first class mail to the director of state courts under s. 601.53 (1), if the insurer does a surety business, and by first class mail at the last–known address to all persons known or reasonably expected from the insurer's records to have claims against the insurer, including all policyholders. The liquidator also shall publish a class 3 notice, under ch. 985, in a newspaper of general circulation in the

county in which the liquidation is pending or in Dane County, the last publication to
be not less than 3 months before the earliest deadline specified in the notice under
sub. (2).

History: 1971 c. 164 s. 85; 1975 c. 147 s. 54; 1975 c. 199; 1975 c. 375 s. 44; 1979 c. 93, 109; 1987 a. 325; 1991 a. 144; 1995 a. 27 s. 9130 (4); 1995 a. 225; 1997 a. 3. SECTION 9151. Nonstatutory provisions; Workforce Development.

- (1) Transfer of worker's compensation administrative functions.
- (a) Assets and liabilities. On the effective date of this paragraph, the assets and liabilities of the department of workforce development that are primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, shall become the assets and liabilities of the office of the commissioner of insurance.
- (b) Positions and employees. On the effective date of this paragraph, all positions and all incumbent employees holding those positions in the department of workforce development performing duties that are primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, are transferred to the office of the commissioner of insurance.
- (c) *Employee status*. Employees transferred under paragraph (b) have all the rights and the same status under subchapter V of chapter 111 and chapter 230 of the statutes in the office of the commissioner of insurance that they enjoyed in the department of workforce development immediately before the transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so transferred who has attained permanent status in class is required to serve a probationary period.
- (d) Tangible personal property. On the effective date of this paragraph, all tangible personal property, including records, of the department of workforce

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- development that is primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, is transferred to the office of the commissioner of insurance.
- (e) *Pending matters*. Any matter pending with the department of workforce development on the effective date of this paragraph that is primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, is transferred to the office of the commissioner of insurance. All materials submitted to or actions taken by the department of workforce development with respect to the pending matter are considered as having been submitted to or taken by the office of the commissioner of insurance.
- (f) Contracts. All contracts entered into by the department of workforce development in effect on the effective date of this paragraph that are primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, remain in effect and are transferred to the office of the commissioner of insurance. The office of the commissioner of insurance shall carry out any obligations under those contracts unless modified or rescinded by the office of the commissioner of insurance to the extent allowed under the contract.
- (g) Rules and orders. All rules promulgated by the department of workforce development in effect on the effective date of this paragraph that are primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, remain in effect until their specified expiration dates or until amended or repealed by the office of the commissioner of insurance. All orders issued by the department of workforce

development in effect on the effective date of this paragraph that are primarily related to the administrative functions of the division of worker's compensation in that department, as determined by the secretary of administration, remain in effect until their specified expiration dates or until modified or rescinded by the office of the commissioner of insurance.

- (2) Transfer of worker's compensation adjudicatory functions.
- (a) Assets and liabilities. On the effective date of this paragraph, the assets and liabilities of the department of workforce development that are primarily related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, shall become the assets and liabilities of the division of hearings and appeals in the department of administration.
- (b) Positions and employees. On the effective date of this paragraph, all positions and all incumbent employees holding those positions in the department of workforce development performing duties that are primarily related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, are transferred to the division of hearings and appeals in the department of administration.
- (c) Employee status. Employees transferred under paragraph (b) have all the rights and the same status under subchapter V of chapter 111 and chapter 230 of the statutes in the division of hearings and appeals in the department of administration that they enjoyed in the department of workforce development immediately before the transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so transferred who has attained permanent status in class is required to serve a probationary period.

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- (d) Tangible personal property. On the effective date of this paragraph, all tangible personal property, including records, of the department of workforce development that is primarily related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, is transferred to the division of hearings and appeals in the department of administration.
- (e) Pending matters. Any matter pending with the department of workforce development on the effective date of this paragraph that is primarily related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, is transferred to the division of hearings and appeals in the department of administration. All materials submitted to or actions taken by the department of workforce development with respect to the pending matter are considered as having been submitted to or taken by the division of hearings and appeals in the department of administration.
- development in effect on the effective date of this paragraph that are primarily related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, remain in effect and are transferred to the division of hearings and appeals in the department of administration. The division of hearings and appeals in the department of administration shall carry out any obligations under those contracts unless modified or rescinded by the division of hearings and appeals in the department of administration to the extent allowed under the contract.
- (g) Rules and orders. All rules promulgated by the department of workforce development in effect on the effective date of this paragraph that are primarily

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related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, remain in effect until their specified expiration dates or until amended or repealed by the administrator of the division of hearings and appeals in the department of administration. All orders issued by the department of workforce development in effect on the effective date of this paragraph that are primarily related to the adjudicatory functions of the division of worker's compensation in that department, as determined by the secretary of administration, remain in effect until their specified expiration dates or until modified or rescinded by the administrator of the division of hearings and appeals in the department of administration.

- (3) Transfer of council on worker's compensation.
- (a) Tangible personal property. On the effective date of this paragraph, all tangible personal property, including records, of the department of workforce development that is primarily related to the functions of the council on worker's compensation, as determined by the secretary of administration, is transferred to the office of the commissioner of insurance.
- (b) Contracts. All contracts entered into by the department of workforce development in effect on the effective date of this paragraph that are primarily related to the functions of the council on worker's compensation, as determined by the secretary of administration, remain in effect and are transferred to the office of the commissioner of insurance. The office of the commissioner of insurance shall carry out any obligations under those contracts unless modified or rescinded by the office of the commissioner of insurance to the extent allowed under the contract.
 - (4) Transfer of self-insurers council.

(a) Tangible personal property. On the effective date of this paragraph, all
tangible personal property, including records, of the department of workforce
development that is primarily related to the functions of the self-insurers council,
as determined by the secretary of administration, is transferred to the office of the
commissioner of insurance.

(b) Contracts. All contracts entered into by the department of workforce development in effect on the effective date of this paragraph that are primarily related to the functions of the self-insurers council, as determined by the secretary of administration, remain in effect and are transferred to the office of the commissioner of insurance. The office of the commissioner of insurance shall carry out any obligations under those contracts unless modified or rescinded by the office of the commissioner of insurance to the extent allowed under the contract.

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(END)

D-1/8/t

2015–2016 DRAFTING INSERT FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0610/P1ins GMM.....

(INSERT 15-10)

SECTION 1. 102.12 of the statutes is amended to read:

102.12 Notice of injury, exception, laches. No claim for compensation may be maintained unless, within 30 days after the occurrence of the injury or within 30 days after the employee knew or ought to have known the nature of his or her disability and its relation to the employment, actual notice was received by the employer or by an officer, manager, or designated representative of an employer. If no representative has been designated by posters placed in one or more conspicuous places where notices to employees are customarily posted, then notice received by any superior is sufficient. Absence of notice does not bar recovery if it is found that the employer was not misled thereby by that absence. Regardless of whether notice was received, if no payment of compensation, other than medical treatment or burial expense, is made, and and if no application is filed with the department office within 2 years from after the date of the injury or death, or from or the date the employee or his or her dependent knew or ought to have known the nature of the disability and its relation to the employment, the right to compensation therefor for the injury or <u>death</u> is barred, except that the right to compensation is not barred if the employer knew or should have known, within the 2-year period, that the employee had sustained the injury on which the claim is based. Issuance of notice of a hearing on the department's division's own motion has the same effect for the purposes of this section as the filing of an application. This section does not affect any claim barred under s. 102.17 (4).

History: 1983 a. 98.

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(END OF INSERT)

(INSERT 32-17)

Section 2. 102.16 (4) of the statutes is amended to read:

102.16 (4) The department division has jurisdiction to pass on any question arising out of sub. (3) and has jurisdiction to order the employer to reimburse an employee or other person for any sum deducted from wages or paid by him or her in violation of that subsection. In addition to the penalty provided in s. 102.85 (1), any employer violating sub. (3) shall be liable to an injured employee for the reasonable value of the necessary services rendered to that employee pursuant to under any arrangement made in violation of sub. (3) without regard to that employee's actual disbursements for the same those services.

History: 1975 c. 147, 200; 1977 c. 195; 1981 c. 92, 314; 1983 a. 98; 1985 a. 83; 1989 a. 64; 1991 a. 85; 1993 a. 81; 1995 a. 117; 1997 a. 38; 1999 a. 14, 185; 2001 a. 37; 2003 a. 144; 2005 a. 172; 2007 a. 185; 2009 a. 206; 2011 a. 183.

(END OF INSERT)

(INSERT 40-18)

Section 3. 102.17 (1) (e) of the statutes is amended to read:

102.17 (1) (e) The department division may, with or without notice to any party, cause testimony to be taken, an inspection of the premises where the injury occurred to be made, or the time books and payrolls of the employer to be examined by any examiner, and may direct any employee claiming compensation to be examined by a physician, chiropractor, psychologist, dentist, or podiatrist. The testimony so taken, and the results of any such inspection or examination, shall be reported to the department division for its consideration upon final hearing. All ex parte testimony

- taken by the department division shall be reduced to writing, and any party shall
- 2 have opportunity to rebut that testimony on final hearing.

History: 1971 c. 148; 1971 c. 213 s. 5; 1973 c. 150, 282; Sup. Ct. Order, 67 Wis. 2d 585, 774 (1975); 1975 c. 147 ss. 20, 54; 1975 c. 199, 200; 1977 c. 29, 195, 273; 1979 c. 278; 1981 c. 92, 314; 1981 c. 317 s. 2202; 1981 c. 380; 1981 c. 391 s. 211; 1985 a. 83; 1989 a. 64, 139, 359; 1991 a. 85; 1993 a. 81, 492; 1995 a. 27, 117; 1997 a. 38, 191, 237; 1999 a. 9; 2001 a. 37; 2003 a. 144; 2005 a. 172; 2007 a. 185; 2009 a. 180, 206; 2011 a. 183; 2013 a. 36.

(END OF INSERT)

(INSERT 77-2)

Section 4. 102.315 (6) (a) of the statutes is amended to read:

102.315 (6) (a) If a client notifies the department office as provided under par.

(b) of its intent to have a divided workforce, an insurer may issue a worker's compensation insurance policy covering only the leased employees of the client. An insurer that issues a policy covering only the leased employees of a client is not liable under s. 102.03 for any compensation payable under this chapter to an employee of the client who is not a leased employee unless the insurer also issues a policy covering that employee. A client that has a divided workforce shall insure its employees who are not leased employees in the voluntary market and may not insure those employees under the mandatory risk—sharing plan under s. 619.01 unless the leased employees of the client are covered under that plan.

History: 2007 a. 185.

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(END OF INSERT)

(INSERT 83-15)

SECTION 5. 102.32 (6) (e) of the statutes is amended to read:

15 102.32 (6) (e) Payments for permanent disability including payments

102.32 (6) (e) Payments for permanent disability, including payments based on minimum permanent disability ratings promulgated by the department office by rule, shall continue on a monthly basis and shall accrue and be payable between

- 1 intermittent periods of temporary disability so long as the employer or insurer knows
- 2 the nature of the permanent disability.

History: 1977 c. 195; 1979 c. 278; 1983 a. 98, 368, 538; 1991 a. 221; 1993 a. 492; 2001 a. 37; 2003 a. 144; 2005 a. 172; 2007 a. 185. (END OF INSERT)

(INSERT 83-23)

3 **Section 6.** 102.32 (7) of the statutes is amended to read:

102.32 (7) No lump sum settlement shall be allowed in any case of permanent total disability upon an estimated life expectancy, except upon consent of all parties, after hearing and finding by the department division that the interests of the injured employee will be conserved thereby by the lump sum settlement.

History: 1977 c. 195; 1979 c. 278; 1983 a. 98, 368, 538; 1991 a. 221; 1993 a. 492; 2001 a. 37; 2003 a. 144; 2005 a. 172; 2007 a. 185. (END OF INSERT)

(INSERT 115-18)

8 Section 7. 102.80 (1) (e) of the statutes is amended to read:

9 102.80 (1) (e) All moneys received by the department office for the uninsured employers fund from any other source.

History: 1989 a. 64; 1991 a. 85; 1993 a. 81; 1995 a. 117; 2003 a. 139; 2005 a. 172; 2007 a. 185. (END OF INSERT)

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(INSERT 134-2)

Section 8. 108.10 (4) of the statutes is amended to read:

108.10 (4) The department or the employing unit may commence action for the judicial review of a commission decision under this section, provided the department, or the employing unit, after exhausting the remedies provided under this section, has commenced such action within 30 days after such decision was mailed to the employing unit's last–known address. The scope of judicial review, and the manner

- thereof insofar as applicable, shall be the same as that provided in s. 108.09 (7). In
- 2 an action commenced by an employing unit under this section, the department shall
- be an adverse party under s. 102.23 (1) (a) and shall be named as a party in the
- 4 complaint commencing the action.

History: 1973 c. 247; 1975 c. 343; 1977 c. 29; 1981 c. 36; 1985 a. 17 s. 66; 1987 a. 38 ss. 87, 88, 134; 1989 a. 77; 2007 a. 20; 2009 a. 287; 2013 a. 36. (END OF INSERT)

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0610/P1dn GMM...

Date

Bryan:

In working on this draft, a couple of questions have arisen:

- 1. For the most part it was fairly straightforward determining whether a function of DWD specified in ch. 102 is administrative of adjudicatory. At the margins, however, it was a bit difficult discerning whether a function is administrative, adjudicatory, or, perhaps, a little bit of both and, therefore, whether the function should be transferred to OCI, DHA, or, perhaps, to both. Accordingly, the program people will have to review this draft carefully to ensure that all functions of DWD specified in ch. 102 are being transferred to their intended recipient.
- 2. Do you want to create a new division within OCI to focus on administration of worker's compensation? If so, s. 230.08 (2) (e) will have to be amended to authorize an additional division administrator for OCI.

Gordon M. Malaise Senior Legislative Attorney (608) 266–9738 gordon.malaise@legis.wisconsin.gov

DRAFTER'S NOTE FROM THE LEGISLATIVE REFERENCE BUREAU

LRB-0610/P1dn GMM:kjf:rs

December 10, 2014

Bryan:

In working on this draft, a couple of questions have arisen:

- 1. For the most part it was fairly straightforward determining whether a function of DWD specified in ch. 102 is administrative or adjudicatory. At the margins, however, it was a bit difficult discerning whether a function is administrative, adjudicatory, or, perhaps, a little bit of both and, therefore, whether the function should be transferred to OCI, DHA, or, perhaps, to both. Accordingly, the program people will have to review this draft carefully to ensure that all functions of DWD specified in ch. 102 are being transferred to their intended recipient.
- 2. Do you want to create a new division within OCI to focus on administration of worker's compensation? If so, s. 230.08 (2) (e) will have to be amended to authorize an additional division administrator for OCI.

Gordon M. Malaise Senior Legislative Attorney (608) 266–9738 gordon.malaise@legis.wisconsin.gov

Malaise, Gordon

From:

Kirschbaum, Bryan W - DOA < Bryan.Kirschbaum@wisconsin.gov>

Sent:

Wednesday, January 14, 2015 3:55 PM

To:

Malaise, Gordon

Subject:

FW: Comments on Workers Comp Bill

See attachment below. We would like to keep the fee dispute with OCI vs with DHA, so this should be a relatively simple change. I have urged the agencies to get back to us with any additional ideas/changes as well. I will follow up this Friday.

Thanks,

Bryan W. Kirschbaum

Executive Policy and Budget Analyst
Division of Executive Budget & Finance—Education & Workforce Development Team
Department of Administration | State of Wisconsin

Office: 608-266-8219

E-mail: bryan.kirschbaum@wisconsin.gov

From: Hynek, Sara - DOA

Sent: Tuesday, January 13, 2015 2:40 PM

To: Kirschbaum, Bryan W - DOA; Steinmetz, Jana D - DOA

Subject: FW: Comments on Workers Comp Bill

From: Turgul, Laurel B - DWD

Sent: Tuesday, January 13, 2015 2:35 PM

To: Hynek, Sara - DOA

Subject: Comments on Workers Comp Bill

Hi Sara,

Deputy Barry asked me to pass along the attached comments on the Worker's Comp bill draft, with additional comments likely to follow. Thank you.



20150113143152...

Bill Draft

The draft transfers all adjudicatory functions to DOA and all administrative functions to OCI. The draft includes the health care cost dispute program (which is currently part of the Legal Services Bureau), and which is adjudicatory in nature, as part of the transfer of adjudicatory functions to DOA. However, the health care cost disputes are processed through a desk review process by non-legal staff, and the process does not involve contested case hearings.

In prior discussions it was my understanding that only contested case hearings were to be transferred to DOA, and that specifically the health care cost dispute unit would be transferred to OCI along with the administrative functions of the Division. The health care cost dispute orders are signed by an administrative law judge, and appeals of health care cost disputes (which go directly to circuit court and not to LIRC) are processed by ALJ staff. That was the primary reason for maintaining ALJ positions in the portion of the Division transferred to OCI, to continue to oversee the orders and subsequent legal processes associated with health care cost disputes.

If at some point the legislature adopts a fee schedule, that system would likely replace the current health care cost dispute process, and disputes under the fee schedule would likely be processed by OCI staff. Therefore, it makes sense to maintain the current fee dispute process in OCI, and continue it there in the event another fee dispute system is implemented.

The provisions of the health care cost dispute process are found in section 102.16 so any amendments that read "division" in the current draft should be amended to "office" in any subsequent drafts.

Malaise, Gordon

From:

Kirschbaum, Bryan W - DOA < Bryan.Kirschbaum@wisconsin.gov>

Sent:

Wednesday, January 14, 2015 5:06 PM

To:

Malaise, Gordon

Subject:

RE: Comments on Workers Comp Bill

Gordon,

I have forwarded your e-mail to DWD. I will follow up as soon as I get a response.

Thanks,

Bryan W. Kirschbaum

Executive Policy and Budget Analyst

Division of Executive Budget & Finance—Education & Workforce Development Team

Department of Administration | State of Wisconsin

Office: 608-266-8219

E-mail: bryan.kirschbaum@wisconsin.gov

From: Malaise, Gordon [mailto:Gordon.Malaise@legis.wisconsin.gov]

Sent: Wednesday, January 14, 2015 5:03 PM

To: Kirschbaum, Bryan W - DOA

Subject: RE: Comments on Workers Comp Bill

Bryan:

I need you to run my question by DWD to make sure that I understand their intent.

There are three types of disputes under s. 102.16, specifically:

- 1. Health service fee disputes under s. 102.16 (1m) (a) and (2).
- 2. Necessity of treatment disputes under s. 102.16 (1m) (b) and (2m).
- 3. Prescription drug charge disputes under s. 102.16 (1m) (c) and 102.425.

The question is whether they want OCI, and not DHA, to handle only health service fee disputes under s. 102.16 (1m) (a) and (2) or whether they want OCI, and not DHA, to handle all disputes under s. 102.16, i.e., health service fee disputes, necessity of treatment disputes, and prescription drug charge disputes?

Gordon

From: Kirschbaum, Bryan W - DOA [mailto:Bryan.Kirschbaum@wisconsin.gov]

Sent: Wednesday, January 14, 2015 3:55 PM

To: Malaise, Gordon

Subject: FW: Comments on Workers Comp Bill

See attachment below. We would like to keep the fee dispute with OCI vs with DHA, so this should be a relatively simple change. I have urged the agencies to get back to us with any additional ideas/changes as well. I will follow up this Friday.

Thanks,

Bryan W. Kirschbaum

Executive Policy and Budget Analyst
Division of Executive Budget & Finance—Education & Workforce Development Team
Department of Administration | State of Wisconsin

Office: 608-266-8219

E-mail: bryan.kirschbaum@wisconsin.gov

From: Hynek, Sara - DOA

Sent: Tuesday, January 13, 2015 2:40 PM

To: Kirschbaum, Bryan W - DOA; Steinmetz, Jana D - DOA

Subject: FW: Comments on Workers Comp Bill

From: Turgul, Laurel B - DWD

Sent: Tuesday, January 13, 2015 2:35 PM

To: Hynek, Sara - DOA

Subject: Comments on Workers Comp Bill

Hi Sara,

Deputy Barry asked me to pass along the attached comments on the Worker's Comp bill draft, with additional comments likely to follow. Thank you.

<< File: 20150113143152880.pdf >>

Laurel Turgul
Executive Staff Assistant
Wisconsin Department of Workforce Development
201 E. Washington Avenue, A400
Madison, WI 53703

Ph: 608-267-9692 / Fax: 608-266-1784 laurel.turgul@dwd.wisconsin.gov

Executive Staff Assistant Wisconsin Department of Workforce Development

201 E. Washington Avenue, A400 Madison, WI 53703

Ph: 608-267-9692 / Fax: 608-266-1784

laurel.turgul@dwd.wisconsin.gov

Malaise, Gordon

From:

Kirschbaum, Bryan W - DOA < Bryan.Kirschbaum@wisconsin.gov>

Sent:

Friday, January 16, 2015 2:01 PM

To:

Malaise, Gordon

Subject:

Changes to Workers Comp Transfer Draft--15-0610_P1

Attachments:

WC Transfer--Potential Changes for LRB.docx

Gordon,

Attached is the list of changes we have gathered in regards to the WC Transfer draft. Please let me know if you have any questions or concerns.

Thank you,

Bryan W. Kirschbaum

Executive Policy and Budget Analyst
Division of Executive Budget & Finance—Education & Workforce Development Team
Department of Administration | State of Wisconsin

Office: 608-266-8219

E-mail: bryan.kirschbaum@wisconsin.gov

Potential Changes for LRB—WC Transfer

Health service fee disputes under s. 102.16 (1m) (a) and (2).—Move to OCI

Necessity of treatment disputes under s. 102.16 (1m) (b) and (2m).— Move to OCI

Prescription drug charge disputes under s. 102.16 (1m) (c) and 102.425.— Move to OCI

102.475—need to transfer related appropriation Don 20.445 (1) (4a)
Page 48—line 10—delete "address"

Changes for DHA

1. DHA to have the ability to provide an electronic copy of a transcript unless otherwise ordered.

As opposed to the structure in the draft, which has a separate SEG appropriation for DHA workers compensation operations, DHA would fund all operating expenses for workers compensation out of its appropriation under s. 20.505(4)(kp), which is PR-S.

Changes From OCI

OCI will need two additional alpha appropriations in program 6 similar to below:

(ka) Interagency and intra-agency agreements. All moneys received through contracts or financial agreements from other state agencies for the provision of services to those state agencies and all moneys received by the department from the department for the provision of services to the department, except moneys appropriated under par. (kc), for the purpose of providing the services.

(gb) Local agreements. All moneys received through contracts or financial agreements for provision of services to local units of government or local organizations, for the purpose of providing the services.

Sections 62-81,112-114 220, 224-28, 102.16, 102.18 (1)(bg), 102.42(6), 102.425(4m), should be amended so that healthcare fee, necessity of treatment, and drug cost disputes are submitted to the office and not the division for determination.

601.41(1) should be amended to include ch. 102 (this change is not in the current draft). This would be in lieu of the change under Section 359.

Sections 83 amending 102.17(1)(a)1. should remove the reference that OCI would be a party at interest in any workers comp hearing before the division. There may be instances where it would be appropriate and necessary for an ALJ to communicate with OCI informally re for example, calculations of benefits. By automatically making the office a party of interest, I

believe those communications would be prohibited ex parte communications and could only be done formally with the other parties involved. Further, I don't think OCI will really have an "interest" in most disputes between an employee and employer/insurer over whether there is coverage. My preference would be to give OCI the right to intervene instead of automatically making it a party.

- Sections 88-95, 346, the licensing requirements in these sections will be administered by OCI and not the division, most of the functions are currently drafted with the division.
- Section 169, 102.31(3) gave DWD the authority to examine the books and records of workers comp insurers. OCl's current authority to examine is probably sufficient if the change to 601.41(1) is made and this section can probably be repealed.
- 6. Section 170, 102.31(4) is a provision that provides a procedure for DWD to refer insurers who fail to promptly pay claims to OCI for enforcement action. It allowed for DWD and the insurer to have a hearing before the commissioner. This section no longer seems necessary (OCI would be arguing to the commissioner over whether OCI should take an enforcement action before the commissioner) and probably can be repealed.
- Section 172, 102.31(6) gave DWD standing to appear in an enforcement action under 628.34(7). OCI does not need standing in its own enforcement action and this can be repealed.
- 8. Section 205, line 3 has a typo. Should be "by" not "bye."
- Section 213, 102.35(2), may want to consider just referring to 601.64 instead of having separate forfeiture provision.
- 10. Section 360, 626.13(3), line 9, I think we should change this to notifying the employer rather than OCI filing notice with the commissioner.