



State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

RESEARCH APPENDIX - **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 01/06/2015 (Per: CMH & MPG)

☞ **Compile Draft – Appendix E** **... Part III**

Appendix A ☞ The 2015 drafting file for LRB-0797

Appendix B ☞ The 2015 drafting file for LRB-0799

Appendix C ☞ The 2015 drafting file for LRB-0800

Appendix D ☞ The 2015 drafting file for LRB-0852

Appendix E ☞ The 2015 drafting file for LRB-0872

Appendix F ☞ The 2015 drafting file for LRB-0906

Appendix G ☞ The 2015 drafting file for LRB-0941

has been copied/added to the drafting file for

2015 LRB-0807

1 that counselor determines that rehabilitative training is necessary, to develop a
2 rehabilitative training program to restore as nearly as possible the employee to his
3 or her preinjury earning capacity and potential.

4 **SECTION 260.** ~~102.61 (1m) (c) of the statutes is amended to read:~~ ✓

5 102.61 (1m) (c) The employer or insurance carrier shall pay the reasonable cost
6 of any services provided for an employee by a private rehabilitation counselor under
7 par. (a) and, subject to the conditions and limitations specified in sub. (1r) (a) to (c)
8 and by rule, if the private rehabilitation counselor determines that rehabilitative
9 training is necessary, the reasonable cost of the rehabilitative training program
10 recommended by that counselor, including the cost of tuition, fees, books,
11 maintenance, and travel at the same rate as is provided for state officers and
12 employees under s. 20.916 (8). Notwithstanding that the department office may
13 authorize under s. 102.43 (5) (b) a rehabilitative training program that lasts longer
14 than 80 weeks, a rehabilitative training program that lasts 80 weeks or less is
15 presumed to be reasonable.

16 **SECTION 261.** 102.61 (1m) (d) of the statutes is amended to read:

17 102.61 (1m) (d) If an employee receives services from a private rehabilitation
18 counselor under par. (a) and later receives similar services from the department of
19 workforce development under sub. (1) without the prior approval of the employer or
20 insurance carrier, the employer or insurance carrier is not liable for temporary
21 disability benefits under s. 102.43 (5) (b) or for tuition, fee, book, travel, and
22 maintenance costs under sub. (1) that exceed what the employer or insurance carrier
23 would have been liable for under the rehabilitative training program developed by
24 the private rehabilitation counselor.

25 **SECTION 262.** 102.61 (1m) (e) of the statutes is amended to read:

1 102.61 (1m) (e) Nothing in this subsection prevents an employer or insurance
2 carrier from providing an employee with the services of a private rehabilitation
3 counselor or with rehabilitative training under sub. (3) before the department of
4 workforce development makes its determination under par. (a).

5 ~~SECTION 263. 102.61 (1m) (f) of the statutes is amended to read:~~
6 102.61 (1m) (f) The department office shall promulgate rules establishing
7 procedures and requirements for the private rehabilitation counseling and
8 rehabilitative training process under this subsection. Those rules shall include rules
9 specifying the procedure and requirements for certification of private rehabilitation
10 counselors.

11 **SECTION 264.** 102.61 (2) of the statutes is amended to read:
12 102.61 (2) The ~~department~~ division, the commission, and the courts shall
13 determine the rights and liabilities of the parties under this section in like manner
14 and with like effect as the ~~department~~ division, the commission, and the courts
15 determine other issues under this chapter. A determination under this subsection
16 may include a determination based on the evidence regarding the cost or scope of the
17 services provided by a private rehabilitation counselor under sub. (1m) (a) or the cost
18 or reasonableness of a rehabilitative training program developed under sub. (1m) (a).

19 **SECTION 265.** 102.62 of the statutes is amended to read:
20 **102.62 Primary and secondary liability; unchangeable.** In case of
21 liability under s. 102.57 or 102.60, the liability of the employer shall be primary and
22 the liability of the insurance carrier shall be secondary. If proceedings are had before
23 the ~~department~~ division for the recovery of that liability, the ~~department~~ division
24 shall set forth in its award the amount and order of liability as provided in this
25 section. Execution shall not be issued against the insurance carrier to satisfy any

1 judgment covering that liability until execution has first been issued against the
2 employer and has been returned unsatisfied as to any part of that liability. Any
3 provision in any insurance policy undertaking to guarantee primary liability or to
4 avoid secondary liability for a liability under s. 102.57 or 102.60 is void. If the
5 employer has been adjudged bankrupt or has made an assignment for the benefit of
6 creditors, or if the employer, other than an individual, has gone out of business or has
7 been dissolved, or if the employer is a corporation and its charter has been forfeited
8 or revoked, the insurer shall be liable for the payment of that liability without
9 judgment or execution against the employer, but without altering the primary
10 liability of the employer.

11 ~~SECTION 266. 102.63 of the statutes is amended to read:~~ ✓

12 **102.63 Refunds by state.** Whenever the department shall certify office
13 certifies to the secretary of administration that excess payment has been made under
14 s. 102.59 or under s. 102.49 (5) either because of mistake or otherwise, the secretary
15 of administration shall within 5 days after receipt of such that certificate the
16 secretary of administration shall draw an order against the fund in the state
17 treasury into which such that excess was paid, reimbursing such the payor of such
18 the excess payment, together with interest actually earned thereon if. If the excess
19 payment has been on deposit for at least 6 months, the payor of the excess payment
20 shall also be paid interest actually earned on the excess payment.

21 **SECTION 267.** 102.64 (1) of the statutes is amended to read:

22 102.64 (1) Upon request of the department of administration, a representative
23 of the department of justice shall represent the state in cases involving payment into
24 or out of the state treasury under s. 20.865 (1) (fm), (kr), or (ur) or 102.29. The
25 department of justice, after giving notice to the department of administration, may

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1 compromise the amount of those payments but such compromises shall be subject to
 2 review by the ~~department of workforce development office~~^{plan}. If the spouse or domestic
 3 partner under ch. 770 of the deceased employee compromises his or her claim for a
 4 primary death benefit, the claim of the children of the employee under s. 102.49 shall
 5 be compromised on the same proportional basis, subject to approval by the
 6 ~~department office~~^{plan}. If the persons entitled to compensation on the basis of total
 7 dependency under s. 102.51 (1) compromise their claim, payments under s. 102.49
 8 (5) (a) shall be compromised on the same proportional basis.

SECTION 268. 102.64 (2) of the statutes is amended to read:

10 102.64 (2) Upon request of the department of administration, the attorney
 11 general shall appear on behalf of the state in proceedings upon claims for
 12 compensation against the state. Except as provided in s. 102.65 (3), the department
 13 of justice shall represent the interests of the state in proceedings under s. 102.44 (1),
 14 102.49, 102.59, 102.60, or 102.66. The department of justice may compromise claims
 15 in those proceedings, but the compromises are subject to review by the ~~department~~^{plan}
 16 ~~of workforce development office~~^{plan}. Costs incurred by the department of justice in
 17 prosecuting or defending any claim for payment into or out of the work injury
 18 supplemental benefit fund under s. 102.65, including expert witness and witness
 19 fees but not including attorney fees or attorney travel expenses for services
 20 performed under this subsection, shall be paid from the work injury supplemental
 21 benefit fund.

SECTION 269. 102.65 (1) of the statutes is amended to read:

23 102.65 (1) The moneys payable to the state treasury under ss. 102.35 (1),
 24 102.47, 102.49, 102.59, and 102.60, together with all accrued interest on those
 25 moneys, and all interest payments received under s. 102.75 (2), shall constitute a

20,142 (3)

1 separate nonlapsible fund designated as the work injury supplemental benefit fund.
2 Moneys in the fund may be expended only as provided in s. 20.445 (1) ~~20.145 (6)~~ (t)
3 and may not be used for any other purpose of the state.

4 **SECTION 270.** 102.65 (2) of the statutes is amended to read:

5 102.65 (2) For proper administration of the moneys available in the fund the
6 department office shall by order, set aside in the state treasury suitable reserves to
7 carry to maturity the liability for benefits under ss. 102.44, 102.49, 102.59, and
8 102.66. ~~Such Those moneys shall be invested by the investment board in accordance~~
9 with s. 25.14 (5). *financial institutions, insurance, and professional standards*

10 **SECTION 271.** 102.65 (3) of the statutes is amended to read:

11 102.65 (3) The ~~department of workforce development office~~ ^{plan} may retain the
12 department of administration to process, investigate, and pay claims under ss.
13 102.44 (1), 102.49, 102.59, and 102.66. If retained by the ~~department of workforce~~ ^{plan}
14 ~~development office~~, the department of administration may compromise a claim
15 processed by that department, but a compromise made by that department is subject
16 to review by the ~~department of workforce development office~~ ^{plan}. The ~~department of~~ ^{plan}
17 ~~workforce development office~~ shall pay for the services retained under this
18 subsection from the appropriation account under s. 20.445 (1) ~~20.145 (6)~~ (t). *20,142 (3)*

19 **SECTION 272.** 102.65 (4) (intro.) of the statutes is amended to read:

20 102.65 (4) (intro.) The secretary commissioner shall monitor the cash balance
21 in, and incurred losses to, the work injury supplemental benefit fund using generally
22 accepted actuarial principles. If the secretary commissioner determines that the
23 expected ultimate losses to the work injury supplemental benefit fund on known
24 claims exceed 85 percent of the cash balance in that fund, the secretary commissioner
25 shall consult with the council on worker's compensation. If the secretary, after

1 consulting with the council on worker's compensation, ~~the commissioner~~ determines
2 that there is a reasonable likelihood that the cash balance in the work injury
3 supplemental benefit fund may become inadequate to fund all claims under ss.
4 102.44 (1) (c), 102.49, 102.59, and 102.66, the ~~secretary~~ ~~commissioner~~ shall file with
5 the secretary of administration a certificate attesting that the cash balance in that
6 fund is likely to become inadequate to fund all claims under ss. 102.44 (1) (c), 102.49,
7 102.59, and 102.66 and specifying one of the following: ✓

8 **SECTION 273.** 102.65 (4) (a) of the statutes is amended to read:

9 102.65 (4) (a) That payment of those claims will be made as provided in a
10 schedule that the ~~department~~ ~~office~~ shall promulgate by rule.

11 **SECTION 274.** 102.66 (1) of the statutes is amended to read: ✓

12 102.66 (1) Subject to any certificate filed under s. 102.65 (4), if there is an
13 otherwise meritorious claim for occupational disease, or for a traumatic injury
14 described in s. 102.17 (4) in which the date of injury or death or last payment of
15 compensation, other than for treatment or burial expenses, is before April 1, 2006,
16 and if the claim is barred solely by the statute of limitations under s. 102.17 (4), the
17 ~~department~~ ~~office~~ may, in lieu of worker's compensation benefits, direct payment
18 from the work injury supplemental benefit fund under s. 102.65 of such
19 compensation and such medical expenses as would otherwise be due, based on the
20 date of injury, to or on behalf of the injured employee. The benefits shall be
21 supplemental, to the extent of compensation liability, to any disability or medical
22 benefits payable from any group insurance policy whose premium is paid in whole
23 or in part by any employer, or under any federal insurance or benefit program
24 providing disability or medical benefits. Death benefits payable under any such
25 group policy do not limit the benefits payable under this section.

1 SECTION 275. 102.75 (1) of the statutes is amended to read:

2 102.75 (1) The ~~department office~~^{plan} shall assess upon and collect from each
3 licensed worker's compensation insurance carrier and from each employer exempted
4 under s. 102.28 (2) by special order or by rule, the proportion of total costs and
5 expenses incurred by the council on worker's compensation for travel and research
6 and by the ~~department office~~^{plan}, the division, and the commission in the administration
7 of this chapter for the current fiscal year plus any deficiencies in collections and
8 anticipated costs from the previous fiscal year, that the total indemnity paid or
9 payable under this chapter by each such carrier and exempt employer in worker's
10 compensation cases initially closed during the preceding calendar year, other than
11 for increased, double, or treble compensation bore to the total indemnity paid in cases
12 closed the previous calendar year under this chapter by all carriers and exempt
13 employers other than for increased, double, or treble compensation. The council on
14 worker's compensation, the division, and the commission shall annually certify any
15 costs and expenses for worker's compensation activities to the ~~department office~~^{plan} at
16 such time as the ~~secretary commissioner~~^{plan} requires.

17 SECTION 276. 102.75 (1m) of the statutes is amended to read:

18 102.75 (1m) The moneys collected under sub. (1) and under ss. 102.28 (2) and
19 102.31 (7), together with all accrued interest, shall constitute a separate nonlapsible
20 fund designated as the worker's compensation operations fund. Moneys in the fund
21 may be expended only as provided in s. ~~20.445 (1)~~ ss. ~~20.145 (6)~~ (ra), (rb), and (rp), and
22 (2) 20.505 (4) (ra) and may not be used for any other purpose of the state.

23 SECTION 277. ~~102.75 (2) of the statutes is amended to read:~~

24 ~~102.75 (2) The department office shall require that payments for costs and~~
25 ~~expenses for each fiscal year shall be made on such dates as the department office~~

20, 142 (3)

~~20.445 (2) (ra)~~

1 ~~prescribes by each licensed worker's compensation insurance carrier and employer~~
 2 ~~exempted under s. 102.28 (2). Each such payment shall be a sum equal to a~~
 3 ~~proportionate share of the annual costs and expenses assessed upon each carrier and~~
 4 ~~employer as estimated by the department office. Interest shall accrue on amounts~~
 5 ~~not paid within 30 days after the date prescribed by the department office under this~~
 6 ~~subsection at the rate of 1 percent per month. All interest payments received under~~
 7 ~~this subsection shall be deposited in the fund established under s. 102.65.~~

8 **SECTION 278.** 102.75 (4) of the statutes is amended to read: 20,142[✓](3)

9 (pm) 102.75 (4) From the appropriation under s. ~~20.445 (1)~~ ~~20.145 (6)~~ (ra), the
 10 ~~department office~~ shall allocate the amounts that it collects in application fees from
 11 employers applying for exemption under s. 102.28 (2) and the annual amount that
 12 it collects from employers that have been exempted under s. 102.28 (2) to fund the
 13 activities of the ~~department office~~ ^{dam} under s. 102.28 (2) (b) and (c).

14 ~~SECTION 279.~~ 102.80 (1) (e) of the statutes is amended to read: ✓

15 102.80 (1) (e) All moneys received by the ~~department office for the uninsured~~
 16 ~~employers fund from any other source.~~

17 **SECTION 280.** 102.80 (1m) of the statutes is amended to read: 20,142[✓](3)

18 102.80 (1m) The moneys collected or received under sub. (1), together with all
 19 accrued interest, shall constitute a separate nonlapsible fund designated as the
 20 uninsured employers fund. Moneys in the fund may be expended only as provided
 21 in s. ~~20.445 (1)~~ ~~20.145 (6)~~ (sm) and may not be used for any other purpose of the state.

22 ~~SECTION 281.~~ 102.80 (3) (a) of the statutes is amended to read: ✓

23 102.80 (3) (a) If the cash balance in the uninsured employers fund equals or
 24 exceeds \$4,000,000, the ~~secretary commissioner~~ shall consult the council on worker's
 25 compensation within 45 days after that cash balance equals or exceeds \$4,000,000.

1 ~~The secretary may file with the secretary of administration, within Within 15 days~~
2 ~~after consulting the council on worker's compensation, the commissioner may file~~
3 ~~with the secretary of administration a certificate attesting that the cash balance in~~
4 ~~the uninsured employers fund equals or exceeds \$4,000,000.~~

5 **SECTION 282.** 102.80 (3) (ag) of the statutes is amended to read: ✓

6 102.80 (3) (ag) The ~~secretary~~ commissioner shall monitor the cash balance in,
7 and incurred losses to, the uninsured employers fund using generally accepted
8 actuarial principles. If the ~~secretary~~ commissioner determines that the expected
9 ultimate losses to the uninsured employers fund on known claims exceed 85 percent
10 of the cash balance in the uninsured employers fund, the ~~secretary~~ commissioner
11 shall consult with the council on worker's compensation. If ~~the secretary~~, after
12 consulting with the council on worker's compensation, ~~the commissioner~~ determines
13 that there is a reasonable likelihood that the cash balance in the uninsured
14 employers fund may become inadequate to fund all claims under s. 102.81 (1), the
15 ~~secretary~~ commissioner shall file with the secretary of administration a certificate
16 attesting that the cash balance in the uninsured employer's fund is likely to become
17 inadequate to fund all claims under s. 102.81 (1) and specifying a date after which
18 no new claims under s. 102.81 (1) will be paid.

19 **SECTION 283.** 102.80 (3) (am) of the statutes is amended to read: ✓

20 102.80 (3) (am) If the ~~secretary~~ commissioner files the certificate under par. (a),
21 the ~~department~~ may expend the moneys in the uninsured employers fund office may,
22 beginning on the first day of the first July after the ~~secretary~~ commissioner files that
23 certificate, expend the moneys in the uninsured employers fund to make payments
24 under s. 102.81 (1) to employees of uninsured employers and to obtain reinsurance
25 under s. 102.81 (2).

1 **SECTION 284.** 102.80 (3) (b) of the statutes is amended to read: ✓

2 102.80 (3) (b) If the ~~secretary~~ commissioner does not file the certificate under
3 par. (a), the ~~department~~ office may not expend the moneys in the uninsured
4 employers fund.

5 **SECTION 285.** 102.80 (3) (c) of the statutes is amended to read: ✓

6 102.80 (3) (c) If, after filing the certificate under par. (a), the ~~secretary~~
7 commissioner files the certificate under par. (ag), the ~~department~~ office may expend
8 the moneys in the uninsured employers fund only to make payments under s. 102.81
9 (1) to employees of uninsured employers on claims made before the date specified in
10 ~~that the certificate under par. (ag)~~ and to obtain reinsurance under s. 102.81 (2) for
11 the payment of those claims.

12 **SECTION 286.** 102.80 (4) (a) (intro.) of the statutes is amended to read: ✓

13 102.80 (4) (a) (intro.) If an uninsured employer who owes to the ~~department~~
14 office any amount under s. 102.82 or 102.85 (4) transfers his or her business assets
15 or activities, the transferee is liable for the amounts owed by the uninsured employer
16 under s. 102.82 or 102.85 (4) if the ~~department~~ office determines that all of the
17 following conditions are satisfied:

18 **SECTION 287.** 102.80 (4) (b) of the statutes is amended to read: ✓

19 102.80 (4) (b) The ~~department~~ office may collect from a transferee described in
20 par. (a) an amount owed under s. 102.82 or 102.85 (4) using the procedures specified
21 in ss. 102.83, 102.835, and 102.87 and the preference specified in s. 102.84 in the
22 same manner as the ~~department~~ office may collect from an uninsured employer.

23 **SECTION 288.** 102.81 (1) (a) of the statutes is amended to read: ✓

24 102.81 (1) (a) If an employee of an uninsured employer, other than an employee
25 who is eligible to receive alternative benefits under s. 102.28 (3), suffers an injury for

1 which the uninsured employer is liable under s. 102.03, the ~~department office~~ or the
 2 ~~department's office's~~ reinsurer shall pay to or on behalf of the injured employee or
 3 to the employee's dependents an amount equal to the compensation owed them by
 4 the uninsured employer under this chapter except penalties and interest due under
 5 ss. 102.16 (3), 102.18 (1) (b) and (bp), 102.22 (1), 102.35 (3), 102.57, and 102.60.

6 SECTION 289. 102.81 (1) (b) of the statutes is amended to read: ✓

7 102.81 (1) (b) The ~~department office~~ shall make the payments required under
 8 par. (a) from the uninsured employers fund, except that if the ~~department office~~ has
 9 obtained reinsurance under sub. (2) and is unable to make those payments from the
 10 uninsured employers fund, the ~~department's office's~~ reinsurer shall make those
 11 payments according to the terms of the contract of reinsurance.

12 SECTION 290. 102.81 (2) of the statutes is amended to read:

13 102.81 (2) The ~~department office~~ may retain an insurance carrier or insurance
 14 service organization to process, investigate, and pay claims under this section and
 15 may obtain excess or stop-loss reinsurance with an insurance carrier authorized to
 16 do business in this state in an amount that the ~~secretary commissioner~~ determines
 17 is necessary for the sound operation of the uninsured employers fund. In cases
 18 involving disputed claims, the ~~department office~~ may retain an attorney to represent
 19 the interests of the uninsured employers fund and to make appearances on behalf
 20 of the uninsured employers fund in proceedings under ss. 102.16 to 102.29. Section
 21 20.930 and all provisions of subch. IV of ch. 16, except s. 16.753, do not apply to an
 22 attorney hired under this subsection. The charges for the services retained under
 23 this subsection shall be paid from the appropriation under s. 20.445 (1) ~~20.145 (6)~~
 24 (rp). The cost of any reinsurance obtained under this subsection shall be paid from
 25 the appropriation under s. 20.445 (1) ~~20.145 (6)~~ (sm).

plan

(Uaktwa)

20,142 (3) ✓

SECTION 291

1 **SECTION 291.** 102.81 (4) (a) of the statutes is amended to read:

2 102.81 (4) (a) If the employee or dependent begins an action to recover ✓
3 compensation from the employee's employer or a 3rd party liable under s. 102.29,
4 provide to the department office a copy of all papers filed by any party in the action.

5 **SECTION 292.** 102.81 (4) (b) (intro.) of the statutes is amended to read: ✓

6 102.81 (4) (b) (intro.) If the employee or dependent receives compensation from
7 the employee's employer or a 3rd party liable under s. 102.29, pay to the department
8 office the lesser of the following:

9 **SECTION 293.** 102.81 (6) (a) of the statutes is amended to read:

10 102.81 (6) (a) Subject to par. (b), an employee, a dependent of an employee, an ✓
11 uninsured employer, a 3rd party who is liable under s. 102.29, or the department
12 office may enter into an agreement to settle liabilities under this chapter.

13 **SECTION 294.** 102.81 (6) (b) of the statutes is amended to read:

14 102.81 (6) (b) A settlement under par. (a) is void without the department's
15 written approval of the office.

16 **SECTION 295.** 102.81 (7) of the statutes is amended to read: ✓

17 102.81 (7) This section first applies to injuries occurring on the first day of the
18 first July beginning after the day that the secretary commissioner files a certificate
19 under s. 102.80 (3) (a), except that if the secretary commissioner files a certificate
20 under s. 102.80 (3) (ag) this section does not apply to claims filed on or after the date
21 specified in that certificate.

22 **SECTION 296.** 102.82 (1) of the statutes is amended to read: ✓

23 102.82 (1) Except as provided in sub. (2) (ar), an uninsured employer shall
24 reimburse the department office for any payment made under s. 102.81 (1) to or on
25 behalf of an employee of the uninsured employer or to an employee's dependents and

1 for any expenses paid by the department office in administering the claim of the
2 employee or dependents, less amounts repaid by the employee or dependents under
3 s. 102.81 (4) (b). The reimbursement owed under this subsection is due within 30
4 days after the date on which the department office notifies the uninsured employer
5 that the reimbursement is owed. Interest shall accrue on amounts not paid when due
6 at the rate of ~~1%~~ 1 percent per month.

7 **SECTION 297.** 102.82 (2) (a) (intro.) of the statutes is amended to read:

8 102.82 (2) (a) (intro.) Except as provided in pars. (ag), (am), and (ar), all
9 uninsured employers shall pay to the department office the greater of the following:

10 **SECTION 298.** 102.82 (2) (a) 1. of the statutes is amended to read:

11 102.82 (2) (a) 1. Twice the amount determined by the department office to equal
12 what the uninsured employer would have paid during periods of illegal nonpayment
13 for worker's compensation insurance in the preceding 3-year period based on the
14 employer's payroll in the preceding 3 years.

15 **SECTION 299.** 102.82 (2) (ag) (intro.) of the statutes is amended to read:

16 102.82 (2) (ag) (intro.) An uninsured employer who is liable to the department
17 office under par. (a) 2 shall pay to the department office, in lieu of the payment
18 required under par. (a) 2., \$100 per day for each day that the employer is uninsured
19 if all of the following apply:

20 **SECTION 300.** 102.82 (2) (am) of the statutes is amended to read:

21 102.82 (2) (am) The department office may waive any payment owed under par.
22 (a) by an uninsured employer if the department office determines that the uninsured
23 employer is subject to this chapter only because the uninsured employer has elected
24 to become subject to this chapter under s. 102.05 (2) or 102.28 (2).

25 **SECTION 301.** 102.82 (2) (ar) of the statutes is amended to read:

(see title)

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1 102.82 (2) (a) The department office may waive any payment owed under par-

2 (a) or (g) or sub. (1) if the department office determines that the sole reason for the

3 uninsured employer's failure to comply with s. 102.28 (2) is that the uninsured

4 employer was a victim of fraud, misrepresentation, or gross negligence by an

5 insurance agent or insurance broker or by a person whom a reasonable person would

6 believe is an insurance agent or insurance broker.

7 **SECTION 302.** 102.82 (2) (c) of the statutes is amended to read:

8 (plus) 102.82 (2) (c) The department of justice or, if the department of justice consents,

9 the department of workforce development office, may bring an action in circuit court

10 to recover payments and interest owed to the department of workforce development

11 office under this section.

12 ~~**SECTION 303.** 102.82 (3) (a) of the statutes is amended to read:~~

13 102.82 (3) (a) When an employee dies as a result of an injury for which an

14 uninsured employer is liable under s. 102.03, the uninsured employer shall pay

15 \$1,000 to the department office.

16 **SECTION 304.** 102.83 (1) (a) 1. of the statutes is amended to read: ✓

17 102.83 (1) (a) 1. If an uninsured employer or any individual who is found

18 personally liable under sub. (8) fails to pay to the department office any amount owed

19 to the department office under s. 102.82 and no proceeding for review is pending, the

20 department office or any authorized representative may issue a warrant directed to

21 the clerk of circuit court for any county of the state.

22 **SECTION 305.** 102.83 (1) (a) 3. of the statutes is amended to read: ✓

23 102.83 (1) (a) 3. A warrant entered under subd. 2. shall be considered in all

24 respects as a final judgment constituting a perfected lien on the right, title, and

25 interest of the uninsured employer or the individual in all of that person's real and

1 personal property located in the county where the warrant is entered. The lien is
2 effective when the ~~department office~~ issues the warrant under subd. 1. and shall
3 continue until the amount owed, including interest, costs, and other fees to the date
4 of payment, is paid.

5 **SECTION 306.** 102.83 (1) (a) 4. of the statutes is amended to read:

6 102.83 (1) (a) 4. After the warrant is entered in the judgment and lien docket,
7 the ~~department office~~ or any authorized representative may file an execution with
8 the clerk of circuit court for filing by the clerk of circuit court with the sheriff of any
9 county where real or personal property of the uninsured employer or the individual
10 is found, commanding the sheriff to levy upon and sell sufficient real and personal
11 property of the uninsured employer or the individual to pay the amount stated in the
12 warrant in the same manner as upon an execution against property issued upon the
13 judgment of a court of record, and to return the warrant to the ~~department office~~ and
14 pay to it the money collected by virtue of the warrant within 60 days after receipt of
15 the warrant.

16 **SECTION 307.** 102.83 (1) (b) of the statutes is amended to read:

17 102.83 (1) (b) The clerk of circuit court shall accept and enter the warrant in
18 the judgment and lien docket without prepayment of any fee, but the clerk of circuit
19 court shall submit a statement of the proper fee semiannually to the ~~department~~
20 office covering the periods from January 1 to June 30 and July 1 to December 31
21 unless a different billing period is agreed to between the clerk and the ~~department~~
22 office. The fees shall then be paid by the ~~department office~~, but the fees provided by
23 s. 814.61 (5) for entering the warrants shall be added to the amount of the warrant
24 and collected from the uninsured employer or the individual when satisfaction or
25 release is presented for entry.

1 **SECTION 308.** 102.83 (2) of the statutes is amended to read:

2 102.83 (2) The ~~department office~~ may issue a warrant of like terms, force, and
3 effect to any employee or other agent of the ~~department office~~, who may file a copy
4 of the warrant with the clerk of circuit court of any county in the state, and thereupon
5 the clerk of circuit court shall enter the warrant in the judgment and lien docket and
6 the warrant shall become a lien in the same manner, and with the same force and
7 effect, as provided in sub. (1). In the execution of the warrant, the employee or other
8 agent shall have all the powers conferred by law upon a sheriff, but may not collect
9 from the uninsured employer or the individual any fee or charge for the execution of
10 the warrant in excess of the actual expenses paid in the performance of his or her
11 duty.

12 **SECTION 309.** 102.83 (3) of the statutes is amended to read:

13 102.83 (3) If a warrant is returned not satisfied in full, the ~~department office~~
14 shall have the same remedies to enforce the amount due for payments, interest,
15 costs, and other fees as if the ~~department office~~ had recovered judgment against the
16 uninsured employer or the individual and an execution had been returned wholly or
17 partially not satisfied.

18 **SECTION 310.** 102.83 (4) of the statutes is amended to read:

19 102.83 (4) When the payments, interest, costs, and other fees specified in a
20 warrant have been paid to the ~~department office~~, the ~~department office~~ shall issue
21 a satisfaction of the warrant and file it with the clerk of circuit court. The clerk of
22 circuit court shall immediately enter the satisfaction of the judgment in the
23 judgment and lien docket. The ~~department office~~ shall send a copy of the satisfaction
24 to the uninsured employer or the individual.

25 **SECTION 311.** 102.83 (5) of the statutes is amended to read:

1 102.83 (5) The ~~department office~~, if it finds that the interests of the state will
2 not be jeopardized, and upon such conditions as it may exact, may issue a release of
3 any warrant with respect to any real or personal property upon which the warrant
4 is a lien or cloud upon title. The clerk of circuit court shall enter the release upon
5 presentation of the release to the clerk and payment of the fee for filing the release
6 and the release shall be conclusive proof that the lien or cloud upon the title of the
7 property covered by the release is extinguished.

8 **SECTION 312.** 102.83 (6) of the statutes is amended to read:

9 102.83 (6) At any time after the filing of a warrant, the ~~department office~~ may
10 commence and maintain a garnishee action as provided by ch. 812 or may use the
11 remedy of attachment as provided by ch. 811 for actions to enforce a judgment. The
12 place of trial of an action under ch. 811 or 812 may be either in Dane County or the
13 county where the debtor resides and may not be changed from the county in which
14 the action is commenced, except upon consent of the parties.

15 **SECTION 313.** 102.83(7) of the statutes is amended to read:

16 102.83 (7) If the ~~department office~~ issues an erroneous warrant, the
17 ~~department office~~ shall issue a notice of withdrawal of the warrant to the clerk of
18 circuit court for the county in which the warrant is filed. The clerk shall void the
19 warrant and any liens attached by it.

20 **SECTION 314.** 102.83 (8) of the statutes is amended to read:

21 102.83 (8) Any officer or director of an uninsured employer that is a corporation
22 and any member or manager of an uninsured employer that is a limited liability
23 company may be found individually and jointly and severally liable for the payments,
24 interest, costs and other fees specified in a warrant under this section if after proper
25 proceedings for the collection of those amounts from the corporation or limited

1 liability company, as provided in this section, the corporation or limited liability
2 company is unable to pay those amounts to the department office. The personal
3 liability of the officers and directors of a corporation or of the members and managers
4 of a limited liability company as provided in this subsection is an independent
5 obligation, survives dissolution, reorganization, bankruptcy, receivership,
6 assignment for the benefit of creditors, judicially confirmed extension or
7 composition, or any analogous situation of the corporation or limited liability
8 company, and shall be set forth in a determination or decision issued under s. 102.82.

9 **SECTION 315.** 102.835 (1) (ad) of the statutes is amended to read:

10 102.835 (1) (ad) "Debtor" means an uninsured employer or an individual found
11 personally liable under s. 102.83 (8) who owes the department office a debt.

12 **SECTION 316.** 102.835 (1) (e) of the statutes is amended to read:

13 102.835 (1) (e) "Payment" means a payment owed to the department office
14 under s. 102.82 and includes interest on that payment.

15 **SECTION 317.** 102.835 (2) of the statutes is amended to read:

16 102.835 (2) POWERS OF LEVY AND DISTRAINT. If any debtor who is liable for any
17 debt fails to pay that debt after the department office has made demand for payment,
18 the department office may collect that debt and the expenses of the levy by levy upon
19 any property belonging to the debtor. If the value of any property that has been levied
20 upon under this section is not sufficient to satisfy the claim of the department office,
21 the department office may levy upon any additional property of the debtor until the
22 debt and expenses of the levy are fully paid.

23 **SECTION 318.** 102.835 (3) of the statutes is amended to read:

24 102.835 (3) DUTIES TO SURRENDER. Any person in possession of or obligated with
25 respect to property or rights to property that is subject to levy and upon which a levy

1 has been made shall, upon demand of the department office, surrender the property
2 or rights or discharge the obligation to the department office, except that part of the
3 property or rights which is, at the time of the demand, subject to any prior
4 attachment or execution under any judicial process.

5 **SECTION 319.** 102.835 (4) (a) of the statutes is amended to read:

6 102.835 (4) (a) Any debtor who fails to surrender any property or rights to
7 property that is subject to levy, upon demand by the department office, is subject to
8 proceedings to enforce the amount of the levy.

9 **SECTION 320.** 102.835 (4) (b) of the statutes is amended to read:

10 102.835 (4) (b) Any 3rd party who fails to surrender any property or rights to
11 property subject to levy, upon demand of the department office, is subject to
12 proceedings to enforce the levy. The 3rd party is not liable to the department office
13 under this paragraph for more than 25% of the debt. The department office shall
14 serve a final demand as provided under sub. (13) on any 3rd party who fails to
15 surrender property. Proceedings may not be initiated by the department office until
16 5 days after service of the final demand. The department office shall issue a
17 determination under s. 102.82 to the 3rd party for the amount of the liability.

18 **SECTION 321.** 102.835 (4) (c) of the statutes is amended to read:

19 102.835 (4) (c) When a 3rd party surrenders the property or rights to the
20 property on demand of the department office or discharges the obligation to the
21 department office for which the levy is made, the 3rd party is discharged from any
22 obligation or liability to the debtor with respect to the property or rights to the
23 property arising from the surrender or payment to the department office.

24 **SECTION 322.** 102.835 (5) (a) of the statutes is amended to read:

SECTION 322

1 102.835 (5) (a) If the department office has levied upon property, any person,
2 other than the debtor who is liable to pay the debt out of which the levy arose, who
3 claims an interest in or lien on that property, and who claims that that property was
4 wrongfully levied upon may bring a civil action against the state in the circuit court
5 for Dane County. That action may be brought whether or not that property has been
6 surrendered to the department office. The court may grant only the relief under par.
7 (b). No other action to question the validity of or to restrain or enjoin a levy by the
8 department office may be maintained.

9 **SECTION 323.** 102.835 (5) (c) of the statutes is amended to read:

10 102.835 (5) (c) For purposes of an adjudication under this subsection, the
11 determination of the debt upon which the interest or lien of the department office is
12 based is conclusively presumed to be valid.

13 **SECTION 324.** 102.835 (6) of the statutes is amended to read:

14 102.835 (6) DETERMINATION OF EXPENSES. The department office shall
15 determine its costs and expenses to be paid in all cases of levy.

16 **SECTION 325.** 102.835 (7) (a) of the statutes is amended to read:

17 102.835 (7) (a) The department office shall apply all money obtained under this
18 section first against the expenses of the proceedings and then against the liability
19 in respect to which the levy was made and any other liability owed to the department
20 office by the debtor.

21 **SECTION 326.** 102.835 (7) (b) of the statutes is amended to read:

22 102.835 (7) (b) The department office may refund or credit any amount left
23 after the applications under par. (a), upon submission of a claim for a refund or credit
24 and satisfactory proof of the claim, to the person entitled to that amount.

25 **SECTION 327.** 102.835 (8) of the statutes is amended to read:

1 102.835 (8) RELEASE OF LEVY. The department office may release the levy upon
2 all or part of property levied upon to facilitate the collection of the liability or to grant
3 relief from a wrongful levy, but that release does not prevent any later levy.

4 **SECTION 328.** 102.835 (9) of the statutes is amended to read:

5 102.835 (9) WRONGFUL LEVY. If the department office determines that property
6 has been wrongfully levied upon, the department office may return the property at
7 any time, or may return an amount of money equal to the amount of money levied
8 upon.

9 **SECTION 329.** 102.835 (10) of the statutes is amended to read:

10 102.835 (10) PRESERVATION OF REMEDIES. The availability of the remedy under
11 this section does not abridge the right of the department office to pursue other
12 remedies.

13 **SECTION 330.** 102.835 (12) of the statutes is amended to read:

14 102.835 (12) NOTICE BEFORE LEVY. If no proceeding for review permitted by law
15 is pending, the department office shall make a demand to the debtor for payment of
16 the debt ~~which that~~ is subject to levy and give notice that the department office may
17 pursue legal action for collection of the debt against the debtor. The department
18 office shall make the demand for payment and give the notice at least 10 days prior
19 to the levy, personally or by any type of mail service ~~which that~~ requires a signature
20 of acceptance, at the address of the debtor as it appears on the records of the
21 department office. The demand for payment and notice shall include a statement of
22 the amount of the debt, including costs and fees, and the name of the debtor who is
23 liable for the debt. The debtor's failure to accept or receive the notice does not prevent
24 the department office from making the levy. Notice prior to levy is not required for

1 a subsequent levy on any debt of the same debtor within one year after the date of
2 service of the original levy.

3 **SECTION 331.** 102.835 (13) (a) of the statutes is amended to read:

4 102.835 (13) (a) The ~~department~~ office shall serve the levy upon the debtor and
5 3rd party by personal service or by any type of mail service ~~which that~~ requires a
6 signature of acceptance.

7 **SECTION 332.** 102.835 (13) (c) of the statutes is amended to read:

8 102.835 (13) (c) The ~~department~~ representative of the office who serves the levy
9 shall certify service of process on the notice of levy form and the person served shall
10 acknowledge receipt of the certification by signing and dating it. If service is made
11 by mail, the return receipt is the certificate of service of the levy.

12 **SECTION 333.** 102.835 (14) of the statutes is amended to read:

13 102.835 (14) ANSWER BY 3RD PARTY. Within 20 days after the service of the levy
14 upon a 3rd party, the 3rd party shall file an answer with the ~~department~~ office stating
15 whether the 3rd party is in possession of or obligated with respect to property or
16 rights to property of the debtor, including a description of the property or the rights
17 to property and the nature and dollar amount of any such obligation. If the 3rd party
18 is an insurance company, the insurance company shall file an answer with the
19 ~~department~~ office within 45 days after the service of the levy.

20 **SECTION 334.** 102.835 (19) of the statutes is amended to read:

21 102.835 (19) HEARING. Any debtor who is subject to a levy proceeding made by
22 the ~~department~~ office may request a hearing under s. 102.17 to review the levy
23 proceeding. The hearing is limited to questions of prior payment of the debt that the
24 ~~department~~ office is proceeding against, and mistaken identity of the debtor. The

1 levy is not stayed pending the hearing in any case in which property is secured
2 through the levy.

3 **SECTION 335.** 102.85 (2) (a) of the statutes is amended to read: ✓

4 102.85 (2) (a) Gives false information about the coverage to his or her
5 employees, the ~~department~~ office, or any other person who contracts with the
6 employer and who requests evidence of worker's compensation coverage in relation
7 to that contract.

8 **SECTION 336.** 102.85 (5) (a) of the statutes is amended to read: ✓

9 102.85 (5) (a) The payment of any judgment under this section may be
10 suspended or deferred for not more than 90 days in the discretion of the court. The
11 court shall suspend a judgment under this section upon the motion of the ~~department~~
12 office, if the ~~department~~ office is satisfied that the employer's violation of s. 102.16
13 (3) or 102.28 (2) was beyond the employer's control and that the employer is no longer
14 violates in violation of s. 102.16 (3) or 102.28 (2). ~~In cases where~~ If a deposit has been
15 made, any forfeitures, surcharges, fees, and costs imposed under ch. 814 shall be
16 ~~taken out of the deposit and the balance, if any, returned to the employer.~~

17 **SECTION 337.** 102.87 (1) of the statutes is renumbered 102.87 (1m).

18 **SECTION 338.** 102.87 (1d) of the statutes is created to read: ✓

19 102.87 (1d) In this section, "deputy" means any person employed by the ~~office~~
20 department who is designated as a deputy, who possesses special, technical, scientific,
21 managerial or personal abilities or qualities in matters within the jurisdiction of the
22 ~~office~~, and who may be engaged in the performance of duties under the direction of
23 the ~~commissioner~~, calling for the exercise of those abilities or qualities.

24 **SECTION 339.** 102.87 (2) (intro.) of the statutes is amended to read:

Secretary

1 102.87 (2) (intro.) A citation under this section shall be signed by a ~~department~~
2 deputy, or by an officer who has authority to make arrests for the violation, and shall
3 contain substantially the following information:

4 **SECTION 340.** 102.87 (2) (b) of the statutes is amended to read:

5 102.87 (2) (b) The name and ~~office or~~ department of the issuing ~~department~~
6 deputy or officer.

7 **SECTION 341.** 102.87 (3) of the statutes is amended to read:

8 102.87 (3) A defendant issued a citation under this section may deposit the
9 amount of money that the issuing ~~department~~ deputy or officer directs by mailing or
10 delivering the deposit and a copy of the citation before the court appearance date to
11 the clerk of the circuit court in the county where the violation occurred, to the
12 ~~department office~~, or to the sheriff's office or police headquarters of the officer who
13 issued the citation. The basic amount of the deposit shall be determined under a
14 deposit schedule established by the judicial conference. The judicial conference shall
15 annually review and revise the schedule. In addition to the basic amount determined
16 by the schedule, the deposit shall include the costs, fees, and surcharges imposed
17 under ch. 814.

18 **SECTION 342.** 102.87 (9) of the statutes is amended to read:

19 102.87 (9) A ~~department~~ deputy or an officer who collects under this section a
20 forfeiture and costs, fees, and surcharges imposed under ch. 814 ~~under this section~~
21 shall pay the money to the county treasurer within 20 days after its receipt. If the
22 ~~department~~ deputy or officer fails to make timely payment, the county treasurer may
23 collect the payment from the ~~department~~ deputy or officer by an action in the
24 treasurer's name of office and upon the official bond of the ~~department~~ deputy or

Depositor

1 officer, with interest at the rate of ~~12%~~ 12 percent per year from the time when ~~it~~ the
2 payment should have been ~~paid~~ made.

3 SECTION 343. 102.88 (1) of the statutes is amended to read:

4 102.88 (1) When a person is convicted of any violation of this chapter or of any
5 department rule or order of the office, and it is alleged in the indictment, information,
6 or complaint, and proved or admitted on trial or ascertained by the court after
7 conviction that the person was previously subjected to a fine or forfeiture within a
8 period of 5 years under s. 102.85, the person may be fined not more than \$2,000 or
9 imprisoned for not more than 90 days or both.

10 SECTION 344. 102.89 (1) of the statutes is amended to read:

11 102.89 (1) Whoever is concerned in the commission of a violation of this chapter
12 or of any department rule or order of the office under this chapter for which a
13 forfeiture is imposed is a principal and may be charged with and convicted of the
14 violation although he or she did not directly commit ~~it~~ the violation and although the
15 person who directly committed ~~it~~ the violation has not been convicted of the violation.

16 SECTION 345. 108.10 (4) of the statutes is amended to read:

17 108.10 (4) The department or the employing unit may commence action for the
18 judicial review of a commission decision under this section, provided the department,
19 or the employing unit, after exhausting the remedies provided under this section, has
20 commenced such action within 30 days after such decision was mailed to the
21 employing unit's last-known address. The scope of judicial review, and the manner
22 thereof insofar as applicable, shall be the same as that provided in s. 108.09 (7). In
23 an action commenced by an employing unit under this section, the department shall
24 be an adverse party ~~under s. 102.23 (1) (a)~~ and shall be named as a party in the
25 complaint commencing the action.

1 **SECTION 346.** 108.227 (1) (e) 16. of the statutes is created to read:

2 108.227 (1) (e) 16. A license issued by the division of hearings and appeals in
3 the department of administration under s. 102.17 (1) (c).

4 **SECTION 347.** 108.227 (1m) (intro.) of the statutes is amended to read:

5 108.227 (1m) GENERAL PROVISIONS. (intro.) The department shall promulgate
6 rules specifying procedures to be used before taking action under sub. (3) (b) or s.
7 ~~102.17 (1) (c)~~, 103.275 (2) (b), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7),
8 or 105.13 (4) with respect to a person whose license or credential is to be denied, not
9 renewed, discontinued, suspended, or revoked, including rules with respect to all of
10 the following:

11 **SECTION 348.** 108.227 (3) (a) 3. of the statutes is amended to read:

12 108.227 (3) (a) 3. Upon the request of any person whose license or certificate
13 has been previously revoked or denied under s. ~~102.17 (1) (c)~~, 103.275 (2) (b), 103.34
14 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), reinstate the license or
15 certificate if the applicant is not liable for delinquent contributions.

16 **SECTION 349.** 108.227 (5) (a) of the statutes is amended to read:

17 108.227 (5) (a) The department of workforce development shall conduct a
18 hearing requested by a license holder or applicant for a license or license renewal or
19 continuation under sub. (2) (b) 1. b., or as requested under s. ~~102.17 (1) (c)~~, 103.275
20 (2) (b), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), to review
21 a certification or determination of contribution delinquency that is the basis of a
22 denial, suspension, or revocation of a license or certificate in accordance with this
23 section or an action taken under s. ~~102.17 (1) (c)~~, 103.275 (2) (b), 103.34 (10) (d),
24 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4). A hearing under this paragraph
25 is limited to questions of mistaken identity of the license or certificate holder or

1 applicant and of prior payment of the contributions that the department of workforce
2 development certified or determined the license or certificate holder or applicant
3 owes the department. At a hearing under this paragraph, any statement filed by the
4 department of workforce development, the licensing department, or the supreme
5 court, if the supreme court agrees, may be admitted into evidence and is prima facie
6 evidence of the facts that it contains. Notwithstanding ch. 227, a person entitled to
7 a hearing under this paragraph is not entitled to any other notice, hearing, or review,
8 except as provided in sub. (6).

9 **SECTION 350.** 108.227 (5) (b) 1. of the statutes is amended to read:

10 108.227 (5) (b) 1. Issue a nondelinquency certificate to a license holder or an
11 applicant for a license or license renewal or continuation if the department
12 determines that the license holder or applicant is not liable for delinquent
13 contributions. For a hearing requested in response to an action taken under s. ~~102.17~~
14 ~~(1) (et)~~, 103.275 (2) (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13
15 (4), the department shall grant a license or certificate or reinstate a license or
16 certificate if the department determines that the applicant for or the holder of the
17 license or certificate is not liable for delinquent contributions, unless there are other
18 grounds for denying the application or revoking the license or certificate.

19 **SECTION 351.** 108.227 (5) (b) 2. of the statutes is amended to read:

20 108.227 (5) (b) 2. Provide notice that the department of workforce development
21 has affirmed its certification of contribution delinquency to a license holder; to an
22 applicant for a license, a license renewal, or a license continuation; and to the
23 licensing department or the supreme court, if the supreme court agrees. For a
24 hearing requested in response to an action taken under s. ~~102.17 (1) (et)~~, 103.275 (2)
25 (bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), the department

(see 3 times)
*Department of financial institutions, insurance, and
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1 of workforce development shall provide notice to the license or certificate holder or
2 applicant that the department of workforce development has affirmed its
3 determination of contribution delinquency.

4 **SECTION 352.** 227.43 (1) (bm) of the statutes is created to read:

5 227.43 (1) (bm) Assign a hearing examiner to preside over any hearing or
6 review of a worker's compensation claim or other dispute under ch. 102.

7 **SECTION 353.** 227.43 (2) (am) of the statutes is created to read:

8 227.43 (2) (am) The ~~office of the commissioner of insurance~~ shall notify the
9 division of hearings and appeals of every pending hearing to which the administrator
10 of the division is required to assign a hearing examiner under sub. (1) (bm) after the
11 ~~office of the commissioner of insurance~~ is notified that a hearing on the matter is *Ch. 102 Department*
12 required.

13 **SECTION 354.** 227.43 (3) (bm) of the statutes is created to read:

14 227.43 (3) (bm) The administrator of the division of hearings and appeals may
15 set the fees to be charged for any services rendered to the ~~office of the commissioner~~
16 ~~of insurance~~ by a hearing examiner under this section. The fee shall cover the total
17 cost of the services less any costs covered by the appropriation under s. 20.505 (4) (f).

18 **SECTION 355.** 227.43 (4) (bm) of the statutes is created to read:

19 227.43 (4) (bm) The ~~office of the commissioner of insurance~~ shall pay all costs
20 of the services of a hearing examiner assigned under sub. (1) (bm), according to the
21 fees set under sub. (3) (bm).

22 **SECTION 356.** 230.08 (2) (e) 6. of the statutes is amended to read:

23 230.08 (2) (e) 6. Workforce development — ~~9- 8.~~

24 **SECTION 357.** 303.07 (7) of the statutes is amended to read:

(, 1st time)
financial institutions, insurance, and professional

standards

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

11 **SECTION 358.** 303.21 (1) (a) of the statutes is amended to read:

12 303.21 (1) (a) If an inmate of a state institution, in the performance of assigned
 13 work is injured so as to be permanently incapacitated or to have materially reduced
 14 earning power, the inmate may, upon being released from such institution, either
 15 upon release on parole or extended supervision or upon final discharge, be allowed
 16 and paid such compensation as the ~~department of workforce development office of~~^{plan}
 17 the commissioner of insurance finds the inmate entitled to. The inmate shall be
 18 compensated on the same basis as if the injury had been covered by ch. 102, except
 19 that the total paid to any inmate may not exceed \$10,000 and may be paid in
 20 installments. If the injury results from employment in a prison industry, the
 21 payment shall be made from the revolving appropriation for its operation. If there
 22 is no revolving appropriation, payment shall be made from the general fund. In case
 23 of dispute, the procedure for hearing, award, and appeal shall be as set forth in ss.
 24 102.16 to 102.26.

25 ~~SECTION 359.~~ 601.415 (13) of the statutes is created to read.

1 ~~601.415 (13) WORKER'S COMPENSATION ADMINISTRATION. The commissioner shall~~
2 ~~perform the duties specified to be performed by the commissioner in ch. 102.~~

3 SECTION 360. 626.12 (3) of the statutes is amended to read:

4 626.12 (3) PHYSICAL IMPAIRMENT. Rates or rating plans may not take into
5 account the physical impairment of employees. Any employer who applies or
6 promotes any oppressive plan of physical examination and rejection of employees or
7 applicants for employment shall forfeit the right to experience rating. If the
8 ~~department of workforce development office~~ ^{plan} determines that grounds exist for such
9 forfeiture it, ~~the office~~ ^{the department} shall file with the ~~commissioner~~ ^{secretary} a certified copy of its findings,
10 which shall automatically suspend any experience rating credit for the employer.
11 The ~~department office~~ ^{plan} shall make the determination as prescribed in the same
12 manner as the department of workforce development makes determinations under
13 ss. 103.005 (5) (b) to (f), (6) to (11), (13) (b) to (d), and (16), so far as such subsections
14 those provisions are applicable, subject to review under ch. 227. Restoration of an
15 employer to the advantages of experience rating shall be by the same procedure.

16 SECTION 361. 626.32 (1) (a) of the statutes is amended to read:

17 626.32 (1) (a) *General.* Every insurer writing any insurance specified under
18 s. 626.03 shall report its insurance in this state to the bureau at least annually, on
19 forms and under rules prescribed by the bureau. The bureau shall file, under rules
20 promulgated by the ~~department of workforce development office~~ ^{plan}, a record of such
21 reports with that ~~department the office~~ ^{the}. No such information contained in those
22 reports may be made public by the bureau or any of its employees except as required
23 by law and in accordance with its rules. No such information contained in those
24 reports may be made public by the ~~department of workforce development office~~ ^{plan} or
25 any of its employees except as authorized by the bureau.

1 **SECTION 362.** 645.47 (1) (a) of the statutes is amended to read:

2 645.47 (1) (a) *General requirements.* The liquidator shall give notice of the
3 liquidation order as soon as possible by first class mail and either by telegram or
4 telephone to the insurance commissioner of each jurisdiction in which the insurer is
5 licensed to do business, ~~by first class mail and by telephone to the department of~~ ^{plm}
6 ~~workforce development of this state if the insurer is or has been an insurer of~~ ^{plm}
7 ~~worker's compensation,~~ by first class mail to all insurance agents having a duty
8 under s. 645.48, by first class mail to the director of state courts under s. 601.53 (1),
9 if the insurer does a surety business, and by first class mail at the last-known
10 address to all persons known or reasonably expected from the insurer's records to
11 have claims against the insurer, including all policyholders. The liquidator also shall
12 publish a class 3 notice, under ch. 985, in a newspaper of general circulation in the
13 county in which the liquidation is pending or in Dane County, the last publication to
14 be not less than 3 months before the earliest deadline specified in the notice under
15 sub. (2). ~~department of financial institutions, insurance, and professional standards~~

16 **SECTION 9151. Nonstatutory provisions; Workforce Development.**

17 (1) TRANSFER OF WORKER'S COMPENSATION ADMINISTRATIVE FUNCTIONS.

18 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
19 liabilities of the department of workforce development that are primarily related to
20 the administrative functions of the division of worker's compensation in that
21 department, as determined by the secretary of administration, shall become the
22 assets and liabilities of the ~~office of the commissioner of insurance.~~

23 (b) *Positions and employees.* On the effective date of this paragraph, all
24 positions and all incumbent employees holding those positions in the department of
25 workforce development performing duties that are primarily related to the

department of financial institutions, insurance,
and professional standards

1 administrative functions of the division of worker's compensation in that
2 department, as determined by the secretary of administration, are transferred to the
3 office of the commissioner of insurance.

4 (c) *Employee status.* Employees transferred under paragraph (b) have all the
5 rights and the same status under subchapter V of chapter 111 and chapter 230 of the
6 statutes in the office of the commissioner of insurance that they enjoyed in the
7 department of workforce development immediately before the transfer.
8 Notwithstanding section 230.28 (4) of the statutes, no employee so transferred who
9 has attained permanent status in class is required to serve a probationary period.

10 (d) *Tangible personal property.* On the effective date of this paragraph, all
11 tangible personal property, including records, of the department of workforce
12 development that is primarily related to the administrative functions of the division
13 of worker's compensation in that department, as determined by the secretary of
14 administration, is transferred to the office of the commissioner of insurance.

15 (e) *Pending matters.* Any matter pending with the department of workforce
16 development on the effective date of this paragraph that is primarily related to the
17 administrative functions of the division of worker's compensation in that
18 department, as determined by the secretary of administration, is transferred to the
19 office of the commissioner of insurance. All materials submitted to or actions taken
20 by the department of workforce development with respect to the pending matter are
21 considered as having been submitted to or taken by the office of the commissioner
22 of insurance.

23 (f) *Contracts.* All contracts entered into by the department of workforce
24 development in effect on the effective date of this paragraph that are primarily
25 related to the administrative functions of the division of worker's compensation in

1 that department, as determined by the secretary of administration, remain in effect
2 and are transferred to the office of the commissioner of insurance. The office of the
3 commissioner of insurance shall carry out any obligations under those contracts
4 unless modified or rescinded by the office of the commissioner of insurance to the
5 extent allowed under the contract.

6 (g) *Rules and orders.* All rules promulgated by the department of workforce
7 development in effect on the effective date of this paragraph that are primarily
8 related to the administrative functions of the division of worker's compensation in
9 that department, as determined by the secretary of administration, remain in effect
10 until their specified expiration dates or until amended or repealed by the office of the
11 commissioner of insurance. All orders issued by the department of workforce
12 development in effect on the effective date of this paragraph that are primarily
13 related to the administrative functions of the division of worker's compensation in
14 that department, as determined by the secretary of administration, remain in effect
15 until their specified expiration dates or until modified or rescinded by the office of
16 the commissioner of insurance.

17 (2) TRANSFER OF WORKER'S COMPENSATION ADJUDICATORY FUNCTIONS.

18 (a) *Assets and liabilities.* On the effective date of this paragraph, the assets and
19 liabilities of the department of workforce development that are primarily related to
20 the adjudicatory functions of the division of worker's compensation in that
21 department, as determined by the secretary of administration, shall become the
22 assets and liabilities of the division of hearings and appeals in the department of
23 administration.

24 (b) *Positions and employees.* On the effective date of this paragraph, all
25 positions and all incumbent employees holding those positions in the department of

1 workforce development performing duties that are primarily related to the
2 adjudicatory functions of the division of worker's compensation in that department,
3 as determined by the secretary of administration, are transferred to the division of
4 hearings and appeals in the department of administration.

5 (c) *Employee status.* Employees transferred under paragraph (b) have all the
6 rights and the same status under subchapter V of chapter 111 and chapter 230 of the
7 statutes in the division of hearings and appeals in the department of administration
8 that they enjoyed in the department of workforce development immediately before
9 the transfer. Notwithstanding section 230.28 (4) of the statutes, no employee so
10 transferred who has attained permanent status in class is required to serve a
11 probationary period.

12 (d) *Tangible personal property.* On the effective date of this paragraph, all
13 tangible personal property, including records, of the department of workforce
14 development that is primarily related to the adjudicatory functions of the division
15 of worker's compensation in that department, as determined by the secretary of
16 administration, is transferred to the division of hearings and appeals in the
17 department of administration.

18 (e) *Pending matters.* Any matter pending with the department of workforce
19 development on the effective date of this paragraph that is primarily related to the
20 adjudicatory functions of the division of worker's compensation in that department,
21 as determined by the secretary of administration, is transferred to the division of
22 hearings and appeals in the department of administration. All materials submitted
23 to or actions taken by the department of workforce development with respect to the
24 pending matter are considered as having been submitted to or taken by the division
25 of hearings and appeals in the department of administration.

1 (f) *Contracts.* All contracts entered into by the department of workforce
2 development in effect on the effective date of this paragraph that are primarily
3 related to the adjudicatory functions of the division of worker's compensation in that
4 department, as determined by the secretary of administration, remain in effect and
5 are transferred to the division of hearings and appeals in the department of
6 administration. The division of hearings and appeals in the department of
7 administration shall carry out any obligations under those contracts unless modified
8 or rescinded by the division of hearings and appeals in the department of
9 administration to the extent allowed under the contract.

10 (g) *Rules and orders.* All rules promulgated by the department of workforce
11 development in effect on the effective date of this paragraph that are primarily
12 related to the adjudicatory functions of the division of worker's compensation in that
13 department, as determined by the secretary of administration, remain in effect until
14 their specified expiration dates or until amended or repealed by the administrator
15 of the division of hearings and appeals in the department of administration. All
16 orders issued by the department of workforce development in effect on the effective
17 date of this paragraph that are primarily related to the adjudicatory functions of the
18 division of worker's compensation in that department, as determined by the
19 secretary of administration, remain in effect until their specified expiration dates or
20 until modified or rescinded by the administrator of the division of hearings and
21 appeals in the department of administration.

22 (3) TRANSFER OF COUNCIL ON WORKER'S COMPENSATION.

23 (a) *Tangible personal property.* On the effective date of this paragraph, all
24 tangible personal property, including records, of the department of workforce
25 development that is primarily related to the functions of the council on worker's

(Use 6 times)

SECTION 9151

Department of financial institutions, insurance,
and professional standards

1 compensation, as determined by the secretary of administration, is transferred to the
2 office of the commissioner of insurance.

3 (b) *Contracts*. All contracts entered into by the department of workforce
4 development in effect on the effective date of this paragraph that are primarily
5 related to the functions of the council on worker's compensation, as determined by
6 the secretary of administration, remain in effect and are transferred to the office of

7 the commissioner of insurance. The office of the commissioner of insurance shall
8 carry out any obligations under those contracts unless modified or rescinded by the
9 office of the commissioner of insurance ^{that department} to the extent allowed under the contract.

10 (4) TRANSFER OF SELF-INSURERS COUNCIL.

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

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

23

(END)

H/WR 5-11

20,142 (3)

CR

Section # 20.445 (k) (ka) of the statutes is amended to read:

20,142 (3)

20.445 (k) (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.

+++ Note: kind

~~History: 1971 c. 125 ss. 156, 522 (1); 1971 c. 211, 215; 1971 c. 228 s. 44; 1971 c. 259; 1973 c. 90, 180, 243, 333; 1975 c. 39, 147, 224, 274, 344; 1975 c. 404 ss. 3, 10 (1); 1975 c. 405 ss. 3, 11 (1); 1977 c. 29, 48, 203, 418; 1979 c. 34 ss. 512 to 522, 2102 (25) (a); 1979 c. 189, 221, 309; 1979 c. 329 s. 25 (1); 1979 c. 350 ss. 3, 27 (6); 1979 c. 353, 355; 1981 c. 20, 36, 92, 93, 317, 325, 364; 1983 a. 8; 1983 a. 27 ss. 411 to 425; 1983 a. 98 ss. 1, 31; 1983 a. 192, 384, 388, 410; 1985 a. 17, 29, 153, 313, 332; 1987 a. 27; 1987 a. 38 ss. 2 to 4, 136; 1987 a. 399, 403; 1989 a. 31, 44, 64, 77, 254, 284, 359; 1991 a. 39 ss. 372c, 545r, 545t, 545v, 547, 548, 548g, 548m, 549, 549b, 549g, 549p; 1991 a. 85, 89, 269, 315; 1993 a. 16, 126, 243, 437, 491; 1995 a. 27 ss. 772mm, 772mn, 776p to 778b, 778L, 778n, 778q, 778v, 778z to 780m, 781m to 782p, 782u, 841, 842, 849, 850, 854, 855, 858c, 873 to 876, 878, 880, 890 to 896, 962 to 1014c, 9126 (19), 9130 (4); 1995 a. 113 s. 2t; 1995 a. 117, 201, 216, 225, 289; 1995 a. 404 ss. 4, 6 to 8, 10 to 17; 1997 a. 3; 1997 a. 27 ss. 610 to 642m, 722; 1997 a. 35, 38, 39, 105, 112, 191, 235, 236, 237, 252; 1999 a. 9 ss. 270, 458 to 478; 1999 a. 15, 32; 2001 a. 16, 35, 43, 104, 109; 2003 a. 33, 197; 2005 a. 25, 86, 172; 2005 a. 443 s. 265; 2007 a. 20, 59; 2009 a. 28, 180; 2011 a. 32, 123, 183, 198; 2013 a. 9, 20; 2013 a. 36 ss. 6p to 7, 236m; 2013 a. 57, 139.~~

(editment)

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

Insert 5-15

SEC (R 20.505 (4) (ga) ✓

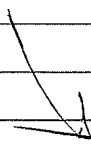
20.505 (4) (ga) (b) (1) Auxiliary services All moneys received ✓

from fees collected under s. 102.16 (2m) (2) for the ✓
delivery of services under s. 102.16 (2m) (f). ✓ f

~~CA 10/1/17~~

XXXX NOTE: This draft creates s. 20.505 (4) (ga) ✓
instead of s. 20.142 (3) (ga) because under the draft
DHA, not DFRIPS, collects fees for adjudicating
necessity of treatment disputes.

~~Spec 10/1/17~~
XXXX Note: bnd



20.503(4)

Insert 5-15

(CR)

Section #. 20.445 (2) (ra) of the statutes is amended to read:

5. 20.142 (3)

division of hearings and appeals

20.445 (2) (ra) *Worker's compensation operations fund; worker's compensation activities.*

From the worker's compensation operations fund, the amounts in the schedule for the worker's compensation activities of the labor and industry review commission. All moneys transferred from the appropriation account under sub. (1) (ra) shall be credited to this appropriation account.

History: 1971 c. 125 ss. 156, 522 (1); 1971 c. 211, 215; 1971 c. 228 s. 44; 1971 c. 259; 1973 c. 90, 180, 243, 333; 1975 c. 39, 147, 224, 274, 344; 1975 c. 404 ss. 3, 10 (1); 1975 c. 405 ss. 3, 11 (1); 1977 c. 29, 48, 203, 418; 1979 c. 34 ss. 512 to 522, 2102 (25) (a); 1979 c. 189, 221, 309; 1979 c. 329 s. 25 (1); 1979 c. 350 ss. 3, 27 (6); 1979 c. 353, 355; 1981 c. 20, 36, 92, 93, 317, 325, 364; 1983 a. 8; 1983 a. 27 ss. 411 to 425; 1983 a. 98 ss. 1, 31; 1983 a. 192, 384, 388, 410; 1985 a. 17, 29, 153, 313, 332; 1987 a. 27; 1987 a. 38 ss. 2 to 4, 136; 1987 a. 399, 403; 1989 a. 31, 44, 64, 77, 254, 284, 359; 1991 a. 39 ss. 372c, 545r, 545t, 545v, 547, 548, 548g, 548m, 549, 549b, 549g, 549p; 1991 a. 85, 89, 269, 315; 1993 a. 16, 126, 243, 437, 491; 1995 a. 27 ss. 772mm, 772mn, 776p to 778b, 778L, 778n, 778q, 778v, 778z to 780m, 781m to 782p, 782u, 841, 842, 849, 850, 854, 855, 858c, 873 to 876, 878, 880, 890 to 896, 962 to 1014c, 9126 (19), 9130 (4); 1995 a. 113 s. 2t; 1995 a. 117, 201, 216, 225, 289; 1995 a. 404 ss. 4, 6 to 8, 10 to 17; 1997 a. 3; 1997 a. 27 ss. 610 to 642m, 722; 1997 a. 35, 38, 39, 105, 112, 191, 235, 236, 237, 252; 1999 a. 9 ss. 270, 458 to 478; 1999 a. 15, 32; 2001 a. 16, 35, 43, 104, 109; 2003 a. 33, 197; 2005 a. 25, 86, 172; 2005 a. 443 s. 265; 2007 a. 20, 59; 2009 a. 28, 180; 2011 a. 32, 123, 183, 198; 2013 a. 9, 20; 2013 a. 36 ss. 6p to 7, 236m; 2013 a. 57, 139.

XXXX Note: b-2

(edA wT)

6787 8-3

Section #. 102.01 (2) (ap) of the statutes is amended to read:

financial institutions, insurance, and professional standards,

102.01 (2) (ap) "Department" means the department of ~~workforce development~~.

History: 1975 c. 147 ss. 7 to 13, 54; 1975 c. 200; 1979 c. 89, 278; 1981 c. 92; 1983 a. 98, 189; 1985 a. 83; 1987 a. 179; 1989 a. 64; 1995 a. 27 ss. 3737 to 3741, 9130 (4); 1995 a. 117, 417; 1997 a. 3; 1999 a. 9, 14; 2001 a. 37; 2003 a. 139; 2007 a. 20.

(Amendment)

Instr 8-14 13-8

Section #. 102.01 (2) (em) of the statutes is amended to read:

financial institutions, insurance, and professional standards

102.01 (2) (em) "Secretary" means the secretary of workforce development.

History: 1975 c. 147 ss. 7 to 13, 54; 1975 c. 200; 1979 c. 89, 278; 1981 c. 92; 1983 a. 98, 189; 1985 a. 83; 1987 a. 179; 1989 a. 64; 1995 a. 27 ss. 3737 to 3741, 9130 (4); 1995 a. 117, 417; 1997 a. 3; 1999 a. 9, 14; 2001 a. 37; 2003 a. 139; 2007 a. 20.

(end of instr)

(use times)

69-24

Section #. 102.31 (4) of the statutes is amended to read:

Secretary

under

102.31 (4) If any insurer authorized to transact worker's compensation insurance in this state fails to promptly pay claims for compensation for which it is liable or fails to make reports to the department required by s. 102.38, the department may recommend to the ~~commissioner of insurance~~ ^{Secretary}, with detailed reasons, that enforcement proceedings ^{under} s. 601.64 be invoked. The ~~commissioner~~ shall furnish a copy of the recommendation to the insurer and shall set a date for a hearing, at which both the insurer and the department shall be afforded an opportunity to present evidence. If after the hearing the ~~commissioner~~ finds that the insurer has failed to carry out its obligations under this chapter, the ~~commissioner~~ shall institute enforcement proceedings under s. 601.64. If the ~~commissioner~~ does not so find, the ~~commissioner~~ shall dismiss the complaint. ^{Secretary}

History: 1971 c. 260, 307; 1975 c. 39; 1975 c. 147 ss. 26, 54; 1975 c. 199, 371; 1977 c. 29, 195; 1979 c. 278; 1981 c. 92; 1983 a. 189 s. 329 (25); 1985 a. 29, 83; 1987 a. 179; 1989 a. 64, 332; 1993 a. 81, 112; 2001 a. 37; 2003 a. 144; 2005 a. 172; 2007 a. 185; 2009 a. 206.