Wisconsin Legislative Council AMENDMENT MEMO



Memo published: February 19, 2021

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January 2021 Special Session Senate Bill 1

Senate Substitute Amendment 1

JANUARY 2021 SPECIAL SESSION SENATE BILL 1

Senate Bill 1 for the January 2021 Special Session addresses two aspects of the unemployment insurance program. The bill: (1) provides initial funding of \$5.3 million for modernization of the information technology system; and (2) requires the electronic exchange of documentation between employees, employees, and the Department of Workforce Development (DWD).

SENATE SUBSTITUTE AMENDMENT 1

Senate Substitute Amendment 1 replaces those provisions with the following items.

Modernization of Unemployment Information Technology System

The substitute amendment requires DWD to begin updating the information technology systems used for processing and paying unemployment claims, in cooperation with the Department of Administration (DOA). Requests for proposals must be issued within 30 days of the bill becoming law, and the project must be undertaken by June 30, 2021. The Joint Committee on Finance (JCF) may approve an extension of the June 30, 2021, start date by up to 90 days through the passive review process.

To finance the project, DWD must seek and exhaust federal funding, and may finance the project under a master lease.¹ JCF may approve supplemental funding for the purpose of obtaining funding for the project. The Governor may waive most statutory purchasing procedures for the purpose of expediting the project, and, if a waiver is given, must report to DOA on the necessity of each waiver.

DWD and DOA must report to JCF and the Joint Committee on Information Policy and Technology on the status and cost of the project within 60 days of the bill becoming law and then once for each quarter through completion of the project.

Waiver of One-Week Waiting Period

The substitute amendment extends the waiver of the unemployment one-week waiting period under 2019 Wisconsin Act 185² from February 6, 2021 to March 13, 2021.

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¹ For more information on the master lease program, see Legislative Fiscal Bureau, <u>State Level Debt Issuance</u>, Informational Paper #79 (January 2021).

² For more information on 2019 Wisconsin Act 185, see Legislative Council, <u>*COVID-19 Legislation: 2019 Wisconsin Act 185*</u>, Information Memorandum (April 2020).

Unemployment Work-Share Program

The substitute amendment extends the flexibilities in the unemployment insurance work-share program under 2019 Wisconsin Act 185 from December 31, 2020, until the termination of the national emergency declared by the President in response to the novel coronavirus or July 3, 2021, whichever is earlier.

Relief From Unemployment Benefit Charging

The substitute amendment extends the relief from unemployment benefit charging for employers under 2019 Wisconsin Act 185 from December 31, 2020 to March 13, 2021, and specifies that DWD must presume that all initial claims through that date relate to the public health emergency declared in Executive Order #72 unless certain exceptions apply.

Unemployment Extended Benefits

The substitute amendment allows DWD to waive a time limitation in the eligibility requirements for extended unemployment benefits through June 30, 2021.

Immunity From Civil Liability

The substitute amendment provides immunity for entities from civil liability for a COVID-19-related injury or death, except in the case of reckless or wanton conduct or intentional misconduct. The immunity is retroactive to claims accruing on or after March 1, 2020, but does not apply to an action filed before enactment of the bill.

BILL HISTORY

On February 17, 2021, JCF introduced Senate Substitute Amendment 1, recommended adoption of the substitute amendment, and recommended passage of the bill, as amended, on votes of Ayes, 15; Noes, 0.

On February 18, 2021, the Senate adopted the substitute amendment on a voice vote, and passed the bill, as amended, on a vote of Ayes, 27; Noes, 3.

MSK:jal