

# State of Misconsin 2021 - 2022 LEGISLATURE

 $LRB-5841/1\\ MED\&MIM:emw\&cjs$ 

# 2021 ASSEMBLY BILL 911

January 26, 2022 - Introduced by Committee on Labor and Integrated Employment. Referred to Committee on Labor and Integrated Employment.

1	AN ACT to repeal 102.11 (1) (am), 102.11 (1) (f) 1. and 102.39 (title); to renumber
2	102.05 (3), $102.15$ (1) and $102.16$ (1) (b); to renumber and amend $102.11$ (1)
3	$ (f)\ 2.\ and\ 102.39; \textbf{\textit{to amend}}\ 46.275\ (4m),\ 46.277\ (3r),\ 46.281\ (1k),\ 46.2897\ (3), \\$
4	$46.995\ (3),\ 73.0301\ (1)\ (d)\ 3m.,\ 73.0301\ (1)\ (e),\ 102.04\ (1)\ (b)\ 1.,\ 102.04\ (1)\ (b)\ 2.,$
5	102.05 (1), 102.05 (2), 102.11 (1) (intro.), 102.13 (1) (b) (intro.), 102.15 (title),
6	$102.17\ (1)\ (c),\ 102.17\ (1)\ (cg),\ 102.17\ (1)\ (cr),\ 102.18\ (2)\ (a),\ 102.18\ (3),\ 102.43\ (6)$
7	(b), 102.61 (1g) (a) 2., 102.80 (1) (d), 102.81 (4) (b) (intro.), 102.81 (4) (b) 2.,
8	$102.81\ (5),\ 102.82\ (1),\ 108.227\ (1)\ (f),\ 108.227\ (1m)\ (intro.),\ 108.227\ (3)\ (a)\ 3.,$
9	$108.227\ (5)\ (a),\ 108.227\ (5)\ (b)\ 1.\ and\ 108.227\ (5)\ (b)\ 2.; \textbf{\textit{to repeal and recreate}}$
10	$102.17\ (1)\ (\text{ct});\ \text{and}\ \textit{to}\ \textit{create}\ 73.0301\ (1)\ (d)\ 15.,\ 102.11\ (1)\ (ap),\ 102.13\ (1)\ (b)$
11	6., 102.16 (1) (b) 2., 102.33 (2) (b) 7., 102.81 (4) (c) and 108.227 (1) (e) 16. of the

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statutes; **relating to:** various changes to the worker's compensation law and granting rule-making authority.

#### Analysis by the Legislative Reference Bureau

This bill makes various changes to the worker's compensation law, as administered by the Department of Workforce Development and the Division of Hearings and Appeals in the Department of Administration (DHA).

#### **CLAIMS AND PAYMENTS**

#### Maximum weekly compensation for permanent partial disability

The bill increases the maximum weekly compensation rate for permanent partial disability from \$362 to \$415 for injuries occurring before January 1, 2023, and to \$430 for injuries occurring on or after that date.

#### Part-time employment and wage expansion

Generally, under current law, when calculating average weekly earnings for purposes of worker's compensation benefit amounts, the the normal full-time workweek is used, and it is generally presumed that the normal full-time workweek is not less than 40 hours per week. Current law provides, however, that if an employee is a member of a regularly-scheduled class of part-time employees, average weekly earnings are determined using the hours and days established by the employer for that class, but not less than 24 hours. Current law also provides that the weekly temporary disability benefits for a part-time employee who restricts his or her availability in the labor market to part-time work and is not employed elsewhere may not exceed the average weekly wages of the part-time employment.

The bill replaces the provision in current law regarding employees who are members of a regularly-scheduled class of part-time employees with a provision that applies to employees who work less than full time. Under this provision, an injured employee's average weekly wage is calculated as the greater of 1) the hourly rate at the time of injury multiplied by the average number of hours worked per week for the 52 calendar weeks before his or her injury or 2) the actual average weekly earnings of the employee for the 52 calendar weeks before his or her injury. Weeks not worked are not counted under either calculation.

Under the bill, however, earnings are expanded to be based on full-time work if the employee shows that he or she is employed by another employer, by providing evidence of taxable earnings or evidence that the employee worked less than full time for a period of less than 12 months. An employer may rebut the employee's evidence of eligibility for temporary disability benefits based on full-time work by providing evidence that the employee chose to work less than full time.

#### Observers in examinations

The bill allows an employee to have an observer, chosen and provided by the employee, present during a medical examination that is requested by an employer or insurer following a claim for worker's compensation.

#### Payment of proceeds of claims against third parties

Current law provides that when an employee sustains a work injury or dies as a result of a work injury and the employee, the employee's personal representative, or another person entitled to bring action maintains an action in tort against a third party for the injury or death, the proceeds of the claim are to be divided pursuant to a formula detailed under current law. Under that formula, after deducting the reasonable cost of collection, one-third of the remainder is in all cases to be paid to the injured employee, personal representative, or other person entitled. Current law also provides that if an injured employee or dependent receives compensation from the employee's employer or a third party in such an action and the employee received payments from DWD due to the employer being an uninsured employer, the employee or dependent must reimburse DWD for the full amount of the payments up to the amount recovered from the third party.

The bill modifies the latter provision such that if an injured employee or dependent receives compensation from the employee's employer or a third party in such an action and the employee received payments from DWD due to the employer being an uninsured employer, the employee or dependent must reimburse DWD in accordance with the formula described above.

#### **COVERAGE: LIABILITY**

#### Employers subject to worker's compensation law; withdrawal

Current law generally provides that, with certain exceptions, every person who usually employs three or more employees for services performed in this state is subject to the worker's compensation law and provides that a covered employer who has not usually employed three employees in every calendar quarter in a calendar year may file a notice with DWD to withdraw from coverage under the law. The bill provides that any person who *at any time* employs three or more employees for services performed in this state is subject to the worker's compensation law and specifies that a person becomes subject to that law on the day on which the person employs three or more employees for services performed in this state. The bill provides that an employer who has not employed three employees in every calendar quarter in a calendar year may file a notice with DWD to withdraw from coverage under the law.

Current law also provides that an employer who has had no employee at any time within a continuous period of two years shall be deemed to have effected withdrawal, which shall be effective on the last day of such period. The bill clarifies that this provision applies to farm employers.

## $Long-term\ care\ providers;\ clarification$

The bill makes clarifications regarding individuals who perform services for persons receiving long-term care benefits under certain long-term care programs and who do not otherwise have worker's compensation coverage for those services to confirm that they are considered to be employees, for worker's compensation purposes, of the entities providing financial management services for the persons receiving the benefits.

#### PROGRAM ADMINISTRATION

#### Confidential records; disclosure to certain agencies

Under current law, subject to a number of exceptions, certain records of DWD, DHA, or the Labor and Industry Review Commission that reveal information about injured employees are confidential and not subject to disclosure under the public records law or a subpoena. The bill creates another exception for records requested by the Department of Health Services, a county department of social services, or a county department of human services if the request is limited to the name and address of the employee who is the subject of the record, the name and address of the employee's employer, and any financial information about that employee contained in the record.

#### Other changes

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The bill makes various other changes regarding the administration of the worker's compensation law, including:

- 1. Granting explicit rule-making authority to DWD to carry out the worker's compensation law.
- 2. Expressly providing that DWD may conduct alternative dispute resolution activities for certain cases.
- 3. Transferring from DWD to DHA the authority to grant licenses for non-attorneys to appear in worker's compensation cases.

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

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

**Section 1.** 46.275 (4m) of the statutes is amended to read:

46.275 (4m) Worker's compensation coverage. An individual who is performing services for a person receiving long-term care benefits under this section on a self-directed basis and who does not otherwise have worker's compensation coverage for those services is considered, for purposes of worker's compensation coverage, to be an employee of the entity that is providing financial management services for that person.

**SECTION 2.** 46.277 (3r) of the statutes is amended to read:

46.277 (**3r**) Worker's compensation coverage. An individual who is performing services for a person receiving long-term care benefits under this section on a self-directed basis and who does not otherwise have worker's compensation coverage for those services is considered, for purposes of worker's compensation coverage, to be an employee of the entity that is providing financial management services for that person.

**SECTION 3.** 46.281 (1k) of the statutes is amended to read:

46.281 (1k) Worker's compensation coverage. An individual who is performing services for a person receiving the Family Care benefit, or benefits under Family Care Partnership, on a self-directed basis and who does not otherwise have worker's compensation coverage for those services is considered, for purposes of worker's compensation coverage, to be an employee of the entity that is providing financial management services for that person.

**SECTION 4.** 46.2897 (3) of the statutes is amended to read:

46.2897 (3) Worker's compensation coverage. An individual who is performing services for a person participating in the self-directed services option and who does not otherwise have worker's compensation coverage for those services is considered, for purposes of worker's compensation coverage, to be an employee of the entity that is providing financial management services for that person.

**Section 5.** 46.995 (3) of the statutes is amended to read:

46.995 (3) An individual who is performing services for a person receiving long-term care benefits under any children's long-term support waiver program on a self-directed basis and who does not otherwise have worker's compensation coverage for those services is considered, for purposes of worker's compensation

coverage, to be an employee of the entity that is providing financial management
services for that person.

**SECTION 6.** 73.0301 (1) (d) 3m. of the statutes is amended to read:

73.0301 (1) (d) 3m. A license or certificate issued by the department of workforce development under s. <del>102.17 (1) (e), 103.275 (2) (b), 103.34 (3) (c), 103.91 (1), 103.92 (3), 104.07 (1) or (2), or 105.13 (1).</del>

**SECTION 7.** 73.0301 (1) (d) 15. of the statutes is created to read:

73.0301 (1) (d) 15. A license issued by the division of hearings and appeals under s. 102.17 (1) (c).

**SECTION 8.** 73.0301 (1) (e) of the statutes is amended to read:

73.0301 (1) (e) "Licensing department" means the department of administration; the division of hearings and appeals; the department of agriculture, trade and consumer protection; the board of commissioners of public lands; the department of children and families; the ethics commission; the department of financial institutions; the department of health services; the department of natural resources; the department of public instruction; the department of safety and professional services; the department of workforce development; the office of the commissioner of insurance; or the department of transportation.

**Section 9.** 102.04 (1) (b) 1. of the statutes is amended to read:

102.04 (1) (b) 1. Every person who usually at any time employs 3 or more employees for services performed in this state, whether in one or more trades, businesses, professions, or occupations, and whether in one or more locations. A person who employs 3 or more employees for services performed in this state becomes subject to this chapter on the day on which the person employs 3 or more such employees.

<b>Section 10.</b> 102.04 (1) (b) 2. of the statutes is amended to read:
102.04 (1) (b) 2. Every person who usually employs less fewer than 3
employees, provided the person has paid wages of \$500 or more in any calendar
quarter for services performed in this state. Such employer a person shall become
subject $\underline{\text{to this chapter}}$ on the 10th day of the month next succeeding such quarter.
<b>Section 11.</b> 102.05 (1) of the statutes is amended to read:
102.05 (1) WITHDRAWAL. (a) An employer, including a person engaged in
farming who has become subject to this chapter, who has had no employee at any time
within a continuous period of 2 years shall be deemed to have effected withdrawal,
which shall be effective on the last day of such that 2-year period. An
(b) 1. If an employer who has not usually, in every calendar quarter in a
calendar year, employed 3 employees and who has not paid wages of at least \$500 for
employment in this state in every calendar quarter in a calendar year, the employer
may file a withdrawal notice with the department, which withdrawal shall take
effect 30 days after the date of such filing or at such later date as is specified in the
notice. Such employer may again become subject to this chapter as provided by s.
102.04 (1) (b) and (e). This subdivision shall not apply to farmers.
(c) If an employer who is subject to this chapter only because the employer
elected to become subject to this chapter under sub. (2) cancels or terminates his or
her contract for the insurance of compensation under this chapter, that employer is
deemed to have effected withdrawal, which shall be effective on the day after the
contract is canceled or terminated.
<b>SECTION 12.</b> 102.05 (2) of the statutes is amended to read:
102.05 (2) ELECTION. Any employer who shall enter enters into a contract for

the insurance of compensation, or against liability therefor, shall be deemed thereby

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to have elected to accept the provisions of this chapter, and such election shall include farm laborers, domestic servants and employees not in the course of a trade, business, profession or occupation of the employer if such intent is shown by the terms of the policy. Such election shall remain in force until withdrawn in the manner provided in sub. (1) (c).

**Section 13.** 102.05 (3) of the statutes is renumbered 102.05 (1) (b) 2.

**SECTION 14.** 102.11 (1) (intro.) of the statutes is amended to read:

102.11 (1) (intro.) The average weekly earnings for temporary disability, permanent total disability, or death benefits for injury in each calendar year on or after January 1, 1982, shall be not less than \$30 nor more than the wage rate that results in a maximum compensation rate of 110 percent of the state's average weekly earnings as determined under s. 108.05 as of June 30 of the previous year. The average weekly earnings for permanent partial disability shall be not less than \$30 and, for permanent partial disability for injuries occurring on or after March 2, 2016, and before January 1, 2017, not more than \$513, resulting in a maximum compensation rate of \$342, and, for permanent partial disability for injuries occurring on or after January 1, 2017, and before the effective date of this subsection .... [LRB inserts date], not more than \$543, resulting in a maximum compensation rate of \$362; for permanent partial disability for injuries occurring on or after the effective date of this subsection .... [LRB inserts date], and before January 1, 2023, not more than \$622.50, resulting in a maximum compensation rate of \$415; and for permanent partial disability for injuries occurring on or after January 1, 2023, not more than \$645, resulting in a maximum compensation rate of \$430. Between such limits the average weekly earnings shall be determined as follows:

**Section 15.** 102.11 (1) (am) of the statutes is repealed.

**SECTION 16.** 102.11 (1) (ap) of the statutes is created to read:

- 102.11 (1) (ap) 1. Except as provided in subd. 2., in the case of an employee who works less than full time, average weekly earnings shall be calculated by whichever of the following is greater:
- a. The actual average weekly earnings of the employee for the 52 calendar weeks before his or her injury, except that calendar weeks within which no work was performed shall not be considered.
- b. The employee's hourly earnings on the date of injury multiplied by the average number of hours worked in that employment for the 52 calendar weeks before his or her injury, except that calendar weeks within which no work was performed shall not be considered.
- 2. An employee may, subject to subd. 3., demonstrate that he or she is eligible for temporary disability benefits based on full-time work rather than part-time work as provided in subd. 1. a. by providing evidence of qualifying taxable earnings with an employer other than the employer liable for the employee's injury or demonstrating that the employee has worked less than full time for less than 12 months before the date of the employee's injury. If the employee so demonstrates, the employee's average weekly wage shall be calculated using the normal full-time workweek established by the employer under par. (a).
- 3. An employer may rebut the employee's evidence of eligibility for temporary disability benefits based on full-time work under subd. 2. by providing evidence that the employee chose to work less than full time. Such evidence of a choice to restrict employment to less than full time may include a written statement signed by the employee or an employment application that indicates an hour or shift preference.

**Section 17.** 102.11 (1) (f) 1. of the statutes is repealed.

**SECTION 18.** 102.11 (1) (f) 2. of the statutes is renumbered 102.11 (1) (f) and amended to read:

102.11 (1) (f) The weekly temporary disability benefits for a part-time employee who restricts his or her availability in the labor market to part-time work and is not employed elsewhere, or who has worked less than full time for 12 months or longer before the employee's injury, may not exceed the average weekly wages of the part-time employment.

**SECTION 19.** 102.13 (1) (b) (intro.) of the statutes is amended to read:

102.13 (1) (b) (intro.) An employer or insurer who requests that an employee submit to reasonable examination under par. (a) or (am) shall tender to the employee, before the examination, all necessary expenses including transportation expenses. The employee is entitled to have a physician, chiropractor, psychologist, dentist, physician assistant, advanced practice nurse prescriber, or podiatrist provided by himself or herself present at the examination and to receive a copy of all reports of the examination that are prepared by the examining physician, chiropractor, psychologist, podiatrist, dentist, physician assistant, advanced practice nurse prescriber, or vocational expert immediately upon receipt of those reports by the employer or worker's compensation insurer. The employee is entitled to have one observer provided by himself or herself present at the examination. The employee is also entitled to have a translator provided by himself or herself present at the examination if the employee has difficulty speaking or understanding the English language. The employer's or insurer's written request for examination shall notify the employee of all of the following:

**Section 20.** 102.13 (1) (b) 6. of the statutes is created to read:

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102.13 (1) (b) 6. The employee's right to have one observer provided by himself or herself present at the examination.

**Section 21.** 102.15 (title) of the statutes is amended to read:

102.15 (title) Rules of procedure; transcripts.

**Section 22.** 102.15 (1) of the statutes is renumbered 102.15 (1) (b).

**SECTION 23.** 102.16 (1) (b) of the statutes is renumbered 102.16 (1) (b) 1.

**SECTION 24.** 102.16 (1) (b) 2. of the statutes is created to read:

102.16 (1) (b) 2. The department may conduct alternative dispute resolution activities for a case involving an employee who is not represented by an attorney with respect to which no application has been filed under s. 102.17 (1) (a) 1. or with respect to which an application has been filed, regardless of whether the application is ready to be scheduled for a hearing.

**SECTION 25.** 102.17 (1) (c) of the statutes is amended to read:

102.17 (1) (c) 1. Any party shall have the right to be present at any hearing, in person or by attorney or any other agent, and to present such testimony as may be pertinent to the controversy before the division. No person, firm, or corporation, other than an attorney at law who is licensed to practice law in the state, may appear on behalf of any party in interest before the division or any member or employee of the division assigned to conduct any hearing, investigation, or inquiry relative to a claim for compensation or benefits under this chapter, unless the person is 18 years of age or older, does not have an arrest or conviction record, subject to ss. 111.321, 111.322 and 111.335, is otherwise qualified, and has obtained from the department division a license with authorization to appear in matters or proceedings before the division. Except as provided under pars. (cm), (cr), and (ct), the license shall be issued by the department division under rules promulgated by the department

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<u>division</u>. The <u>department division</u> shall maintain in its office a current list of persons to whom licenses have been issued.

- 2. Any license issued under subd. 1. may be suspended or revoked by the department division for fraud or serious misconduct on the part of an agent, may be denied, suspended, nonrenewed, or otherwise withheld by the department division for failure to pay court-ordered payments as provided in par. (cm) on the part of an agent, and may be denied or revoked if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes or if the department determines of workforce development certifies under par. (ct) s. 108.227 that the applicant or licensee is liable for delinquent unemployment insurance contributions. Before suspending or revoking the license of the agent on the grounds of fraud or misconduct, the department division shall give notice in writing to the agent of the charges of fraud or misconduct and shall give the agent full opportunity to be heard in relation to those charges. In denying, suspending, restricting, refusing to renew, or otherwise withholding a license for failure to pay court-ordered payments as provided in par. (cm), the department division shall follow the procedure provided in a memorandum of understanding entered into under s. 49.857.
- 3. Unless otherwise suspended or revoked, a license issued under subd. 1. shall be in force from the date of issuance until the June 30 following the date of issuance and may be <u>periodically</u> renewed by the <u>department from time to time division</u>, but each renewed license shall expire on the June 30 following the issuance of the renewed license.

**SECTION 26.** 102.17 (1) (cg) of the statutes is amended to read:

102.17 (1) (cg) 1. Except as provided in subd. 2m., the department division shall require each applicant for a license under par. (c) who is an individual to provide the department division with the applicant's social security number, and shall require each applicant for a license under par. (c) who is not an individual to provide the department division with the applicant's federal employer identification number, when initially applying for or applying to renew the license.

2. If an applicant who is an individual fails to provide the applicant's social security number to the department division or if an applicant who is not an individual fails to provide the applicant's federal employer identification number to the department division, the department division may not issue or renew a license under par. (c) to or for the applicant unless the applicant is an individual who does not have a social security number and the applicant submits a statement made or subscribed under oath or affirmation as required under subd. 2m.

2m. If an applicant who is an individual does not have a social security number, the applicant shall submit a statement made or subscribed under oath or affirmation to the department division that the applicant does not have a social security number. The form of the statement shall be prescribed by the department division. A license issued in reliance upon a false statement submitted under this subdivision is invalid.

3. The department of workforce development division may not disclose any information received under subd. 1. to any person except to the department of revenue for the sole purpose of requesting certifications under s. 73.0301, the department of workforce development for the sole purpose of requesting certifications under s. 108.227, or the department of children and families for purposes of administering s. 49.22.

**Section 27.** 102.17 (1) (cr) of the statutes is amended to read:

102.17 (1) (cr) The department division shall deny an application for the issuance or renewal of a license under par. (c), or revoke such a license already issued, if the department of revenue certifies under s. 73.0301 that the applicant or licensee is liable for delinquent taxes. Notwithstanding par. (c), an action taken under this paragraph is subject to review only as provided under s. 73.0301 (5) and not as provided in ch. 227.

**Section 28.** 102.17 (1) (ct) of the statutes is repealed and recreated to read:

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

**Section 29.** 102.18 (2) (a) of the statutes is amended to read:

102.18 **(2)** (a) The department shall have and maintain on its staff such examiners as are necessary to hear and decide claims for compensation described in s. 102.16 (1) (b) <u>1.</u> and to assist in the effective administration of this chapter.

**Section 30.** 102.18 (3) of the statutes is amended to read:

102.18 (3) A party in interest may petition the commission for review of an examiner's decision awarding or denying compensation if the department, the division, or the commission receives the petition within 21 days after the department or the division mailed a copy of the examiner's findings and order to the last-known addresses of the parties in interest. The commission shall dismiss a petition that is not filed within those 21 days unless the petitioner shows that the petition was filed late for a reason that was beyond the petitioner's control. If no petition is filed within

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those 21 days, the findings or order shall be considered final unless set aside, reversed, or modified by the examiner within that time. If the findings or order are set aside by the examiner, the status shall be the same as prior to the setting aside of the findings or order that were set aside. If the findings or order are reversed or modified by the examiner, the time for filing a petition commences on the date on which notice of the reversal or modification is mailed to the last-known addresses of the parties in interest. The commission shall either affirm, reverse, set aside, or modify the findings or order, in whole or in part, or direct the taking of additional evidence. The commission's action shall be based on a review of the evidence submitted.

**Section 31.** 102.33 (2) (b) 7. of the statutes is created to read:

102.33 (2) (b) 7. The requester is the department of health services, a county department of social services under s. 46.215 or 46.22, or a county department of human services under s. 46.23, and the request is limited to the name and address of the employee who is the subject of the record, the name and address of the employee's employer, and any financial information about that employee contained in the record.

**Section 32.** 102.39 (title) of the statutes is repealed.

**SECTION 33.** 102.39 of the statutes is renumbered 102.15 (1) (a) and amended to read:

102.15 (1) (a) The department may promulgate rules as necessary to carry out its duties and functions under this chapter. The provisions of s. 103.005 relating to the adoption, publication, modification, and court review of rules or general orders of the department shall apply to all rules promulgated or general orders adopted under this chapter.

SECTION 34.	102.43	(6)(b)	of the	statutes	is amended	l to read:
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102.43 (6) (b) In the case of an employee whose average weekly earnings are calculated under s. 102.11 (1) (a) (ap) 2., wages received from other employment held by the employee when the injury occurred shall be considered in computing actual wage loss from the employer in whose employ the employee sustained the injury as provided in this paragraph. If an employee's average weekly earnings are calculated under s. 102.11 (1) (a) (ap) 2., wages received from other employment held by the employee when the injury occurred shall be offset against those average weekly earnings and not against the employee's actual earnings in the employment in which the employee was engaged at the time of the injury.

**SECTION 35.** 102.61 (1g) (a) 2. of the statutes is amended to read:

102.61 (1g) (a) 2. The employee was performing part-time employment at the time of the injury, the employee's average weekly wage for compensation purposes is calculated under s. 102.11 (1) (f) 1. or 2. (ap) 2., and that average weekly wage exceeds the employee's gross average weekly wage for the part-time employment.

**SECTION 36.** 102.80 (1) (d) of the statutes is amended to read:

102.80 (1) (d) Amounts collected from employees or dependents of employees under s. 102.81 (4) (b) and (c).

**Section 37.** 102.81 (4) (b) (intro.) of the statutes is amended to read:

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

**Section 38.** 102.81 (4) (b) 2. of the statutes is amended to read:

102.81 (4) (b) 2. The amount after attorney fees and costs that the employee or dependent received from the employer or 3rd party.

1	<b>SECTION 39.</b> 102.81 (4) (c) of the statutes is created to read:
2	102.81 (4) (c) If the employee or dependent receives compensation from a 3rd
3	party that is liable under s. 102.29, pay to the department the proceeds as specified
4	under s. 102.29 (1) (b).
5	<b>Section 40.</b> 102.81 (5) of the statutes is amended to read:
6	102.81 (5) The department of justice may bring an action to collect the a
7	payment under sub. (4) (b) or (c).
8	<b>Section 41.</b> 102.82 (1) of the statutes is amended to read:
9	102.82 (1) Except as provided in sub. (2) (ar), an uninsured employer shall
10	reimburse the department for any payment made under s. $102.81\ (1)$ to or on behalf
11	of an employee of the uninsured employer or to an employee's dependents and for any
12	expenses paid by the department in administering the claim of the employee or
13	dependents, less amounts repaid by the employee or dependents under s. $102.81\ (4)$
14	(b) $\underline{\text{or}}$ (c). The reimbursement owed under this subsection is due within 30 days after
15	the date on which the department notifies the uninsured employer that the
16	reimbursement is owed. Interest shall accrue on amounts not paid when due at the
17	rate of 1 percent per month.
18	Section 42. 108.227 (1) (e) 16. of the statutes is created to read:
19	108.227 (1) (e) 16. A license issued by the division of hearings and appeals
20	under s. 102.17 (1) (c).
21	<b>Section 43.</b> 108.227 (1) (f) of the statutes is amended to read:
22	108.227 (1) (f) "Licensing department" means the department of
23	administration; the division of hearings and appeals; the department of agriculture,
24	trade and consumer protection; the board of commissioners of public lands; the
25	department of children and families; the ethics commission; the department of

financial institutions; the department of health services; the department of natural resources; the department of public instruction; the department of revenue; the department of safety and professional services; the office of the commissioner of insurance; or the department of transportation.

**Section 44.** 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:

**Section 45.** 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) (ct), 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.

**Section 46.** 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 denial, suspension, or revocation of a license or certificate in accordance with this section or an action taken 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). A hearing under this paragraph

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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).

**Section 47.** 108.227 (5) (b) 1. of the statutes is amended to read:

108.227 (5) (b) 1. Issue a nondelinquency certificate to a license holder or an 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) (ct), 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.

**Section 48.** 108.227 (5) (b) 2. of the statutes is amended to read:

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) (ct), 103.275 (2)

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(bt), 103.34 (10) (d), 103.91 (4) (d), 103.92 (8), 104.07 (7), or 105.13 (4), the department 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.

#### **SECTION 49. Nonstatutory provisions.**

(1) All rules promulgated by the department of workforce development in effect on the effective date of this subsection that are primarily related to licenses issued under s. 102.17 (1) (c), 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.

12 (END)