

GOVERNOR'S VETO MESSAGE

April 15, 2022

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 937** in its entirety.

This bill would limit the total number of weeks a claimant who loses their job through no fault of their own would be eligible to receive unemployment benefits based on the state's previous seasonally adjusted unemployment rate. Currently, eligibility for regular unemployment insurance benefits is a maximum of 26 weeks. Under the bill, the maximum number of weeks that a claimant would be eligible for benefits could be as many as 26 if the state's unemployment rate is greater than 9 percent or as few as 14 if the state's unemployment rate is less than or equal to 3.5 percent, with a range of benefit weeks tied to unemployment rates in between. The bill does not modify supplemental or extended unemployment benefit provisions (which also are tied to the state's unemployment rate). The unemployment rate used to determine the benefit week eligibility for claimants beginning to receive benefits in the first half of a calendar year would be the third quarter of the previous calendar year. For claimants beginning to receive benefits after June 30 of a calendar year, the unemployment rate from the first quarter of that same calendar year would apply.

During the coronavirus pandemic, individuals and families across our state relied on unemployment benefits to make ends meet. Now, Wisconsin has returned to work. Our state's unemployment rate is at historic lows, and we have the fewest number of people unemployed ever in our state's history. I am vetoing this bill in its entirety because I object to adding more barriers for individuals applying for and receiving economic assistance through programs largely designed to provide support when individuals and families are experiencing economic hardship.

Additionally, under this legislation, the number of weeks an individual who lost their job through no fault of their own would be eligible to receive benefits would be determined based on historical and potentially outdated unemployment rates. Under this bill, for example, for an individual applying for unemployment insurance benefits on or after January 1, the number of weeks for which that person would be eligible to receive benefits would be based on the average unemployment rate of July, August, and September of the preceding year. Similarly, for an individual applying for unemployment insurance benefits on or after July 1, the number of weeks for which that person would be eligible would be based on

the average unemployment rate of January, February, and March earlier that year.

This bill fails to meaningfully contemplate—much less be responsive to—timely, immediate economic needs precipitated by an economic crisis. Considering the economic turbulence caused by the coronavirus pandemic, for example, might have proved illuminating, even instructive, to the Legislature in the course of developing this legislation. In April 2020, Wisconsin's unemployment rate was 14.8 percent. If this bill had been enacted before this pandemic, the number of weeks for which an April 2020 claimant would have been eligible to receive would have been based on the unemployment rate for the third quarter of 2019—when there was no pandemic, no economic crisis existed, and the unemployment rate was 3.1 percent. This defies logic.

The Legislature might well have been informed about these issues had this legislation been developed through the Unemployment Insurance Advisory Council's agreed-upon bill process or in consultation with the Council and the Department.

Respectfully submitted,
TONY EVERS
Governor