

CHAPTER 10

AN ACT to repeal 108.04 (7) (e), 108.06 (2) (b), 108.061 (3) (g), (5), (6) and (7) and 108.16 (13); to amend 108.02 (8), 108.04 (1) (b), (6), (7) (c), (11) (a) and (15) (intro. par.), 108.06 (2) (c), 108.141 (5), 108.16 (6) (h), 108.161 (4) (d) and 108.18 (2) (a) and (3) (intro. par.) and (b); to repeal and recreate 108.04 (4) (f) and 108.18 (1); and to create 108.02 (5) (g) 8 and 17, 108.04 (4) (g), 108.05 (2) (h), 108.16 (12), 108.18 (5m), (8), (9) and (10) of the statutes, constituting recommendations made to the 1965 legislature pursuant to 108.14 (5m) by the statutory advisory committee, relating to unemployment compensation, and affecting the unemployment reserve fund.

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

SECTION 1. 108.02 (5) (g) 8 and 17 of the statutes are created to read:

108.02 (5) (g) 8. Service performed by an individual for a person as an insurance agent or as an insurance solicitor, if all such service performed by such individual for such person is performed for remuneration solely by way of commissions.

17. Service as an enrollee or other beneficiary of any program under the federal Economic Opportunity Act of 1964 (P. L. 88-452).

SECTION 2. 108.02 (8) of the statutes is amended, as to wages paid after 1965, to read:

108.02 (8) (a) An employer's "payroll" for a period shall include all wages paid within a ~~given~~ *given* that period to the employer's employes for their "employment" by him.

(b) But an employer's "payroll" for any calendar year after 1965 shall not include more than the first ~~\$3,000~~ *\$3,600* of wages paid by him during such year to an individual with respect to "employment" (including any employment covered by the unemployment compensation law of any other state).

(c) If the federal unemployment tax is amended to apply to a higher amount than the first ~~\$3,000~~ *\$3,600* of wages (paid to an individual during a calendar year), then such higher amount shall likewise apply under par. (b), as a substitute for the ~~\$3,000~~ *\$3,600* there specified, starting with the same period to which such federal amendment first applies.

(d) If ~~\$4,000~~ or a higher amount is applied pursuant to par. (c), the employer contribution rates (on payroll) determined under s. 108.18 (4), (5), (6) and (10) for the first ~~3~~ *year* years to which that higher amount applies shall be modified as follows: As to each employer to whom an experience rate then applies under s. 108.18, the contribution rate determined for him under s. 108.18 for that first calendar year shall be reduced by one-tenth of one per cent (on his payroll for that year), except where ~~said~~ *an experience rate is of zero per cent applies*.

SECTION 3. 108.04 (1) (b) of the statutes is amended to read:

108.04 (1) (b) An employe shall be ineligible for benefits from an employer's account for any ~~given~~ *given* week:

1. While he is physically unable to work, or substantially unavailable for work, if his employment with such employer was suspended by the

employe or by the employer or was terminated by such employer because the employe was *physically unable to do*, or unavailable for, *his work*; or

2. *While he is on a voluntary leave of absence granted for a definite period, or physically unable to work, in case such unavailability or inability continues during the week in question, or if such week occurs during the definite until such period of such leave and before has ended or until the employe has returned to work, whichever occurs first.*

SECTION 4. 108.04 (4) (f) of the statutes is repealed and recreated to read:

108.04 (4) (f) If a student, while he is regularly attending an educational institution and carrying at least a half-time schedule, is employed in a given week, it shall not be counted as a credit week for benefit purposes if in such week he has worked for the given employer:

1. Not more than 24 hours; or
2. As a formal and accredited part of the regular curriculum of his school; or
3. Solely within the customary vacation days or periods of his school.

SECTION 5. 108.04 (4) (g) of the statutes is created to read:

108.04 (4) (g) Similarly, if an individual who was such a student throughout his school's most recently completed term works for an employer within the ensuing vacation weeks, such weeks shall not be counted as credit weeks for benefit purposes, unless the student had graduated from his school.

SECTION 6. 108.04 (6) and (7) (c) of the statutes are amended to read:

108.04 (6) As to an employe's weeks of unemployment by reason of a disciplinary suspension by a given employer, the employe shall be ineligible for benefits ~~from such employer's account~~ as follows:

(a) If the suspension was for misconduct connected with his employment, he shall be ineligible *from the given employer's account* for each such week *and ineligible from other previous employer accounts for the first 3 such weeks.*

(b) If the suspension was for other good cause connected with his employment, he shall be ineligible for the first 3 such weeks ~~ending within any calendar year.~~

(7) (c) Paragraph (a) shall not apply if the commission determines that the employe terminated his employment ~~for compelling personal reason because he was physically unable to do his work or because the health of a member of his immediate family left him no reasonable alternative~~; provided that: ~~1.~~ if the commission determines that he is physically unable to work or substantially unavailable for work, he shall be ineligible while such inability or unavailability continues.

2. ~~An employe who terminates his employment to accompany his spouse to, or to join his spouse at, a different location shall be ineligible until he has again been employed within at least 4 weeks and has earned wages of at least \$200.~~

SECTION 7. 108.04 (7) (e) of the statutes is repealed.

SECTION 8. 108.04 (11) (a) and (15) (intro. par.) of the statutes are amended to read:

108.04 (11) (a) If a claimant, in filing his claim for any week, conceals any part of his wages earned in or paid or payable for that week, or

conceals his refusal (within that week) of a job offer or any other material fact relating to his eligibility for benefits; so much of any benefit payment as was paid because of such concealment shall be recovered as an overpayment.

(15) (intro. par.) If an employe claims benefits based on his past work for a covered employer, but such employer duly notifies the commission pursuant to sub. (13), and the commission determines, that the employe is receiving or has claimed and will receive, or has been retired at such employer's compulsory retirement age and could claim and receive, retirement payments, as to any week covered by his benefit claim, under a group retirement system to whose financing any employing unit has substantially contributed or under a government retirement (or old-age insurance) system or under both, then the benefits thus claimed:

SECTION 9. 108.05 (2) (h) of the statutes is created to read:

108.05 (2) (h) Whenever January 1 or July 1 does not fall on Saturday, Sunday or Monday, any change in weekly benefit rates under this subsection shall apply to checks issued after the first Sunday thereafter.

SECTION 10. 108.06 (2) (b) of the statutes is repealed.

SECTION 11. 108.06 (2) (c) of the statutes is amended to read:

108.06 (2) (c) ~~As to additional~~ Each such credit weeks (over 20) thus available, each such week shall, in determining the employe's total benefit credits, be valued at eight-tenths of his weekly benefit rate as to that employer.

SECTION 12. 108.061 (3) (g), (5), (6) and (7) of the statutes are repealed.

SECTION 13. 108.141 (5) of the statutes is amended to read:

108.141 (5) ~~No~~ Any agreement executed by the commission under sub. (2) shall pay extended benefits for those weeks for which partial federal financing is available, but not for any week ending after July 2, 1965 1967.

SECTION 14. 108.16 (6) (h) of the statutes is amended to read:

108.16 (6) (h) Any amount of solvency contribution received for or transferred to the balancing account pursuant to s. ~~108.161~~ 108.18.

SECTION 15. 108.16 (12) of the statutes is created to read:

108.16 (12) Subsection (11) shall not be applied at any time after 1964 and before July 1, 1969, and no transfer shall be made thereunder by reason of the level of the fund's balancing account at any time within that period.

SECTION 16. 108.16 (13) of the statutes is repealed.

SECTION 17. 108.161 (4) (d) of the statutes is amended to read:

108.161 (4) (d) Limiting the total amount which may be so ~~used~~ obligated during any fiscal year to the aggregate of all amounts credited under sub. (1), including amounts credited pursuant to sub. (8), within that year and the 4 9 preceding fiscal years, reduced by the sum of any moneys ~~used~~ obligated and charged against any of the amounts thus credited within those 5 10 years.

SECTION 18. 108.18 (1) of the statutes is repealed and recreated to read:

108.18 (1) TOTAL RATE. (a) Each employer shall pay contributions to

the fund for each calendar year at whatever rate on his payroll for that year duly applies to him pursuant to this section and s. 108.02 (8) (d).

(b) An employer's contributions shall be credited to his account in the fund, but only after any solvency contribution paid or payable by him or deducted from his account under subs. (8) and (9) has been credited to the fund's balancing account (currently, as of the date when paid or deducted).

SECTION 19. 108.18 (2) (a) and (3) (intro. par.) and (b) of the statutes are amended to read:

108.18 (2) (a) An employer's contribution rate shall be 2.7 per cent on his payroll for each of the first 3 calendar years with respect to which contributions are credited to his account, except as an additional contribution applies contributions apply under ~~par. (b)~~ this section.

(3) (intro. par.) As to any calendar year, an employer shall be permitted to pay contributions to the fund at a rate lower than the standard rate of 2.7 per cent on his payroll for that year only when, as of the applicable computation date:

(b) Such lower rate applies under ~~subsection (4) or (5)~~ this section; and

SECTION 20. 108.18 (5m), (8), (9) and (10) of the statutes are created to read:

108.18 (5m) The one per cent limit of sub. (5) shall be computed from the employer's experience rate assigned to him under subs. (4), (5) and (6) before applying sub. (10) or s. 108.02 (8) (d).

(8) SOLVENCY CONTRIBUTIONS. Each employer's solvency contribution for each period of a calendar year shall be figured by applying the solvency rate determined for that year under sub. (9) to his payroll for that period, and shall be payable to the fund's balancing account by the due-date of his contribution report, as follows:

(a) If the employer's regular contribution rate for that year under this section is less than 3.7 per cent, the commission shall deduct his solvency contribution (figured at the solvency rate, on his relevant payroll) from his current contributions and/or (if necessary) from his account, except to the extent that he elects otherwise by paying some or all of his solvency contribution in addition to his other contributions by the due-date of his contribution report.

(b) If the employer's regular contribution rate for that year under this section is 3.7 per cent or more, his solvency contribution (figured at the solvency rate, on his relevant payroll) shall, without limitation by sub. (5), be added to and payable with his other contributions.

(c) As used in this subsection, an employer's "regular contribution rate" means the initial rate assigned to him under sub. (2) (a), or the experience rate assigned to him under subs. (4), (5) and (6) before applying sub. (10) or s. 108.02 (8) (d).

(9) SOLVENCY RATES. (a) The solvency rate for 1965 shall be 0.25 per cent.

(b) The solvency rate required for each subsequent calendar year shall depend on the extent to which the net balance of the fund's balancing account at the close of the preceding July falls short of the adequacy level then required, and shall be determined by the fund's treasurer pursuant to this subsection.

(c) The adequacy level required for the fund's balancing account shall be:

1. \$15 million at the close of July 1965.
2. \$18 million at the close of July 1966.

3. At the close of each subsequent July, the amount which equals 0.4 per cent of the gross wages paid by all employers in the immediately preceding calendar year, as determined pursuant to par. (h).

(d) The fund's treasurer shall determine the net balance of the fund's balancing account, at the close of each July, after deducting the debit balances of any employer accounts then overdrawn and any positive balance of any government unit, and after crediting any benefit payments reimbursable by any government unit.

(e) He shall subtract that net balance from the relevant adequacy level required by par. (c), to determine the "deficiency amount" for the balancing account at the close of July.

(f) He shall then compare that deficiency amount with the aggregate payrolls (for the preceding calendar year) determined under par. (h), to figure the lowest multiple of one-tenth per cent which would, if applied to those payrolls, yield the "deficiency amount."

(g) The multiple of one-tenth per cent thus computed shall be the solvency rate for the calendar year which follows that close of July.

(h) The commission shall determine for each calendar year, by the following June 1, from reports to the commission (including corrections thereof) filed within 3 months after the close of that year by employers (except government units) covered by this chapter as to their employees in employment covered by this chapter:

1. The gross wages thus reported by such employers as paid in that year for such employment; and

2. The aggregate "payrolls" thus reported by such employers as paid in that year for such employment.

(i) The fund's treasurer shall promptly make the calculations required by this subsection, and shall publish the resulting findings in the official state paper by October 15, and shall notify each employer by November 15 as to what solvency rate will apply to the ensuing calendar year.

(10) ADJUSTMENTS FOR 1966, 1967, 1968. In view of the higher "payroll" base which will apply after 1965 under s. 108.02 (8) (b), each experience rate of one-half per cent or more, as determined under subs. (4), (5) and (6), shall be reduced by one-tenth per cent (on payroll) as to 1966 payrolls and by two-tenths per cent (on payroll) as to 1967 and 1968 payrolls.

SECTION 21. Section 108.14 (13) of the statutes shall apply to all changes in chapter 108 of the statutes effected by this act.

SECTION 22. The changes effected by this act in section 108.02 (5) (g) 8 of the statutes shall apply to all commissions paid after 1964.

SECTION 23. The changes effected by this act in section 108.02 (8) of the statutes shall apply to wages paid after 1965.

SECTION 24. The changes effected by this act in section 108.04 (1) (b), (4) (f) and (g), (6), (7) (c) and (e) and (11) (a) of the statutes shall apply only to determinations (other than amended determinations) relating to those provisions and issued under section 108.09 (2) of the statutes after the first Saturday following the official publication date of this act.

SECTION 25. The changes effected by this act in section 108.04 (15) of the statutes shall apply only to determinations (other than amended determinations) relating to that subsection and issued under section 108.09 (2) of the statutes after the official publication date of this act and after May 1, 1965.

SECTION 26. The changes effected by this act in section 108.06 (2) of the statutes shall apply only to benefit determinations (other than

amended determinations) issued under section 108.09 (2) of the statutes after the first Saturday following the official publication date of this act or after May 1, 1965, whichever date is later.

SECTION 27. The changes effected by this act in section 108.02 (5) (g) 17 and section 108.18 of the statutes shall apply to all wages paid after 1964.

SECTION 28. This bill is declared to be an emergency appropriation bill, recommended by the joint committee on finance, in accordance with the requirements of section 16.47 (2) of the statutes.

Approved March 26, 1965.
