

GOVERNOR'S VETO MESSAGE

April 15, 2022

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 938** in its entirety.

This bill would make several modifications to the unemployment insurance laws. Specifically, the bill provides that whenever unemployment benefits are augmented by congressional or executive action—that is, for example, many of the enhanced federal unemployment benefits that provided additional economic support during the coronavirus pandemic—they must be approved by the Legislature's Joint Finance Committee. The bill also dramatically expands the definition of employee misconduct. The bill would impose upon nonresident claimants a requirement to register with their local job center after receiving the first week of benefits from Wisconsin. The Department of Workforce Development would have to verify that such claimants have completed this registration, as well as audit 50 percent of all work search actions reported by all claimants in the state. The bill further would require the department to provide information about the unemployment insurance system to both individuals and employers and enhance identity verification (compliant with National Institute of Standards Digital Identity Guidelines IAL2 and AAL2), among other provisions.

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, I also object to the Legislature's unnecessary interference in future unemployment benefit augmentations. Unfortunately, this state has already experienced firsthand what happens when the Legislature delays and refuses to act expeditiously in the face of overwhelming need—in 2020, Wisconsin lost out on \$25 million in federal funding to help support unemployment benefits because the Legislature failed to act quickly. This legislation only enables this same mistake to occur again in the future by requiring Joint Finance Committee review. By way of further example, had this bill been enacted during this pandemic as the state was implementing the Federal Pandemic Unemployment Compensation benefit program, the two-week delay to accommodate

the Joint Finance Committee's passive review period alone would have resulted in an estimated more than \$360 million in lost funds. Legislative inaction on future benefit augmentations could needlessly delay and potentially even jeopardize economic support to Wisconsinites during times of great economic need and uncertainty.

Moreover, the Department of Workforce Development has launched a modernized call center, offers significant reemployment services, and has substantial eligibility requirements and fraud prevention mechanisms. The Legislature might well have been informed about these processes and existing requirements 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