
Senate Committee on Labor and Regulatory Reform

Testimony on Senate Bill 399

Joe Handrick, Division Administrator, Unemployment Insurance

Chairperson Nass and members of the Senate Committee:

I am Joe Handrick, the Division Administrator for Unemployment Insurance (Division) and with me today is Janell Knutson, Director of the Bureau of Legal Affairs who serves as the Chair of the Unemployment Insurance Advisory Council (Council). On behalf of the Council I would like to thank you for hearing the Council's agreed upon bill.

The Unemployment Insurance Advisory Council was created by the Legislature in 1932 to advise the Department and Legislature on policy matters concerning the development and administration of unemployment insurance law. For 85 years, this process has acted as a vehicle for labor and management representatives to work together on ensuring stability in the system while also recommending positive changes to ensure the health of the system and the Unemployment Trust Fund.

The legislation before you today is the result of the Council's work over the last year. The language in Senate Bill 399 was developed by the Council based on input and recommendations from numerous sources including employer representatives, labor representatives, the Legislature, and the Department of Workforce Development. The Council also received input from the public during a statewide public hearing held in November of 2016, through correspondence and through a dedicated email box.

In the months that followed, the Council met regularly with staff from the Division and unanimously approved the language of the agreed bill at their August 9th meeting.

I will defer talking about the specifics of the bill to the two representatives from Management and Labor, but Janell and I would be happy to answer any technical questions you may have. Thank you again for your time and for the opportunity to testify today.

WMC

WISCONSIN MANUFACTURERS & COMMERCE

TO: Senate Committee on Labor and Regulatory Reform
FROM: Scott Manley, Senior Vice President of Government Relations
DATE: October 4, 2017
RE: Support for Senate Bill 399

Thank you Chairman Nass and members of the Committee for the opportunity to express our support for Senate Bill 399 (SB 399), the agreed bill between labor and management members of the Unemployment Insurance Advisory Council (UIAC).

WMC is the state's largest general business association, representing nearly 4,000 members spanning every sector of our economy. Our mission is to make Wisconsin the most competitive state in the nation to do business, and our members have a strong interest in fair and transparent employment regulations, including unemployment insurance (UI) laws.

We strongly support SB 399 and urge you to pass this legislation without amendment. We believe the legislation will improve the ability of the Department of Workforce Development (DWD) to more efficiently administer the UI program, and to ensure the integrity of the program is maintained by greater enforcement against employees and employers who misuse the system. The legislation strikes an appropriate balance between the needs of businesses, and the needs of workers who find themselves unemployed through no fault of their own.

Specifically, the bill gives DWD enhanced ability to recover unemployment related debts, regardless of whether the debt is related to taxes owed by employers, or benefit over-payments owed by workers. We believe these changes will help ensure that all financial stakeholders in the system operate on a level playing field.

The bill also tightens the requirements for claimants to provide information about their eligibility for benefits, and makes claimants totally ineligible for benefits for each week that they conceal their receipt of holiday, vacation, sick leave or severance pay.

Finally, the bill provides employers with immunity with respect to the information they provide to DWD about any individuals who refuse or fail a drug test. The prevalence of substance abuse is a growing problem for employers who are already struggling to find qualified workers. Drug testing has the opportunity to get workers the help they need to become productive employees.

Thank you for your consideration of our support for SB 399, and please feel free to contact me if you have any questions or would like additional information.