

GOVERNOR'S VETO MESSAGE

August 4, 2023

To the Honorable Members of the Assembly:

I am vetoing **Assembly Bill 147** in its entirety.

This bill would make several modifications to the unemployment insurance laws and to worker's compensation relating to temporary disability. The bill would also provide that whenever unemployment benefits are augmented by congressional action or by executive action of the President of the United States, such augmentations must be approved by the Joint Committee on Finance.

'Reforms' to change or restrict economic assistance programs that are definitionally designed to support individuals and families experiencing economic hardship are not a silver-bullet solution to our state's workforce challenges. Indeed, if they were, then presumably the broad, sweeping changes passed by Republicans in this Legislature – many of whom are still serving – and enacted under my predecessor years ago now would have yielded substantial or material workforce benefits. And yet, our state's workforce challenges persist.

I continue to be perplexed by the Legislature's misplaced emphasis on changing and restricting economic assistance programs while offering no other comprehensive solutions or plans to meaningfully address our state's workforce challenges. Especially concerning is that, rather than supporting and passing the solutions and plans I have offered to comprehensively address our state's workforce challenges even in the absence of any plans of their own, the Legislature's apparent focus remains re-passing bills I have previously vetoed.

The people of Wisconsin expect their legislators to prioritize pressing issues facing our state and to work together to find real, impactful solutions to address those issues. The workforce challenges that have long plagued our state – challenges I believe will be imminently exacerbated by the looming fiscal cliff facing our state's child care industry – deserve the Legislature's immediate attention and urgent effort. The continued failure to address these challenges head-on will be catastrophic for our state's workforce, our communities, and our economy.

My commitment to the people of Wisconsin remains – I will always try to do the right thing, and I am committed to working with any legislator on either side of the aisle who shares my concerns and is ready to work together on substantive legislation to

comprehensively address our state's workforce challenges.

Therefore, I am vetoing this bill in its entirety because I object to creating additional barriers for individuals applying for and receiving benefits from a program that is designed to support people and families experiencing economic hardship. I also object to the Legislature's unnecessary interference in future unemployment benefit augmentations. As I noted to the Legislature when vetoing this bill previously, the people of Wisconsin have regularly experienced the consequences of the Legislature's – and, more specifically, the Joint Finance Committee's – refusal and failure to act expeditiously despite urgent and significant need. As just one example, the Legislature's needless delays in 2020 during the coronavirus pandemic caused the state to lose out on approximately \$25 million in federal funding to support additional economic assistance for Wisconsinites. By way of further example, if this bill had previously been enacted during the coronavirus as the state was implementing the Federal Pandemic Unemployment Compensation program, the two-week period necessary to accommodate the Joint Finance Committee's passive review period alone would have resulted in an estimated more than \$360 million in lost funds. The people of Wisconsin simply cannot afford the Legislature's unnecessary, costly, and detrimental delays when they are facing economic uncertainty and our state is in the midst of an economic crisis.

Further, I object to this bill because the department already has substantial eligibility requirements and fraud prevention mechanisms in place to protect the unemployment system from potentially fraudulent activity. Since this bill would drastically alter the definition of misconduct in the statutes, there is risk that future unemployment insurance federal administration funds would be endangered, creating significant harm to the unemployment insurance system.

Finally, as I have indicated to this Legislature on previous occasions, modifications proposed to the state's unemployment insurance law should be considered as part of the long-established process of review and recommendation by the Unemployment Insurance Advisory Council, or in consultation with the council and the department. The process is intended to ensure that proposed modifications reflect the expertise and agreement of employers, workers and the department.

Respectfully submitted,
TONY EVERS
Governor