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Proposed by: DWD
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ANALYSIS OF PROPOSED UI LAW CHANGE

CHANGE REQUALIFICATION CRITERIA FOR A CLAIMANT WHO FAILS TO ACCEPT SUITABLE WORK FROM A FOUR BY FOUR FRAMEWORK TO THE CLAIMANT HAVING TO EARN WAGES EQUAL TO AT LEAST TEN TIMES THE EMPLOYEE'S WEEKLY BENEFIT RATE

1. Description of Proposed Change

Generally claimants who fail to accept suitable work are deemed ineligible to receive benefits. Under current law, to again be eligible for benefits four weeks needs to elapse from when they did not accept the suitable work and the claimants have had to earn wages after not accepting the suitable work that are equal to at least four times the employee's weekly benefit rate. This proposal would change the current four by four framework to solely require that the claimant earn wages equal to at least ten times the employee's weekly benefit rate.

2. Proposed Statutory Language

Amend s. 108.04(8)(a) to read:

(8) SUITABLE WORK.

(a) If an employee fails, without good cause, to accept suitable work when offered, the employee is ineligible to receive benefits until ~~410 weeks have elapsed since the end of the week in which the failure occurs~~ and the employee earns wages after the week in which the failure occurs equal to at least ~~4~~ 10 times the employee's weekly benefit rate under s. 108.05 (1) in employment or other work covered by the unemployment insurance law of any state or the federal government. For purposes of requalification, the employee's weekly benefit rate shall be that rate which would have been paid had the failure not occurred. This paragraph does not preclude an employee from establishing a benefit year during a period in which the employee is ineligible to receive benefits under this paragraph if the employee qualifies to establish a benefit year under s. 108.06 (2) (a). The department shall charge to the fund's balancing account any benefits otherwise chargeable to the account of an employer that is subject to the contribution requirements under ss. 108.17 and 108.18 whenever an employee of that employer fails, without good cause, to accept suitable work offered by that employer.

3. Proposer's Reason for the Change

Increasing the requalification amount to at least ten times the weekly benefit rate ensures that there are more severe consequences for not accepting suitable work while collecting unemployment insurance.

4. Effects of Proposed Change

- a. Policy. Proposal would change the requalification framework for a claimant who refuses suitable work from a four by four framework to solely requiring the claimant to earn at least ten times his or her weekly benefit rate to requalify for benefits.
- b. Administrative Impact. Should not have significant administrative impact.
- c. Equitable. Along with other proposed changes in other department proposals for 2012, will make those who quit a job without a valid reason or those who decline suitable work treated similarly by the system.
- d. Fiscal. There is no measureable effect on the Trust Fund. The number of cases that were applicable in 2011 was determined. There were too few to have any impact on benefit amounts.

5. State and Federal Issues

- a. Chapter 108. Besides the amendment to s. 108.04 (8) (a), no statutory provisions will need to be amended.
- b. Rules. No administrative codes will be impacted by this proposal.
- c. Conformity. There should be no conformity issues with this proposal.

6. Proposed Effective/Applicability Date

The law change should be operative as of the effective date of the legislation.