

November 14th, 2014

To the Members of the Unemployment Insurance Advisory Council:

Thank you for this opportunity to offer comments as you prepare to review proposed changes to Wisconsin's Unemployment Insurance (UI) laws and rules. We want to voice our appreciation up front for the work you do; we know you take your responsibilities very seriously. In that spirit we offer suggestions and some requests for your consideration.

- 1) Please resist further changes to the "misconduct" standard, particularly any that would shift even more of the burden of proof to the employee in termination disputes or that would further lower the bar of the standards employers must use in deciding to terminate an employee.
- 2) Please do not narrow the "able and ready to work" standards any further. In addition, please do not institute drug-testing requirements for claimants.
- 3) Please do not further reduce the number of benefit weeks available to claimants. Our overall unemployment rate may be declining, but each individual who is laid off has critical need for their individual benefits.
- 4) Please clarify the details of work search requirements, particularly applications per week required.

In addition to these statute-based requests, we ask the Council to do what it can to continue to improve first-line response to UI filers, particularly for those needing to reach a live person when the on-line process indicates problems. We appreciate the Department's rapid assistance to our constituents when their requests for UI procedural aid come through our offices. Still, the number of reports of difficulties in navigating the UI filing process are far too numerous.

We also request that the Council count how many UI claims have been reopened where benefits had been originally awarded by the Department; determine how many of those claims were retroactively <u>disapproved</u>; and determine in how many of those cases the claimant was required to pay back the benefits to the Department. We're not referring to any cases with true findings of fraud; we refer to cases where the Department decided that its own initial approvals of workers' claims were in error, and decided to use the allowed window to reverse its own decisions.

Finally, in regard to all of the above, we strongly encourage the UI Division to use its excellent staff analysts to review the impact on unemployed workers of changes to UI law in the last several years. How have the changes of the last four years impacted UI claimants' eligibility and benefits? How many claimants were refused benefits because of the changes? Yes, the State may have saved money as a result of these exclusions, but how many Wisconsin residents have suffered financial hardship as a result?

During the recession, no entity or person escaped the difficulty of the downturn. We know that many, many of our Wisconsin businesses, especially small businesses, struggled to keep their bottom lines above water, and that higher UI taxes added to that stress. We appreciate everything the State did to quickly pay off the debt and reduce the higher UI taxes resulting from recessional borrowing from the federal government. We are relieved and very happy that our businesses are starting to prosper again. Their success is, of course, key to the whole economy's success.

Now, we believe, the Council has the room to step back and consider what is best for workers, what will keep our workforce as stable and available as possible. We hope you will keep uppermost in your mind that Unemployment Insurance is a family-supporting benefit. Affecting moms, kids, and dads, UI has an impact reaching far beyond the individual worker filing a claim. UI benefits help keep families from becoming homeless; help keep them from going hungry; help keep their furnaces turned on. UI benefits also protect our local economies: they prevent rent and mortgage defaults, maintain revenues to local merchants, maintain stability in school populations when kids are not made homeless.

Thank you for your time and attention to these issues involved in Wisconsin's Unemployment Insurance program. Your work helps to ensure the well-being of our State's workforce.

Sincerely,

The Democratic members of the Assembly Labor Committee:

20th Assembly District

Representative Tod Ohnstad 65th Assembly District

Representative Chris Taylor 76th Assembly District