

Date: November 8, 2012  
Proposed by: DWD  
Prepared by: Scott Sussman

## ANALYSIS OF PROPOSED UI LAW CHANGE

### Raising the Maximum Benefit to \$370 Each Week and the Minimum Benefit to \$55 Each Week.

#### 1. Description of Proposed Change

Currently, weekly unemployment benefit rates for total unemployment range from \$54 for an employee who earns wages (or certain other amounts treated as wages) of at least \$1,350.00 during at least one quarter of the employee's base period to \$363 for an employee who earns wages (or certain other amounts treated as wages) of at least \$9,075.00 during any such quarter.

Proposal would raise the maximum benefit rate to \$370 per week or an increase of \$7 per week. Then pursuant to the requirements of s. 108.05 (2) (c) the minimum benefit rate would be increased to \$55. This would mean individuals whose highest quarterly wages paid to them is between the amounts of \$1,350.00 to \$1,374.99 and would be currently receiving \$54 per week in benefits would no longer receive unemployment insurance benefits. The change would not impact the amount paid to any claimants that their current benefit rate is not the maximum or minimum amount; it is not a proposed increase across-the-board.

#### 2. Proposed Statutory Language

##### **Amend 108.05(1)(q) to read:**

q. Each eligible employee shall be paid benefits for each week of total unemployment that commences on or after January 4, 2009, and before January 5, 2014, at the weekly benefit rate specified in this paragraph. Unless sub. (1m) applies, the weekly benefit rate shall equal 4 percent of the employee's base period wages that were paid during that quarter of the employee's base period in which the employee was paid the highest total wages, rounded down to the nearest whole dollar, except that, if that amount is less than the minimum amount shown in the following schedule, no benefits are payable to the employee and, if that amount is more than the maximum amount shown in the following schedule, the employee's weekly benefit rate shall be the maximum amount shown in the following schedule and except that, if the employee's benefits are exhausted during any week under s. 108.06 (1), the employee shall be paid the remaining amount of benefits payable to the employee in lieu of the amount shown in the following schedule:

##### **Create 108.05 (1) (r) to read:**

r. Each eligible employee shall be paid benefits for each week of total unemployment that commences on or after January 5, 2014, at the weekly benefit rate specified in this paragraph. Unless sub. (1m) applies, the weekly benefit rate shall equal 4 percent of the employee's base period wages that were paid during that quarter of the employee's base period in which the employee was paid the highest total wages, rounded down to the nearest whole dollar, except that, if that amount is less than the minimum amount shown in the following schedule, no benefits are payable to the employee and, if that amount is more than the maximum amount shown in the following schedule, the employee's weekly benefit rate shall be the maximum amount shown in the following schedule and except that, if the employee's benefits are exhausted during any week under s. 108.06 (1), the employee shall be paid the remaining amount of benefits payable to the employee in lieu of the amount shown in the following schedule:

**Create Figure 108.05 (1) (r) (which is included as the second to last chart of this document)**

### **3. Proposer's Reason for the Change**

Even in tough fiscal times, the Legislature has increased the weekly benefit rates of unemployment insurance claimants. Since the rate has not been increased since 2009, there is a need for an adjustment to the weekly benefit rates.

### **4. Brief History and Background of Current Provision**

The Wisconsin Legislature has raised UI benefit rates roughly every two years since the 1970's. This is true even during economic downturns such as the recession in the 1980's. The last time there was an increase in these rates was the second week of 2009. A chart, which is included as the last chart of this document, provides a historical breakdown of the increases since 1975.

### **Effects of Proposed Change**

- a. Administrative Impact. The administrative impact should be small.
- b. Fiscal. Department expects this to increase benefit payments by \$12.0 million per year and reduce the UI Trust fund by a similar amount

### **5. State and Federal Issues**

- a. Chapter 108. Besides the amendments to s. 108.05 (1) (q), the creation of 108.05 (1) (r) and the creation of Figure 108.05 (1) (r), there is no additional amendments necessary to Chapter 108.
- b. Rules. There should be no need to amend any rules.
- c. Conformity. None.

**6. Proposed Effective/Applicability Date**

The rate change should happen the first Sunday of the calendar year after the effective date of the legislation.

**FIGURE 108.05 (1) (r):**

<b>Line</b>	<b>Highest Quarterly Wages Paid</b>	<b>Weekly Benefit Rate</b>
1.....	Under \$1,375.00	\$ 0
2.....	1,375.00 to 1,399.99	55
3.....	1,400.00 to 1,424.99	56
4.....	1,425.00 to 1,449.99	57
5.....	1,450.00 to 1,474.99	58
6.....	1,475.00 to 1,499.99	59
7.....	1,500.00 to 1,524.99	60
8.....	1,525.00 to 1,549.99	61
9.....	1,550.00 to 1,574.99	62
10.....	1,575.00 to 1,599.99	63
11.....	1,600.00 to 1,624.99	64
12.....	1,625.00 to 1,649.99	65
13.....	1,650.00 to 1,674.99	66
14.....	1,675.00 to 1,699.99	67
15.....	1,700.00 to 1,724.99	68
16.....	1,725.00 to 1,749.99	69
17.....	1,750.00 to 1,774.99	70
18.....	1,775.00 to 1,799.99	71
19.....	1,800.00 to 1,824.99	72
20.....	1,825.00 to 1,849.99	73
21.....	1,850.00 to 1,874.99	74
22.....	1,875.00 to 1,899.99	75
23.....	1,900.00 to 1,924.99	76
24.....	1,925.00 to 1,949.99	77
25.....	1,950.00 to 1,974.99	78
26.....	1,975.00 to 1,999.99	79
27.....	2,000.00 to 2,024.99	80
28.....	2,025.00 to 2,049.99	81
29.....	2,050.00 to 2,074.99	82
30.....	2,075.00 to 2,099.99	83
31.....	2,100.00 to 2,124.99	84
32.....	2,125.00 to 2,149.99	85
33.....	2,150.00 to 2,174.99	86

D12-31

34. ....	2,175.00 to 2,199.99	87
35. ....	2,200.00 to 2,224.99	88
36. ....	2,225.00 to 2,249.99	89
37. ....	2,250.00 to 2,274.99	90
38. ....	2,275.00 to 2,299.99	91
39. ....	2,300.00 to 2,324.99	92
40. ....	2,325.00 to 2,349.99	93
41. ....	2,350.00 to 2,374.99	94
42. ....	2,375.00 to 2,399.99	95
43. ....	2,400.00 to 2,424.99	96
44. ....	2,425.00 to 2,449.99	97
45. ....	2,450.00 to 2,474.99	98
46. ....	2,475.00 to 2,499.99	99
47. ....	2,500.00 to 2,524.99	100
48. ....	2,525.00 to 2,549.99	101
49. ....	2,550.00 to 2,574.99	102
50. ....	2,575.00 to 2,599.99	103
51. ....	2,600.00 to 2,624.99	104
52. ....	2,625.00 to 2,649.99	105
53. ....	2,650.00 to 2,674.99	106
54. ....	2,675.00 to 2,699.99	107
55. ....	2,700.00 to 2,724.99	108
56. ....	2,725.00 to 2,749.99	109
57. ....	2,750.00 to 2,774.99	110
58. ....	2,775.00 to 2,799.99	111
59. ....	2,800.00 to 2,824.99	112
60. ....	2,825.00 to 2,849.99	113
61. ....	2,850.00 to 2,874.99	114
62. ....	2,875.00 to 2,899.99	115
63. ....	2,900.00 to 2,924.99	116
64. ....	2,925.00 to 2,949.99	117
65. ....	2,950.00 to 2,974.99	118
66. ....	2,975.00 to 2,999.99	119
67. ....	3,000.00 to 3,024.99	120
68. ....	3,025.00 to 3,049.99	121
69. ....	3,050.00 to 3,074.99	122
70. ....	3,075.00 to 3,099.99	123
71. ....	3,100.00 to 3,124.99	124
72. ....	3,125.00 to 3,149.99	125
73. ....	3,150.00 to 3,174.99	126
74. ....	3,175.00 to 3,199.99	127
75. ....	3,200.00 to 3,224.99	128
76. ....	3,225.00 to 3,249.99	129
77. ....	3,250.00 to 3,274.99	130
78. ....	3,275.00 to 3,299.99	131
79. ....	3,300.00 to 3,324.99	132
80. ....	3,325.00 to 3,349.99	133
81. ....	3,350.00 to 3,374.99	134

D12-31

82. ....	3,375.00 to 3,399.99	135
83. ....	3,400.00 to 3,424.99	136
84. ....	3,425.00 to 3,449.99	137
85. ....	3,450.00 to 3,474.99	138
86. ....	3,475.00 to 3,499.99	139
87. ....	3,500.00 to 3,524.99	140
88. ....	3,525.00 to 3,549.99	141
89. ....	3,550.00 to 3,574.99	142
90. ....	3,575.00 to 3,599.99	143
91. ....	3,600.00 to 3,624.99	144
92. ....	3,625.00 to 3,649.99	145
93. ....	3,650.00 to 3,674.99	146
94. ....	3,675.00 to 3,699.99	147
95. ....	3,700.00 to 3,724.99	148
96. ....	3,725.00 to 3,749.99	149
97. ....	3,750.00 to 3,774.99	150
98. ....	3,775.00 to 3,799.99	151
99. ....	3,800.00 to 3,824.99	152
100. ....	3,825.00 to 3,849.99	153
101. ....	3,850.00 to 3,874.99	154
102. ....	3,875.00 to 3,899.99	155
103. ....	3,900.00 to 3,924.99	156
104. ....	3,925.00 to 3,949.99	157
105. ....	3,950.00 to 3,974.99	158
106. ....	3,975.00 to 3,999.99	159
107. ....	4,000.00 to 4,024.99	160
108. ....	4,025.00 to 4,049.99	161
109. ....	4,050.00 to 4,074.99	162
110. ....	4,075.00 to 4,099.99	163
111. ....	4,100.00 to 4,124.99	164
112. ....	4,125.00 to 4,149.99	165
113. ....	4,150.00 to 4,174.99	166
114. ....	4,175.00 to 4,199.99	167
115. ....	4,200.00 to 4,224.99	168
116. ....	4,225.00 to 4,249.99	169
117. ....	4,250.00 to 4,274.99	170
118. ....	4,275.00 to 4,299.99	171
119. ....	4,300.00 to 4,324.99	172
120. ....	4,325.00 to 4,349.99	173
121. ....	4,350.00 to 4,374.99	174
122. ....	4,375.00 to 4,399.99	175
123. ....	4,400.00 to 4,424.99	176
124. ....	4,425.00 to 4,449.99	177
125. ....	4,450.00 to 4,474.99	178
126. ....	4,475.00 to 4,499.99	179
127. ....	4,500.00 to 4,524.99	180
128. ....	4,525.00 to 4,549.99	181
129. ....	4,550.00 to 4,574.99	182

D12-31

130. ....	4,575.00 to 4,599.99	....	183
131. ....	4,600.00 to 4,624.99	....	184
132. ....	4,625.00 to 4,649.99	....	185
133. ....	4,650.00 to 4,674.99	....	186
134. ....	4,675.00 to 4,699.99	....	187
135. ....	4,700.00 to 4,724.99	....	188
136. ....	4,725.00 to 4,749.99	....	189
137. ....	4,750.00 to 4,774.99	....	190
138. ....	4,775.00 to 4,799.99	....	191
139. ....	4,800.00 to 4,824.99	....	192
140. ....	4,825.00 to 4,849.99	....	193
141. ....	4,850.00 to 4,874.99	....	194
142. ....	4,875.00 to 4,899.99	....	195
143. ....	4,900.00 to 4,924.99	....	196
144. ....	4,925.00 to 4,949.99	....	197
145. ....	4,950.00 to 4,974.99	....	198
146. ....	4,975.00 to 4,999.99	....	199
147. ....	5,000.00 to 5,024.99	....	200
148. ....	5,025.00 to 5,049.99	....	201
149. ....	5,050.00 to 5,074.99	....	202
150. ....	5,075.00 to 5,099.99	....	203
151. ....	5,100.00 to 5,124.99	....	204
152. ....	5,125.00 to 5,149.99	....	205
153. ....	5,150.00 to 5,174.99	....	206
154. ....	5,175.00 to 5,199.99	....	207
155. ....	5,200.00 to 5,224.99	....	208
156. ....	5,225.00 to 5,249.99	....	209
157. ....	5,250.00 to 5,274.99	....	210
158. ....	5,275.00 to 5,299.99	....	211
159. ....	5,300.00 to 5,324.99	....	212
160. ....	5,325.00 to 5,349.99	....	213
161. ....	5,350.00 to 5,374.99	....	214
162. ....	5,375.00 to 5,399.99	....	215
163. ....	5,400.00 to 5,424.99	....	216
164. ....	5,425.00 to 5,449.99	....	217
165. ....	5,450.00 to 5,474.99	....	218
166. ....	5,475.00 to 5,499.99	....	219
167. ....	5,500.00 to 5,524.99	....	220
168. ....	5,525.00 to 5,549.99	....	221
169. ....	5,550.00 to 5,574.99	....	222
170. ....	5,575.00 to 5,599.99	....	223
171. ....	5,600.00 to 5,624.99	....	224
172. ....	5,625.00 to 5,649.99	....	225
173. ....	5,650.00 to 5,674.99	....	226
174. ....	5,675.00 to 5,699.99	....	227
175. ....	5,700.00 to 5,724.99	....	228
176. ....	5,725.00 to 5,749.99	....	229
177. ....	5,750.00 to 5,774.99	....	230

D12-31

178. ....	5,775.00 to 5,799.99	231
179. ....	5,800.00 to 5,824.99	232
180. ....	5,825.00 to 5,849.99	233
181. ....	5,850.00 to 5,874.99	234
182. ....	5,875.00 to 5,899.99	235
183. ....	5,900.00 to 5,924.99	236
184. ....	5,925.00 to 5,949.99	237
185. ....	5,950.00 to 5,974.99	238
186. ....	5,975.00 to 5,999.99	239
187. ....	6,000.00 to 6,024.99	240
188. ....	6,025.00 to 6,049.99	241
189. ....	6,050.00 to 6,074.99	242
190. ....	6,075.00 to 6,099.99	243
191. ....	6,100.00 to 6,124.99	244
192. ....	6,125.00 to 6,149.99	245
193. ....	6,150.00 to 6,174.99	246
194. ....	6,175.00 to 6,199.99	247
195. ....	6,200.00 to 6,224.99	248
196. ....	6,225.00 to 6,249.99	249
197. ....	6,250.00 to 6,274.99	250
198. ....	6,275.00 to 6,299.99	251
199. ....	6,300.00 to 6,324.99	252
200. ....	6,325.00 to 6,349.99	253
201. ....	6,350.00 to 6,374.99	254
202. ....	6,375.00 to 6,399.99	255
203. ....	6,400.00 to 6,424.99	256
204. ....	6,425.00 to 6,449.99	257
205. ....	6,450.00 to 6,474.99	258
206. ....	6,475.00 to 6,499.99	259
207. ....	6,500.00 to 6,524.99	260
208. ....	6,525.00 to 6,549.99	261
209. ....	6,550.00 to 6,574.99	262
210. ....	6,575.00 to 6,599.99	263
211. ....	6,600.00 to 6,624.99	264
212. ....	6,625.00 to 6,649.99	265
213. ....	6,650.00 to 6,674.99	266
214. ....	6,675.00 to 6,699.99	267
215. ....	6,700.00 to 6,724.99	268
216. ....	6,725.00 to 6,749.99	269
217. ....	6,750.00 to 6,774.99	270
218. ....	6,775.00 to 6,799.99	271
219. ....	6,800.00 to 6,824.99	272
220. ....	6,825.00 to 6,849.99	273
221. ....	6,850.00 to 6,874.99	274
222. ....	6,875.00 to 6,899.99	275
223. ....	6,900.00 to 6,924.99	276
224. ....	6,925.00 to 6,949.99	277
225. ....	6,950.00 to 6,974.99	278

D12-31

226. ....	6,975.00 to 6,999.99	279
227. ....	7,000.00 to 7,024.99	280
228. ....	7,025.00 to 7,049.99	281
229. ....	7,050.00 to 7,074.99	282
230. ....	7,075.00 to 7,099.99	283
231. ....	7,100.00 to 7,124.99	284
232. ....	7,125.00 to 7,149.99	285
233. ....	7,150.00 to 7,174.99	286
234. ....	7,175.00 to 7,199.99	287
235. ....	7,200.00 to 7,224.99	288
236. ....	7,225.00 to 7,249.99	289
237. ....	7,250.00 to 7,274.99	290
238. ....	7,275.00 to 7,299.99	291
239. ....	7,300.00 to 7,324.99	292
240. ....	7,325.00 to 7,349.99	293
241. ....	7,350.00 to 7,374.99	294
242. ....	7,375.00 to 7,399.99	295
243. ....	7,400.00 to 7,424.99	296
244. ....	7,425.00 to 7,449.99	297
245. ....	7,450.00 to 7,474.99	298
246. ....	7,475.00 to 7,499.99	299
247. ....	7,500.00 to 7,524.99	300
248. ....	7,525.00 to 7,549.99	301
249. ....	7,550.00 to 7,574.99	302
250. ....	7,575.00 to 7,599.99	303
251. ....	7,600.00 to 7,624.99	304
252. ....	7,625.00 to 7,649.99	305
253. ....	7,650.00 to 7,674.99	306
254. ....	7,675.00 to 7,699.99	307
255. ....	7,700.00 to 7,724.99	308
256. ....	7,725.00 to 7,749.99	309
257. ....	7,750.00 to 7,774.99	310
258. ....	7,775.00 to 7,799.99	311
259. ....	7,800.00 to 7,824.99	312
260. ....	7,825.00 to 7,849.99	313
261. ....	7,850.00 to 7,874.99	314
262. ....	7,875.00 to 7,899.99	315
263. ....	7,900.00 to 7,924.99	316
264. ....	7,925.00 to 7,949.99	317
265. ....	7,950.00 to 7,974.99	318
266. ....	7,975.00 to 7,999.99	319
267. ....	8,000.00 to 8,024.99	320
268. ....	8,025.00 to 8,049.99	321
269. ....	8,050.00 to 8,074.99	322
270. ....	8,075.00 to 8,099.99	323
271. ....	8,100.00 to 8,124.99	324
272. ....	8,125.00 to 8,149.99	325
273. ....	8,150.00 to 8,174.99	326



D12-31

274. ....	8,175.00 to 8,199.99	....	327
275. ....	8,200.00 to 8,224.99	....	328
276. ....	8,225.00 to 8,249.99	....	329
277. ....	8,250.00 to 8,274.99	....	330
278. ....	8,275.00 to 8,299.99	....	331
279. ....	8,300.00 to 8,324.99	....	332
280. ....	8,325.00 to 8,349.99	....	333
281. ....	8,350.00 to 8,374.99	....	334
282. ....	8,375.00 to 8,399.99	....	335
283. ....	8,400.00 to 8,424.99	....	336
284. ....	8,425.00 to 8,449.99	....	337
285. ....	8,450.00 to 8,474.99	....	338
286. ....	8,475.00 to 8,499.99	....	339
287. ....	8,500.00 to 8,524.99	....	340
288. ....	8,525.00 to 8,549.99	....	341
289. ....	8,550.00 to 8,574.99	....	342
290. ....	8,575.00 to 8,599.99	....	343
291. ....	8,600.00 to 8,624.99	....	344
292. ....	8,625.00 to 8,649.99	....	345
293. ....	8,650.00 to 8,674.99	....	346
294. ....	8,675.00 to 8,699.99	....	347
295. ....	8,700.00 to 8,724.99	....	348
296. ....	8,725.00 to 8,749.99	....	349
297. ....	8,750.00 to 8,774.99	....	350
298. ....	8,775.00 to 8,799.99	....	351
299. ....	8,800.00 to 8,824.99	....	352
300. ....	8,825.00 to 8,849.99	....	353
301. ....	8,850.00 to 8,874.99	....	354
302. ....	8,875.00 to 8,899.99	....	355
303. ....	8,900.00 to 8,924.99	....	356
304. ....	8,925.00 to 8,949.99	....	357
305. ....	8,950.00 to 8,974.99	....	358
306. ....	8,975.00 to 8,999.99	....	359
307. ....	9,000.00 to 9,024.99	....	360
308. ....	9,025.00 to 9,049.99	....	361
309. ....	9,050.00 to 9,074.99	....	362
310. ....	9,075.00 to 9,099.99	....	363
311. ....	9,100.00 to 9,124.99	....	364
312. ....	9,125.00 to 9,149.99	....	365
313. ....	9,150.00 to 9,174.99	....	366
314. ....	9,175.00 to 9,199.99	....	367
315. ....	9,200.00 to 9,224.99	....	368
316. ....	9,225.00 to 9,249.99	....	369
317. ....	9,250.00 and over		370

<b>Benefit Rates over the Years</b>		
<b>Effective Week</b>	<b>Minimum</b>	<b>Maximum</b>
<b>02/09</b>	<b>\$54</b>	<b>\$363</b>
<b>02/07</b>	<b>\$53</b>	<b>\$355</b>
<b>01/06</b>	<b>\$51</b>	<b>\$341</b>
<b>01/03</b>	<b>\$49</b>	<b>\$329</b>
<b>01/02</b>	<b>\$48</b>	<b>\$324</b>
<b>41/00</b>	<b>\$46</b>	<b>\$313</b>
<b>15/00</b>	<b>\$45</b>	<b>\$305</b>
<b>02/99</b>	<b>\$44</b>	<b>\$297</b>
<b>02/98</b>	<b>\$43</b>	<b>\$290</b>
<b>02/97</b>	<b>\$53</b>	<b>\$282</b>
<b>02/96</b>	<b>\$52</b>	<b>\$274</b>
<b>01/95</b>	<b>\$50</b>	<b>\$266</b>
<b>20/94</b>	<b>\$48</b>	<b>\$256</b>
<b>02/93</b>	<b>\$46</b>	<b>\$243</b>
<b>28/92</b>	<b>\$45</b>	<b>\$240</b>
<b>02/92</b>	<b>\$43</b>	<b>\$230</b>
<b>01/90</b>	<b>\$42</b>	<b>\$225</b>
<b>02/88</b>	<b>\$38</b>	<b>\$200</b>
<b>02/83</b>	<b>\$37</b>	<b>\$196</b>
<b>28/82</b>	<b>\$36</b>	<b>\$191</b>
<b>02/82</b>	<b>\$34</b>	<b>\$179</b>
<b>28/81</b>	<b>\$33</b>	<b>\$175</b>
<b>02/81</b>	<b>\$31</b>	<b>\$166</b>

## D12-31

<b>28/80</b>	<b>\$30</b>	<b>\$160</b>
<b>02/80</b>	<b>\$29</b>	<b>\$155</b>
<b>27/79</b>	<b>\$28</b>	<b>\$149</b>
<b>02/79</b>	<b>\$27</b>	<b>\$145</b>
<b>27/78</b>	<b>\$36</b>	<b>\$139</b>
<b>01/78</b>	<b>\$25</b>	<b>\$135</b>
<b>28/77</b>	<b>\$25</b>	<b>\$133</b>
<b>02/77</b>	<b>\$24</b>	<b>\$128</b>
<b>28/76</b>	<b>\$23</b>	<b>\$122</b>
<b>02/76</b>	<b>\$22</b>	<b>\$117</b>
<b>28/75</b>	<b>\$21</b>	<b>\$113</b>
<b>02/75</b>	<b>\$20</b>	<b>\$108</b>