

State of Misconsin 2015 - 2016 LEGISLATURE

LRB-1142/2 MED&GMM:kjf:kf

2015 SENATE BILL 145

May 1, 2015 – Introduced by Senators Hansen, Bewley, Carpenter, Erpenbach, Harris Dodd, C. Larson, Lassa, Miller, Ringhand, Risser, Shilling, L. Taylor, Vinehout and Wirch, cosponsored by Representatives Sinicki, Barca, Shankland, Zamarripa, Mason, Ohnstad, Barnes, Berceau, Billings, Bowen, Brostoff, Considine, Danou, Doyle, Genrich, Goyke, Hebl, Hesselbein, Hintz, Johnson, Jorgensen, Kahl, Kessler, Kolste, Meyers, Milroy, Pope, Riemer, Sargent, Spreitzer, Stuck, Subeck, C. Taylor, Wachs, Young and Zepnick. Referred to Committee on Judiciary and Public Safety.

AN ACT to amend 111.39 (4) (d) and 814.04 (intro.); and to create 111.39 (5) (d) and 111.397 of the statutes; relating to: authorizing the circuit court to order a person who engages in discrimination in employment, unfair honesty testing, or unfair genetic testing to pay compensatory and punitive damages.

Analysis by the Legislative Reference Bureau

Under the current fair employment law, a person alleging discrimination in employment or unfair honesty or genetic testing may file a complaint with the Department of Workforce Development (DWD) seeking action that will effectuate the purpose of the fair employment law, including reinstating the employee, providing back pay, and paying costs and attorney fees. The fair employment law, however, does not authorize DWD to award compensatory or punitive damages to a complainant.

This bill permits DWD or a person who is alleged or was found to have been discriminated against or subjected to unfair honesty or genetic testing to bring an action in circuit court to recover compensatory and punitive damages caused by the act of discrimination or unfair honesty or genetic testing. Those damages are in addition to any back pay or other amounts awarded in any administrative proceeding. The bill, however, does not permit an action for damages to be brought against any local governmental unit or against any employer employing fewer than 15 individuals.

Under the bill, if the circuit court finds that a defendant has committed an act of discrimination or unfair honesty or genetic testing, the circuit court must order the

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defendant to pay to the person discriminated against compensatory and punitive damages in an amount that the circuit court finds appropriate, subject to the following limitations:

- 1. If the defendant employs 100 or fewer employees, \$50,000.
- 2. If the defendant employs more than 100 but fewer than 201 employees, \$100,000.
- 3. If the defendant employs more than 200 but fewer than 501 employees, \$200,000.
 - 4. If the defendant employs more than 500 employees, \$300,000.

The bill requires DWD to annually revise these amounts based upon the change in the consumer price index in the previous year, if any positive change has occurred.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

Section 1. 111.39 (4) (d) of the statutes is amended to read:

111.39 (4) (d) The department shall serve a certified copy of the findings and order on the respondent, the order to have the same force as other orders of the department and be enforced as provided in s. 103.005. The department shall also serve a certified copy of the findings and order on the complainant, together with a notice advising the complainant about the right to seek, and the time for seeking, review by the commission under sub. (5); about the right to bring, and the time for bringing, an action for judicial review under s. 111.395; and about the right to bring, and the time for bringing, an action under s. 111.397 (1) (a). Any person aggrieved by noncompliance with the order may have the order enforced specifically by suit in equity. If the examiner finds that the respondent has not engaged in discrimination, unfair honesty testing, or unfair genetic testing as alleged in the complaint, the department shall serve a certified copy of the examiner's findings served on the complainant, together with shall be accompanied by an order dismissing the complaint.

Section 2. 111.39 (5) (d) of the statutes is created to read:

111.39 (5) (d) The commission shall serve a certified copy of the commission's decision on the complainant, together with a notice advising the complainant about the right to bring, and the time for bringing, an action for judicial review under s. 111.395 and about the right to bring, and the time for bringing, an action under s. 111.397 (1) (a).

Section 3. 111.397 of the statutes is created to read:

department or a person alleged or found to have been discriminated against or subjected to unfair honesty testing or unfair genetic testing may bring an action in circuit court against any employer, labor organization, or employment agency that is alleged or found to have engaged in that discrimination, unfair honesty testing, or unfair genetic testing to recover compensatory and punitive damages caused by the violation, plus reasonable costs and attorney fees incurred in the action. Those damages are in addition to any back pay or other amounts awarded under s. 111.39 or 111.395. The department or a person alleged or found to have been discriminated against or subjected to unfair honesty testing or unfair genetic testing may not bring an action under this paragraph against any local governmental unit, as defined in s. 19.42 (7u), or against any employer, labor organization, or employment agency employing fewer than 15 individuals for each working day in each of 20 or more calendar weeks in the current or preceding year.

(b) If a petition for judicial review of the findings and order of the commission concerning the same violation as the violation giving rise to the action under par. (a) is filed, the court shall consolidate the proceeding for judicial review and the action under par. (a).

- (2) (a) Subject to pars. (b) and (c), in an action under sub. (1) (a), if the circuit court finds that discrimination, unfair honesty testing, or unfair genetic testing has occurred, or if such a finding has been made by an examiner or the commission and not been further appealed, the court shall order the defendant to pay to the person discriminated against or subjected to unfair honesty testing or unfair genetic testing compensatory damages and punitive damages under s. 895.043, in an amount that the circuit court or jury finds appropriate, plus reasonable costs and attorney fees incurred in the action. Those damages are in addition to any back pay or other amounts awarded under s. 111.39 or 111.395. The sum of the amount of compensatory damages for future economic losses and for pain and suffering, emotional distress, mental anguish, loss of enjoyment of life, and other noneconomic losses and the amount of punitive damages that a circuit court may order may not exceed the following:
- 1. In the case of a defendant that employs 100 or fewer employees for each working day in each of 20 or more calendar weeks in the current or preceding year, \$50,000.
- 2. In the case of a defendant that employs more than 100 but fewer than 201 employees for each working day in each of 20 or more calendar weeks in the current or preceding year, \$100,000.
- 3. In the case of a defendant that employs more than 200 but fewer than 501 employees for each working day in each of 20 or more calendar weeks in the current or preceding year, \$200,000.
- 4. In the case of a defendant that employs more than 500 employees for each working day in each of 20 or more calendar weeks in the current or preceding year, \$300,000.

- (b) If the circuit court orders any payment under par. (a) because of a violation of s. 111.321, 111.37, or 111.372 by an individual employed by an employer, the employer of that individual is liable for the payment.
- (c) 1. In this paragraph, "consumer price index" means the average of the consumer price index for all urban consumers, U.S. city average, as determined by the bureau of labor statistics of the federal department of labor.
- 2. Except as provided in this subdivision, beginning on July 1, 2016, and on each July 1 after that, the department shall adjust the amounts specified in par. (a) 1., 2., 3., and 4. by calculating the percentage difference between the consumer price index for the 12-month period ending on December 31 of the preceding year and the consumer price index for the 12-month period ending on December 31 of the year before the preceding year and adjusting those amounts by that percentage difference. The department shall publish the adjusted amounts calculated under this subdivision in the Wisconsin Administrative Register, and the adjusted amounts shall apply to actions commenced under sub. (1) (a) beginning on July 1 of the year of publication. This subdivision does not apply if the consumer price index for the 12-month period ending on December 31 of the preceding year did not increase over the consumer price index for the 12-month period ending on December 31 of the year before the preceding year.

Section 4. 814.04 (intro.) of the statutes is amended to read:

814.04 Items of costs. (intro.) Except as provided in ss. 93.20, 100.195 (5m) (b), 100.30 (5m), 106.50 (6) (i) and (6m) (a), 111.397 (2) (a), 115.80 (9), 767.553 (4) (d), 769.313, 802.05, 814.245, 895.035 (4), 895.044, 895.443 (3), 895.444 (2), 895.445 (3), 895.446 (3), 895.506, 943.212 (2) (b), 943.245 (2) (d), 943.51 (2) (b), and 995.10 (3), when allowed costs shall be as follows:

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(1) Employment discrimination damages. This act first applies to acts of employment discrimination, unfair honesty testing, or unfair genetic testing committed on the effective date of this subsection.

5 (END)