

WisDems: ICYMI; Walker-appointee says Kleefisch “Chose to play politics and do nothing” on looming unemployment crisis

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MADISON, Wis. – Former Secretary of Wisconsin’s Department of Workforce Development, Manny Perez, [wrote in the Wisconsin State Journal](#) that the Walker-Kleefisch administration “chose to play politics and do nothing” on updating the state’s unemployment insurance system despite knowing about the looming crisis just weeks into their first term.

According to Perez, if the administration had not been so negligent in updating an outdated system, when the COVID-19 pandemic struck forcing millions across the country to file for unemployment, Wisconsin could have been better prepared.

Instead, because the Walker-Kleefisch administration did not want to accept federal funds from a Democratic president, they chose to ignore the problem.

Unsurprisingly, this is a detail Rebecca Kleefisch has failed to disclose in her campaign for governor.

Read more about how Rebecca Kleefisch and the Walker administration failed Wisconsinites when they were most vulnerable.

Wisconsin State Journal: [Manny Perez: Rebecca Kleefisch knew unemployment system needed fixing but ignored problem](#)

When she launched her political campaign for governor, Rebecca Kleefisch shockingly attacked incumbent Gov. Tony Evers for an outdated unemployment

system that left “hundreds of thousands” wondering “what they were going to do just to make ends meet.”

What Kleefisch failed to note in her speech is that this very unemployment insurance system was flagged for her and former Gov. Scott Walker as an urgent problem just three weeks into the Walker-Kleefisch administration in 2011. They knew this was a crisis waiting to happen and did nothing.

I know this happened because I was the Walker-appointed secretary of the Wisconsin Department of Workforce Development (DWD). I was the one who flagged this urgent problem just three weeks into the administration, only to be rejected. Not only did they refuse to act at the time, but over their entire eight years in office, the overhaul of these outdated systems was ignored.

Immediately after assuming this role in 2011, I personally conducted a threat assessment of the department. This included verbally reviewing the status and pressing problems with each department head. This threat assessment review ranged from facilities management, safety and security to the unemployment insurance system. We also held formal meetings with each department head as we worked to identify challenges and implement solutions departmentwide.

In the first three weeks of 2011, the team at the Unemployment Insurance Division brought to my attention the urgent need to revamp the system. Because it was obsolete, it required a great deal of maintenance, and they were concerned that one of these days a serious problem would occur that would prevent the issuance of unemployment insurance checks. It was clear then, as we’ve now witnessed, that this system could collapse if the volume of requests suddenly increased.

Given that a project of this scale would likely involve federal funds, and for the purpose of bringing a specific solution to the governor and lieutenant governor, I contacted the U.S. Department of Labor and brought the issue to the undersecretary of the Department of Labor’s attention. I was told that if Gov. Walker would send a formal letter reporting the issue and requesting assistance from federal agency, the U.S. Department of Labor would align resources to modernize the system, and it even offered to create extra processing capacity. The Department of Labor was aware that several states also had obsolete unemployment insurance systems.

Subsequently, I reported the issue and presented the proposed federally-funded

solution, together with several other initiatives that I felt were needed to help the private sector have qualified workers and for workers to find sustainable employment. The response was a categorical and emphatic “no!” It was clear to me that under no circumstances would the Walker-Kleefisch administration accept federal help from a Democratic president to fix the failing unemployment insurance system in Wisconsin. They did not care that a failed system would hurt businesses, workers and families. They only cared about how it would look politically if they accepted help from President Barack Obama. It was playing politics at its worst, and it hurt Wisconsin.

In a September 2011 interview, Kleefisch [even acknowledged publicly](#) “some issues with unemployment insurance,” vastly downplaying the severity of the problems, but showing the administration was aware of this issue early on and failed to act over the next seven years. Kleefisch can try as she might to score political points and divide Wisconsinites over this issue, but she can’t hide the truth about her record. When she had the opportunity to do something about the system, she chose to play politics and do nothing.

Had the modernization process been implemented by the Walker-Kleefisch administration in 2011, Wisconsin’s government, private sector and workers would not have had to endure the unemployment insurance problems that have occurred when the pandemic first hit our great country.

Perez was secretary of the Department of Workforce Development in 2011 [...]