## **HOUSE BILL NO. 5886**

June 23, 2020, Introduced by Reps. Kennedy, Sabo, Rabhi, Guerra, Gay-Dagnogo, Peterson, Elder, Pohutsky, Tate, Yancey, Lasinski, Brixie, Hood, Hertel, Cherry, Hoadley, Ellison, Manoogian, LaGrand, Stone, Koleszar, Hammoud, Sneller, Hope, Tyrone Carter, Bolden, Garza, Chirkun, Kuppa, Pagan, Haadsma, Warren, Cambensy, Shannon, Wittenberg, Brenda Carter, Clemente, Jones and Anthony and referred to the Committee on Government Operations.

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act,"

by amending sections 27 and 28b (MCL 421.27 and 421.28b), section 27 as amended by 2016 PA 522 and section 28b as added by 2012 PA 216.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 27. (a) (1) When a determination, redetermination, or
 decision is made that benefits are due an unemployed individual,
 the benefits become payable from the fund and continue to be
 payable to the unemployed individual, subject to the limitations





imposed by the individual's monetary entitlement, if the individual continues to be unemployed and to file claims for benefits, until the determination, redetermination, or decision is reversed, a determination, redetermination, or decision on a new issue holding the individual disqualified or ineligible is made, or, for benefit years beginning before October 1, 2000, a new separation issue arises resulting from subsequent work.

8 (2) Benefits are payable in person or by mail through
9 employment security offices in accordance with rules promulgated by
10 the unemployment agency.

11 (b) (1) Subject to subsection (f), the weekly benefit rate for an individual, with respect to benefit years beginning before 12 October 1, 2000, is 67% of the individual's average after tax 13 14 weekly wage, except that the individual's maximum weekly benefit 15 rate must not exceed \$300.00. However, with respect to benefit 16 years beginning on or after October 1, 2000, the individual's weekly benefit rate is 4.1% of the individual's wages paid in the 17 calendar quarter of the base period in which the individual was 18 paid the highest total wages, plus \$6.00 for each dependent as 19 20 defined in subdivision (4), up to a maximum of 5 dependents, claimed by the individual at the time the individual files a new 21 claim for benefits, except that the individual's maximum weekly 22 benefit rate must not exceed \$300.00 before April 26, 2002 and 23 24 \$362.00 for claims filed on and after April 26, 2002. The weekly 25 benefit rate for an individual claiming benefits on and after April 26, 2002 must be recalculated subject to the \$362.00 maximum weekly 26 27 benefit rate. The unemployment agency shall establish the procedures necessary to verify the number of dependents claimed. If 28 29 a person fraudulently claims a dependent, that person is subject to

Legal Division BJH

H06481'20

the penalties set forth in sections 54 and 54c. For benefit years
 beginning on or after October 2, 1983, the weekly benefit rate must
 be adjusted to the next lower multiple of \$1.00.

4 (2) For benefit years beginning before October 1, 2000, the
5 state average weekly wage for a calendar year is computed on the
6 basis of the 12 months ending the June 30 immediately before that
7 calendar year.

8 (3) For benefit years beginning before October 1, 2000, a 9 dependent means any of the following persons who are receiving and 10 for at least 90 consecutive days immediately before the week for 11 which benefits are claimed, or, in the case of a dependent husband, wife, or child, for the duration of the marital or parental 12 relationship, if the relationship has existed less than 90 days, 13 14 has received more than 1/2 the cost of his or her support from the 15 individual claiming benefits:

(a) A child, including stepchild, adopted child, or grandchild
of the individual who is under 18 years of age, or 18 years of age
or over if, because of physical or mental infirmity, the child is
unable to engage in a gainful occupation, or is a full-time student
as defined by the particular educational institution, at a high
school, vocational school, community or junior college, or college
or university and has not attained the age of 22.

23

(b) The husband or wife of the individual.

24 (c) The legal father or mother of the individual if that
25 parent is either more than 65 years of age or is permanently
26 disabled from engaging in a gainful occupation.

27 (d) A brother or sister of the individual if the brother or
28 sister is orphaned or the living parents are dependent parents of
29 an individual, and the brother or sister is under 18 years of age,

Legal Division

1 or 18 years of age or over if, because of physical or mental 2 infirmity, the brother or sister is unable to engage in a gainful 3 occupation, or is a full-time student as defined by the particular 4 educational institution, at a high school, vocational school, 5 community or junior college, or college or university and is less 6 than 22 years of age.

7 (4) For benefit years beginning on or after October 1, 2000, a 8 dependent means any of the following persons who received for at least 90 consecutive days immediately before the first week of the 9 10 benefit year or, in the case of a dependent husband, wife, or 11 child, for the duration of the marital or parental relationship if the relationship existed less than 90 days before the beginning of 12 the benefit year, has received more than 1/2 the cost of his or her 13 14 support from the individual claiming the benefits:

(a) A child, including stepchild, adopted child, or grandchild of the individual who is under 18 years of age, or 18 years of age and over if, because of physical or mental infirmity, the child is unable to engage in a gainful occupation, or is a full-time student as defined by the particular educational institution, at a high school, vocational school, community or junior college, or college or university and has not attained the age of 22.

22

(b) The husband or wife of the individual.

23 (c) The legal father or mother of the individual if that
24 parent is either more than 65 years of age or is permanently
25 disabled from engaging in a gainful occupation.

(d) A brother or sister of the individual if the brother or
sister is orphaned or the living parents are dependent parents of
an individual, and the brother or sister is under 18 years of age,
or 18 years of age and over if, because of physical or mental

Legal Division

H06481'20

1 infirmity, the brother or sister is unable to engage in a gainful 2 occupation, or is a full-time student as defined by the particular 3 educational institution, at a high school, vocational school, 4 community or junior college, or college or university and is less 5 than 22 years of age.

6 (5) The number of dependents established for an individual at
7 the beginning of the benefit year shall remain in effect during the
8 entire benefit year.

9 (6) Dependency status of a dependent, child or otherwise, once
10 established or fixed in favor of a person is not transferable to or
11 usable by another person with respect to the same week.

Failure on the part of an individual, due to misinformation or lack of information, to furnish all information material for determination of the number of the individual's dependents is good cause to issue a redetermination as to the amount of benefits based on the number of the individual's dependents as of the beginning of the benefit year.

18 (c) Subject to subsection (f), all of the following apply to 19 eligible individuals:

20 (1) Each eligible individual must be paid a weekly benefit rate with respect to the week for which the individual earns or 21 22 receives no remuneration. Notwithstanding the definition of week in 23 section 50, if within 2 consecutive weeks in which an individual was not unemployed within the meaning of section 48 there was a 24 25 period of 7 or more consecutive days for which the individual did 26 not earn or receive remuneration, that period is considered a week 27 for benefit purposes under this act if a claim for benefits for that period is filed not later than 30 days after the end of the 28 29 period.



(2) The weekly benefit rate is reduced with respect to each 1 week in which the eligible individual earns or receives 2 remuneration at the rate of 40 cents for each whole \$1.00 of 3 remuneration earned or received during that week. Beginning October 4 1, 2015, an eligible individual's weekly benefit rate is reduced at 5 6 the rate of 50 cents for each whole \$1.00 of remuneration in which 7 the eligible individual earns or receives remuneration in that 8 benefit week. The weekly benefit rate is not reduced under this 9 subdivision for remuneration received for on-call or training 10 services as a volunteer firefighter, if the volunteer firefighter 11 receives less than \$10,000.00 in a calendar year for services as a volunteer firefighter. 12

(3) An individual who receives or earns partial remuneration 13 14 may not receive a total of benefits and earnings that exceeds 1-3/5 15 times his or her weekly benefit amount. For each dollar of total 16 benefits and earnings that exceeds 1-3/5 times the individual's weekly benefit amount, benefits are reduced by \$1.00. Beginning 17 18 October 1, 2015, the total benefits and earnings for an individual 19 who receives or earns partial remuneration may not exceed 1-1/220 times his or her weekly benefit amount. The individual's benefits are reduced by \$1.00 for each dollar by which the total benefits 21 and earnings exceed 1-1/2 times the individual's weekly benefit 22 23 amount.

(4) If the reduction in a claimant's benefit rate for a week
in accordance with subdivision (2) or (3) results in a benefit rate
greater than zero for that week, the claimant's balance of weeks of
benefit payments is reduced by 1 week.

(5) All remuneration for work performed during a shift thatterminates on 1 day but that began on the preceding day is

Legel Division BJH

considered to have been earned by the eligible individual on the
 preceding day.

3 (6) The unemployment agency shall report annually to the
4 legislature the following information with regard to subdivisions
5 (2) and (3):

6 (a) The number of individuals whose weekly benefit rate was
7 reduced at the rate of 40 or 50 cents for each whole \$1.00 of
8 remuneration earned or received over the immediately preceding
9 calendar year.

10 (b) The number of individuals who received or earned partial 11 remuneration at or exceeding the applicable limit of 1-1/2 or 1-3/5times their weekly benefit amount prescribed in subdivision (3) for 12 any 1 or more weeks during the immediately preceding calendar year. 13 14 (7) The unemployment agency shall not use prorated quarterly 15 wages to establish a reduction in benefits under this subsection. 16 (d) Subject to subsection (f) and this subsection, the maximum 17 benefit amount payable to an individual in a benefit year for purposes of this section and section 20(d) is the number of weeks 18 19 of benefits payable to an individual during the benefit year, 20 multiplied by the individual's weekly benefit rate. The number of 21 weeks of benefits payable to an individual shall be calculated by

taking 43% of the individual's base period wages and dividing the 22 23 result by the individual's weekly benefit rate. If the quotient is 24 not a whole or half number, the result is rounded down to the 25 nearest half number. However, for each eligible individual filing an initial claim before January 15, 2012, not more than 26 weeks of 26 27 benefits or less than 14 weeks of benefits are payable to an individual in a benefit year. For each eligible individual filing 28 29 an initial claim on or after January 15, 2012, not more than 20

Legal Division

weeks of benefits or less than 14 weeks of benefits are payable to
 an individual in a benefit year. The limitation of total benefits
 set forth in this subsection does not apply to claimants declared
 eligible for training benefits in accordance with subsection (g).

5 (e) When a claimant dies or is judicially declared insane or 6 mentally incompetent, unemployment compensation benefits accrued 7 and payable to that person for weeks of unemployment before death, 8 insanity, or incompetency, but not paid, become due and payable to 9 the person who is the legal heir or guardian of the claimant or to 10 any other person found by the commission to be equitably entitled 11 to the benefits by reason of having incurred expense in behalf of the claimant for the claimant's burial or other necessary expenses. 12

(f) (1) For benefit years beginning before October 1, 2000, and 13 14 notwithstanding any inconsistent provisions of this act, the weekly 15 benefit rate of each individual who is receiving or will receive a 16 "retirement benefit", as defined in subdivision (4), is adjusted as provided in subparagraphs (a), (b), and (c). However, an 17 individual's extended benefit account and an individual's weekly 18 extended benefit rate under section 64 is established without 19 20 reduction under this subsection unless subdivision (5) is in effect. Except as otherwise provided in this subsection, all other 21 22 provisions of this act continue to apply in connection with the 23 benefit claims of those retired persons.

(a) If and to the extent that unemployment benefits payable
under this act would be chargeable to an employer who has
contributed to the financing of a retirement plan under which the
claimant is receiving or will receive a retirement benefit yielding
a pro rata weekly amount equal to or larger than the claimant's
weekly benefit rate as otherwise established under this act, the

Legal Division

claimant must not receive unemployment benefits that would be
 chargeable to the employer under this act.

(b) If and to the extent that unemployment benefits payable 3 under this act would be chargeable to an employer who has 4 contributed to the financing of a retirement plan under which the 5 6 claimant is receiving or will receive a retirement benefit yielding 7 a pro rata weekly amount less than the claimant's weekly benefit 8 rate as otherwise established under this act, then the weekly 9 benefit rate otherwise payable to the claimant and chargeable to 10 the employer under this act is reduced by an amount equal to the 11 pro rata weekly amount, adjusted to the next lower multiple of \$1.00, which the claimant is receiving or will receive as a 12 retirement benefit. 13

(c) If the unemployment benefit payable under this act would be chargeable to an employer who has not contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit, then the weekly benefit rate of the claimant as otherwise established under this act is not reduced due to receipt of a retirement benefit.

20 (d) If the unemployment benefit payable under this act is computed on the basis of multiemployer credit weeks and a portion 21 of the benefit is allocable under section 20(e) to an employer who 22 23 has contributed to the financing of a retirement plan under which 24 the claimant is receiving or will receive a retirement benefit, the 25 adjustments required by subparagraph (a) or (b) apply only to that portion of the weekly benefit rate that would otherwise be 26 27 allocable and chargeable to the employer.

28 (2) If an individual's weekly benefit rate under this act was29 established before the period for which the individual first



H06481'20

receives a retirement benefit, any benefits received after a
 retirement benefit becomes payable must be determined in accordance
 with the formula stated in this subsection.

4 (3) When necessary to assure prompt payment of benefits, the 5 commission shall determine the pro rata weekly amount yielded by an 6 individual's retirement benefit based on the best information 7 currently available to it. In the absence of fraud, a determination 8 must not be reconsidered unless it is established that the 9 individual's actual retirement benefit in fact differs from the 10 amount determined by \$2.00 or more per week. The reconsideration 11 applies only to benefits that may be claimed after the information 12 on which the reconsideration is based was received by the 13 commission.

14 (4) (a) As used in this subsection, "retirement benefit" means
15 a benefit, annuity, or pension of any type or that part thereof
16 that is described in subparagraph (b) that is both:

17 (i) Provided as an incident of employment under an established
18 retirement plan, policy, or agreement, including federal social
19 security if subdivision (5) is in effect.

(ii) Payable to an individual because the individual has qualified on the basis of attained age, length of service, or disability, whether or not the individual retired or was retired from employment. Amounts paid to individuals in the course of liquidation of a private pension or retirement fund because of termination of the business or of a plant or department of the business of the employer involved are not retirement benefits.

27 (b) If a benefit as described in subparagraph (a) is payable
28 or paid to the individual under a plan to which the individual has
29 contributed:



H06481'20

(i) Less than 1/2 of the cost of the benefit, then only 1/2 of
 the benefit is treated as a retirement benefit.

3 (ii) One-half or more of the cost of the benefit, then none of4 the benefit is treated as a retirement benefit.

5 (c) The burden of establishing the extent of an individual's
6 contribution to the cost of his or her retirement benefit for the
7 purpose of subparagraph (b) is upon the employer who has
8 contributed to the plan under which a benefit is provided.

9 (5) Notwithstanding any other provision of this subsection, 10 for any week that begins after March 31, 1980, and with respect to 11 which an individual is receiving a governmental or other pension 12 and claiming unemployment compensation, the weekly benefit amount 13 payable to the individual for those weeks is reduced, but not below 14 zero, by the entire prorated weekly amount of any governmental or 15 other pension, retirement or retired pay, annuity, or any other 16 similar payment that is based on any previous work of the 17 individual. This reduction is made only if it is required as a condition for full tax credit against the tax imposed by the 18 19 federal unemployment tax act, 26 USC 3301 to 3311.

20 (6) For benefit years beginning on or after October 1, 2000, notwithstanding any inconsistent provisions of this act, the weekly 21 22 benefit rate of each individual who is receiving or will receive a 23 retirement benefit, as defined in subdivision (4), is adjusted as 24 provided in subparagraphs (a), (b), and (c). However, an 25 individual's extended benefit account and an individual's weekly 26 extended benefit rate under section 64 is established without reduction under this subsection, unless subdivision (5) is in 27 28 effect. Except as otherwise provided in this subsection, all the 29 other provisions of this act apply to the benefit claims of those

Legal Division

retired persons. However, if the reduction would impair the full 1 tax credit against the tax imposed by the federal unemployment tax 2 act, 26 USC 3301 to 3311, unemployment benefits are not reduced as 3 provided in subparagraphs (a), (b), and (c) for receipt of any 4 governmental or other pension, retirement or retired pay, annuity, 5 6 or other similar payment that was not includable in the gross 7 income of the individual for the taxable year in which it was 8 received because it was a part of a rollover distribution.

9 (a) If any base period or chargeable employer has contributed 10 to the financing of a retirement plan under which the claimant is 11 receiving or will receive a retirement benefit yielding a pro rata 12 weekly amount equal to or larger than the claimant's weekly benefit 13 rate as otherwise established under this act, the claimant is not 14 eligible to receive unemployment benefits.

15 (b) If any base period employer or chargeable employer has 16 contributed to the financing of a retirement plan under which the claimant is receiving or will receive a retirement benefit yielding 17 18 a pro rata weekly amount less than the claimant's weekly benefit rate as otherwise established under this act, then the weekly 19 20 benefit rate otherwise payable to the claimant is reduced by an 21 amount equal to the pro rata weekly amount, adjusted to the next lower multiple of \$1.00, which the claimant is receiving or will 22 23 receive as a retirement benefit.

(c) If no base period or separating employer has contributed
to the financing of a retirement plan under which the claimant is
receiving or will receive a retirement benefit, then the weekly
benefit rate of the claimant as otherwise established under this
act shall not be reduced due to receipt of a retirement benefit.
(g) Notwithstanding any other provision of this act, an



individual pursuing vocational training or retraining pursuant to 1 section 28(2) who has exhausted all benefits available under 2 subsection (d) may be paid for each week of approved vocational 3 training pursued beyond the date of exhaustion a benefit amount in 4 5 accordance with subsection (c), but not in excess of the 6 individual's most recent weekly benefit rate. However, an 7 individual must not be paid training benefits totaling more than 18 8 times the individual's most recent weekly benefit rate. The 9 expiration or termination of a benefit year does not stop or 10 interrupt payment of training benefits if the training for which 11 the benefits were granted began before expiration or termination of 12 the benefit year.

(h) A payment of accrued unemployment benefits is not payable to an eligible individual or in behalf of that individual as provided in subsection (e) more than 6 years after the ending date of the benefit year covering the payment or 2 calendar years after the calendar year in which there is final disposition of a contested case, whichever is later.

(i) Benefits based on service in employment described in
section 42(8), (9), and (10) are payable in the same amount, on the
same terms, and subject to the same conditions as compensation
payable on the basis of other service subject to this act, except
that:

(1) With respect to service performed in an instructional,
research, or principal administrative capacity for an institution
of higher education as defined in section 53(2), or for an
educational institution other than an institution of higher
education as defined in section 53(3), benefits are not payable to
an individual based on those services for any week of unemployment

Legal Division BJH

H06481'20

beginning after December 31, 1977 that commences during the period 1 between 2 successive academic years or during a similar period 2 between 2 regular terms, whether or not successive, or during a 3 period of paid sabbatical leave provided for in the individual's 4 contract, to an individual if the individual performs the service 5 6 in the first of the academic years or terms and if there is a 7 contract or a reasonable assurance that the individual will perform 8 service in an instructional, research, or principal administrative capacity for an institution of higher education or an educational 9 10 institution other than an institution of higher education in the second of the academic years or terms, whether or not the terms are 11 12 successive.

(2) With respect to service performed in other than an 13 14 instructional, research, or principal administrative capacity for 15 an institution of higher education as defined in section 53(2) or 16 for an educational institution other than an institution of higher education as defined in section 53(3), benefits are not payable 17 18 based on those services for any week of unemployment beginning 19 after December 31, 1977 that commences during the period between 2 20 successive academic years or terms to any individual if that individual performs the service in the first of the academic years 21 or terms and if there is a reasonable assurance that the individual 22 23 will perform the service for an institution of higher education or an educational institution other than an institution of higher 24 25 education in the second of the academic years or terms.

26 (3) With respect to any service described in subdivision (1)
27 or (2), benefits are not payable to an individual based upon
28 service for any week of unemployment that commences during an
29 established and customary vacation period or holiday recess if the

Legal Division

1 individual performs the service in the period immediately before
2 the vacation period or holiday recess and there is a contract or
3 reasonable assurance that the individual will perform the service
4 in the period immediately following the vacation period or holiday
5 recess.

6 (4) If benefits are denied to an individual for any week 7 solely as a result of subdivision (2) and the individual was not 8 offered an opportunity to perform in the second academic year or term the service for which reasonable assurance had been given, the 9 10 individual is entitled to a retroactive payment of benefits for 11 each week for which the individual had previously filed a timely claim for benefits. An individual entitled to benefits under this 12 subdivision may apply for those benefits by mail in accordance with 13 14 R 421.210 of the Michigan Administrative Code as promulgated by the 15 commission.

16 (5) Benefits based upon services in other than an 17 instructional, research, or principal administrative capacity for 18 an institution of higher education are not denied for any week of 19 unemployment commencing during the period between 2 successive 20 academic years or terms solely because the individual had performed the service in the first of the academic years or terms and there 21 22 is reasonable assurance that the individual will perform the 23 service for an institution of higher education or an educational institution other than an institution of higher education in the 24 25 second of the academic years or terms, unless a denial is required as a condition for full tax credit against the tax imposed by the 26 27 federal unemployment tax act, 26 USC 3301 to 3311.

28 (6) For benefit years established before October 1, 2000, and29 notwithstanding subdivisions (1), (2), and (3), the denial of

Legal Division

H06481'20

benefits does not prevent an individual from completing 1 requalifying weeks in accordance with section 29(3) nor does the 2 denial prevent an individual from receiving benefits based on 3 service with an employer other than an educational institution for 4 5 any week of unemployment occurring between academic years or terms, 6 whether or not successive, or during an established and customary 7 vacation period or holiday recess, even though the employer is not 8 the most recent chargeable employer in the individual's base 9 period. However, in that case section 20(b) applies to the sequence 10 of benefit charging, except for the employment with the educational 11 institution, and section 50(b) applies to the calculation of credit 12 weeks. When a denial of benefits under subdivision (1) no longer applies, benefits are charged in accordance with the normal 13 14 sequence of charging as provided in section 20(b).

15 (7) For benefit years beginning on or after October 1, 2000, 16 and notwithstanding subdivisions (1), (2), and (3), the denial of benefits does not prevent an individual from completing 17 18 requalifying weeks in accordance with section 29(3) and does not prevent an individual from receiving benefits based on service with 19 20 another base period employer other than an educational institution 21 for any week of unemployment occurring between academic years or 22 terms, whether or not successive, or during an established and 23 customary vacation period or holiday recess. However, if benefits 24 are paid based on service with 1 or more base period employers 25 other than an educational institution, the individual's weekly benefit rate is calculated in accordance with subsection (b)(1) but 26 27 during the denial period the individual's weekly benefit payment is 28 reduced by the portion of the payment attributable to base period 29 wages paid by an educational institution and the account or



1 experience account of the educational institution is not charged 2 for benefits payable to the individual. When a denial of benefits 3 under subdivision (1) is no longer applicable, benefits are paid 4 and charged on the basis of base period wages with each of the base 5 period employers including the educational institution.

6 (8) For the purposes of this subsection, "academic year" means
7 that period, as defined by the educational institution, when
8 classes are in session for that length of time required for
9 students to receive sufficient instruction or earn sufficient
10 credit to complete academic requirements for a particular grade
11 level or to complete instruction in a noncredit course.

12 (9) In accordance with subdivisions (1), (2), and (3), benefits for any week of unemployment are denied to an individual 13 14 who performed services described in subdivision (1), (2), or (3) in 15 an educational institution while in the employ of an educational 16 service agency. For the purpose of this subdivision, "educational 17 service agency" means a governmental agency or governmental entity 18 that is established and operated exclusively for the purpose of providing the services to 1 or more educational institutions. 19

20 (j) Benefits are not payable to an individual on the basis of 21 any base period services, substantially all of which consist of 22 participating in sports or athletic events or training or preparing 23 to participate, for a week that commences during the period between 24 2 successive sport seasons or similar periods if the individual 25 performed the services in the first of the seasons or similar periods and there is a reasonable assurance that the individual 26 27 will perform the services in the later of the seasons or similar 28 periods.

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(k)(1) Benefits are not payable on the basis of services



H06481'20

performed by an alien unless the alien is an individual who was 1 lawfully admitted for permanent residence at the time the services 2 were performed, was lawfully present for the purpose of performing 3 the services, or was permanently residing in the United States 4 5 under color of law at the time the services were performed, 6 including an alien who was lawfully present in the United States 7 under section 212(d)(5) of the immigration and nationality act, 8 8 USC 1182.

9 (2) Any data or information required of individuals applying
10 for benefits to determine whether benefits are payable because of
11 their alien status are uniformly required from all applicants for
12 benefits.

13 (3) If an individual's application for benefits would
14 otherwise be approved, a determination that benefits to that
15 individual are not payable because of the individual's alien status
16 must not be made except upon a preponderance of the evidence.

17 (m) (1) An individual filing a new claim for unemployment 18 compensation under this act, at the time of filing the claim, shall 19 disclose whether the individual owes child support obligations as defined in this subsection. If an individual discloses that he or 20 she owes child support obligations and is determined to be eligible 21 22 for unemployment compensation, the unemployment agency shall notify 23 the state or local child support enforcement agency enforcing the obligation that the individual has been determined to be eligible 24 25 for unemployment compensation.

26 (2) Notwithstanding section 30, the unemployment agency shall
27 deduct and withhold from any unemployment compensation payable to
28 an individual who owes child support obligations by using whichever
29 of the following methods results in the greatest amount:

Legal Division BJH

(a) The amount, if any, specified by the individual to be
 deducted and withheld under this subdivision.

3 (b) The amount, if any, determined pursuant to an agreement
4 submitted to the commission under 42 USC 654(19)(B)(i), by the
5 state or local child support enforcement agency.

6 (c) Any amount otherwise required to be deducted and withheld
7 from unemployment compensation by legal process, as that term is
8 defined in 42 USC 659(i)(5), properly served upon the commission.

9 (3) The amount of unemployment compensation subject to
10 deduction under subdivision (2) is that portion that remains
11 payable to the individual after application of the recoupment
12 provisions of section 62(a) and the reduction provisions of
13 subsections (c) and (f).

14 (4) The unemployment agency shall pay any amount deducted and
15 withheld under subdivision (2) to the appropriate state or local
16 child support enforcement agency.

17 (5) Any amount deducted and withheld under subdivision (2) is 18 treated for all purposes as if it were paid to the individual as 19 unemployment compensation and paid by the individual to the state 20 or local child support enforcement agency in satisfaction of the 21 individual's child support obligations.

22 (6) Provisions concerning deductions under this subsection 23 apply only if the state or local child support enforcement agency 24 agrees in writing to reimburse and does reimburse the unemployment 25 agency for the administrative costs incurred by the unemployment 26 agency under this subsection that are attributable to child support 27 obligations being enforced by the state or local child support 28 enforcement agency. The administrative costs incurred are 29 determined by the unemployment agency. The unemployment agency, in

Legal Division

its discretion, may require payment of administrative costs in
 advance.

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(7) As used in this subsection:

4 (a) "Unemployment compensation", for purposes of subdivisions
5 (1) to (5), means any compensation payable under this act,
6 including amounts payable by the unemployment agency pursuant to an
7 agreement under any federal law providing for compensation,
8 assistance, or allowances with respect to unemployment.

9 (b) "Child support obligations" includes only obligations that
10 are being enforced pursuant to a plan described in 42 USC 654 that
11 has been approved by the Secretary of Health and Human Services
12 under 42 USC 651 to 669b.

13 (c) "State or local child support enforcement agency" means
14 any agency of this state or a political subdivision of this state
15 operating pursuant to a plan described in subparagraph (b).

16 (n) Subsection (i)(2) applies to services performed by school 17 bus drivers employed by a private contributing employer holding a 18 contractual relationship with an educational institution, but only 19 if at least 75% of the individual's base period wages with that 20 employer are attributable to services performed as a school bus 21 driver. Subsection (i) (1) and (2) but not subsection (i) (3) applies to other services described in those subdivisions that are 22 23 performed by any employees under an employer's contract with an 24 educational institution or an educational service agency.

25 (o) (1) For weeks of unemployment beginning after July 1, 1996, 26 unemployment benefits based on services by a seasonal worker 27 performed in seasonal employment are payable only for weeks of 28 unemployment that occur during the normal seasonal work period. 29 Benefits are not payable based on services performed in seasonal



employment for any week of unemployment beginning after March 28, 1 2 1996 that begins during the period between 2 successive normal seasonal work periods to any individual if that individual performs 3 4 the service in the first of the normal seasonal work periods and if there is a reasonable assurance that the individual will perform 5 6 the service for a seasonal employer in the second of the normal 7 seasonal work periods. If benefits are denied to an individual for 8 any week solely as a result of this subsection and the individual 9 is not offered an opportunity to perform in the second normal 10 seasonal work period for which reasonable assurance of employment 11 had been given, the individual is entitled to a retroactive payment 12 of benefits under this subsection for each week that the individual previously filed a timely claim for benefits. An individual may 13 14 apply for any retroactive benefits under this subsection in 15 accordance with R 421.210 of the Michigan Administrative Code. 16 (2) Not less than 20 days before the estimated beginning date 17 of a normal seasonal work period, an employer may apply to the commission in writing for designation as a seasonal employer. At 18 19 the time of application, the employer shall conspicuously display a 20 copy of the application on the employer's premises. Within 90 days 21 after receipt of the application, the commission shall determine if 22 the employer is a seasonal employer. A determination or 23 redetermination of the commission concerning the status of an 24 employer as a seasonal employer, or a decision of an administrative 25 law judge, the Michigan compensation appellate commission, or the 26 courts of this state concerning the status of an employer as a 27 seasonal employer, which has become final, together with the record thereof, may be introduced in any proceeding involving a claim for 28 benefits, and the facts found and decision issued in the 29



H06481'20

1 determination, redetermination, or decision is conclusive unless 2 substantial evidence to the contrary is introduced by or on behalf 3 of the claimant.

4 (3) If the employer is determined to be a seasonal employer, the employer shall conspicuously display on its premises a notice 5 6 of the determination and the beginning and ending dates of the 7 employer's normal seasonal work periods. The commission shall 8 furnish the notice. The notice must additionally specify that an 9 employee must timely apply for unemployment benefits at the end of 10 a first seasonal work period to preserve his or her right to 11 receive retroactive unemployment benefits if he or she is not 12 reemployed by the seasonal employer in the second of the normal 13 seasonal work periods. 14 (4) The commission may issue a determination terminating an 15 employer's status as a seasonal employer on the commission's own 16 motion for good cause, or upon the written request of the employer. 17 A termination determination under this subdivision terminates an 18 employer's status as a seasonal employer, and becomes effective on the beginning date of the normal seasonal work period that would 19 20 have immediately followed the date the commission issues the 21 determination. A determination under this subdivision is subject to 22 review in the same manner and to the same extent as any other 23 determination under this act. 24 (5) An employer whose status as a seasonal employer is

25 terminated under subdivision (4) may not reapply for a seasonal 26 employer status determination until after a regularly recurring 27 normal seasonal work period has begun and ended. 28 (6) If a seasonal employer informs an employee who received

29 assurance of being rehired that, despite the assurance, the



2 next normal seasonal work period, this subsection does not prevent the employee from receiving unemployment benefits in the same 3 manner and to the same extent he or she would receive benefits 4 5 under this act from an employer who has not been determined to be a 6 seasonal employer. 7 (7) A successor of a seasonal employer is considered to be a 8 seasonal employer unless the successor provides the commission, 9 within 120 days after the transfer, with a written request for 10 termination of its status as a seasonal employer in accordance with 11 subdivision (4). 12 (8) At the time an employee is hired by a seasonal employer, the employer shall notify the employee in writing if the employee 13 14 will be a seasonal worker. The employer shall provide the worker 15 with written notice of any subsequent change in the employee's 16 status as a seasonal worker. If an employee of a seasonal employer 17 is denied benefits because that employee is a seasonal worker, the 18 employee may contest that designation in accordance with section 19 <del>32a.</del> 20 (9) As used in this subsection: (a) "Construction industry" means the work activity designated 21 in sector group 23 - construction of the North American 22 23 classification system - United States Office of Management and 24 Budget, 1997 edition.

25 (b) "Normal seasonal work period" means that period or those
26 periods of time determined under rules promulgated by the
27 unemployment agency during which an individual is employed in
28 seasonal employment.
29 (c) "Seasonal employment" means the employment of 1 or more



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employee will not be rehired at the beginning of the employer's

H06481'20

1 individuals primarily hired to perform services during regularly 2 recurring periods of 26 weeks or less in any 52-week period other 3 than services in the construction industry.

4 (d) "Seasonal employer" means an employer, other than an employer in the construction industry, who applies to the 5 6 unemployment agency for designation as a seasonal employer and who 7 the unemployment agency determines is an employer whose operations 8 and business require employees engaged in seasonal employment. A 9 seasonal employer designation under this act need not correspond to 10 a category assigned under the North American classification system 11 - United States Office of Management and Budget. 12 (c) "Seasonal worker" means a worker who has been paid wages by a seasonal employer for work performed only during the normal 13

14 seasonal work period.

15 (10) This subsection does not apply if the United States 16 Department of Labor finds it to be contrary to the federal 17 unemployment tax act, 26 USC 3301 to 3311, or the social security act, chapter 531, 49 Stat 620, and if conformity with the federal 18 19 law is required as a condition for full tax credit against the tax 20 imposed under the federal unemployment tax act, 26 USC 3301 to 21 3311, or as a condition for receipt by the commission of federal 22 administrative grant funds under the social security act, chapter 531, 49 Stat 620. 23

(o) (p) Benefits are not payable to an individual based upon
his or her services as a school crossing guard for any week of
unemployment that begins between 2 successive academic years or
terms, if that individual performs the services of a school
crossing guard in the first of the academic years or terms and has
a reasonable assurance that he or she will perform those services

Legal Division

1 in the second of the academic years or terms.

Sec. 28b. As used in this section and sections 28c to 28m:
(a) "Affected unit" means a department, shift, or other
organizational unit of 2 or more employees that is designated by an
employer to participate in a shared-work plan.

6 (b) "Approved shared-work plan" means an employer's shared7 work plan that meets the requirements of section 28d and that the
8 unemployment agency approves in writing.

9 (c) "Fringe benefit" means health insurance, a retirement
10 benefit received under a pension plan or defined contribution plan,
11 a paid vacation day, a paid holiday, sick leave, or any other
12 similar employee benefit provided by an employer.

(d) "Normal weekly hours of work" means the established standard work times and number of hours in the workweek for the position or, if standard work times and number of hours have not been established for the position, the work times and average number of hours per week actually worked by the employee in that position over the most recent 3 months before the employer files the application for designation as a participating employer.

(e) "Participating employee" means an employee in the affected
unit whose hours of work are reduced by the reduction percentage
under the shared-work plan. Participating employee does not include
a seasonal worker as defined in section 27(o)(9)(e) or a worker
employed on a temporary or intermittent basis.

25 (f) "Participating employer" means an employer that has a26 shared-work plan in effect.

27 (g) "Reduction percentage" means the percentage by which each
28 participating employee's normal weekly hours of work are reduced
29 under a shared-work plan in accordance with section 28d(2).



H06481'20

(h) "Shared-work plan" means a plan for reducing unemployment
 under which employees of an affected unit share a reduced workload
 through reduction in their normal weekly hours of work.

