

HOUSE BILL No. 4188

February 13, 2001, Introduced by Reps. Bogardus, Kolb, Schermesser, Lipsey, Hale, Gielegem, Jamnick, Dennis, Phillips, Anderson, Murphy, Williams, Waters, Adamini, Rich Brown, Minore, Whitmer and Lemmons and referred to the Committee on Employment Relations, Training and Safety.

A bill to amend 1936 (Ex Sess) PA 1, entitled "Michigan employment security act," by amending sections 19, 27, 29, and 50 (MCL 421.19, 421.27, 421.29, and 421.50), section 19 as amended by 1996 PA 535, section 27 as amended by 1995 PA 181, and sections 29 and 50 as amended by 1995 PA 25.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 19. (a) The commission shall determine the contribution
2 rate of each contributing employer for each calendar year after
3 1977 as follows:

4 (1) (i) Except as provided in paragraph (ii), an employer's
5 rate shall be calculated as described in table A with respect to
6 wages paid by the employer in each calendar year for employment.
7 If an employer's coverage is terminated under section 24, or at
8 the conclusion of 8 or more consecutive calendar quarters during

1 which the employer has not had workers in covered employment, and
2 if the employer becomes liable for contributions, the employer
3 shall be considered as newly liable for contributions for the
4 purposes of table A or table B of this subsection.

5 (ii) To provide against the high risk of net loss to the
6 fund in such cases, an employing unit which becomes newly liable
7 for contributions under this act in a calendar year beginning on
8 or after January 1, 1983 in which it employs in "employment", not
9 necessarily simultaneously but in any 1 week 2 or more individu-
10 als in the performance of 1 or more contracts or subcontracts for
11 construction in the state of roads, bridges, highways, sewers,
12 water mains, utilities, public buildings, factories, housing
13 developments, or similar construction projects, shall be liable
14 for contributions to that employer's account under this act for
15 the first 4 years of operations in this state at a rate equal to
16 the average rate paid by employers engaged in the construction
17 business as determined by contractor type in the manner provided
18 in table B.

19 (iii) For the calendar years 1983 and 1984, the contribution
20 rate of a construction employer shall not exceed its 1982 contri-
21 bution rate with respect to wages, paid by that employer, related
22 to the execution of a fixed price construction contract which was
23 entered into prior to January 1, 1983. Furthermore, such contri-
24 bution rate shall be reduced, by the solvency tax rate assessed
25 against the employer under section 19a, for the year in which
26 such solvency tax rate is applicable. Furthermore,
27 notwithstanding section 44, the taxable wage limit, for calendar

1 years 1983 and 1984, with respect to wages paid under such fixed
 2 price contract, shall be the maximum amount of remuneration paid
 3 within a calendar year by an employer subject to the federal
 4 unemployment tax act, CHAPTER 23 OF SUBTITLE C OF THE INTERNAL
 5 REVENUE CODE OF 1986, 26 U.S.C. 3301 to 3311, to an individual
 6 with respect to employment as defined in that act which is
 7 subject to tax under that act during that year.

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Table A

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Year of Contribution Liability	Contribution Rate
1	2.7%
2	2.7%
3	1/3 (chargeable benefits component) + 1.8%
4	2/3 (chargeable benefits component) + 1.0%
5 and over	(chargeable benefits component) + (account building component) + (nonchargeable benefits component)

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Table B

Year of Contribution Liability	Contribution Rate
1	average construction contractor rate as determined by the commission
2	average construction contractor rate as determined by the commission
3	1/3 (chargeable benefits component) + 2/3 average construction contrac- tor rate as determined by the com- mission
4	2/3 (chargeable benefits component) + 1/3 average construction contractor rate as determined by the commission

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1 of a change in the maximum duration of regular benefit payments,
2 the maximum chargeable benefits component shall increase by the
3 same percentage as the statutory percentage change in the dura-
4 tion of regular benefit payments between computation dates. In
5 the event of an increase in the statutory ratio of regular bene-
6 fit payments to credit weeks, as described in section 27(d), the
7 maximum chargeable benefits component determined as of the compu-
8 tation dates occurring after the effective date of the increased
9 ratio shall increase by 1/2 the same percentage as the increase
10 in the ratio of regular benefit payments to credit weeks. If the
11 resulting increase is not already an exact multiple of 1/10 of
12 1%, it shall be adjusted to the next higher multiple of 1/10 of
13 1%. For benefit years established after the conversion date pre-
14 scribed in section 75, the chargeable benefits component shall
15 not exceed 6.0%, unless there is a statutory change in the maxi-
16 mum duration of regular benefit payments or the percentage factor
17 of base period wages, which defines maximum duration, as provided
18 in section 27(d). If there is a statutory change in the maximum
19 duration of regular benefit payments, the maximum chargeable ben-
20 efits component shall increase by the same percentage as the
21 statutory percentage change in the duration of regular benefit
22 payments between computation dates. If there is an increase in
23 the statutory percentage factor of base period wages, as
24 described in section 27(d), the maximum chargeable benefits com-
25 ponent determined as of the computation dates occurring after the
26 effective date of the increased ratio shall increase by 1/2 the
27 same percentage as the increase in the percentage factor of base

1 period wages. If the resulting increase is not already an exact
2 multiple of 1/10 of 1%, it shall be adjusted to the next higher
3 multiple of 1/10 of 1%.

4 (4) The account building component of an employer's contri-
5 bution rate is the percentage arrived at by the following
6 calculations: (i) Multiply the amount of the employer's total
7 payroll for the 12 months ending on the computation date, by the
8 cost criterion; (ii) Subtract the amount of the balance in the
9 employer's experience account as of the computation date from the
10 product determined under (i); and (iii) if the remainder is zero
11 or a negative quantity, the account building component of the
12 employer's contribution rate shall be zero; but (iv) if the
13 remainder is a positive quantity, the account building component
14 of the employer's contribution rate shall be determined by divid-
15 ing that remainder by the employer's total payroll paid within
16 the 12 months ending on the computation date. The account build-
17 ing component shall not exceed the lesser of 1/4 of the percen-
18 tage thus calculated or 2%. However, except as otherwise pro-
19 vided in this subdivision, the account building component shall
20 not exceed the lesser of 1/2 of the percentage thus calculated or
21 3%, if on the June 30 of the preceding calendar year the balance
22 in the unemployment compensation fund was less than 50% of an
23 amount equal to the aggregate of all contributing employers'
24 annual payrolls, for the 12 months ending March 31, times the
25 cost criterion. For calendar years after 1993 and before 1996,
26 the account building component shall not exceed the lesser of .69
27 of the percentage calculated, or 3%, if on the June 30 of the

1 preceding calendar year the balance in the unemployment
2 compensation fund was less than 50% of an amount equal to the
3 aggregate of all contributing employers' annual payrolls, for the
4 12 months ending March 31, as defined in section 18(f), times the
5 cost criterion; selected for the computation date under
6 section 18(e). If the account building component determined
7 under this subdivision is not an exact multiple of 1/10 of 1%, it
8 shall be adjusted to the next higher multiple of 1/10 of 1%.

9 (5) The nonchargeable benefits component of employers' con-
10 tribution rates is the percentage arrived at by the following
11 calculations: (i) multiply the aggregate amount of all contrib-
12 uting employers' annual payrolls, for the 12 months ending March
13 31, as defined in section 18(f), by the cost criterion selected
14 for the computation date under section 18(e); (ii) subtract the
15 balance of the unemployment fund on the computation date, net of
16 federal advances, from the product determined under (i); and
17 (iii) if the remainder is zero or a negative quantity, the non-
18 chargeable benefits component of employers' contribution rates
19 shall be zero; but (iv) if the remainder is a positive quantity,
20 the nonchargeable benefits component of employers' contribution
21 rates shall be determined by dividing that remainder by the total
22 of wages subject to contributions under this act paid by all con-
23 tributing employers within the 12 months ending on March 31 and
24 adjusting the quotient, if not an exact multiple of 1/10 of 1%,
25 to the next higher multiple of 1/10 of 1%. The maximum non-
26 chargeable benefits component shall be 1%. However, for calendar
27 years after 1993, if there are no benefit charges against an

1 employer's account for the 60 months ending as of the computation
2 date, or for calendar years after 1995, if the employer's charge-
3 able benefits component is less than 2/10 of 1%, the maximum non-
4 chargeable benefit component shall not exceed 1/2 of 1%. For
5 calendar years after 1995, if there are no benefit charges
6 against an employer's account for the 72 months ending as of the
7 computation date, the maximum nonchargeable benefits component
8 shall not exceed 4/10 of 1%. For calendar years after 1996, if
9 there are no benefit charges against an employer's account for
10 the 84 months ending as of the computation date, the maximum non-
11 chargeable benefits component shall not exceed 3/10 of 1%. For
12 calendar years after 1997, if there are no benefit charges
13 against an employer's account for the 96 months ending as of the
14 computation date, the maximum nonchargeable benefits component
15 shall not exceed 2/10 of 1%. For calendar years after 1998, if
16 there are no benefit charges against an employer's account for
17 the 108 months ending as of the computation date, the maximum
18 nonchargeable benefits component shall not exceed 1/10 of 1%. An
19 employer with a positive balance in its experience account on the
20 June 30 computation date preceding the calendar year shall
21 receive for that calendar year a credit in an amount equal to 1/2
22 of the extra federal unemployment tax paid in the preceding cal-
23 endar year under section 3302(c)(2) of the federal unemployment
24 tax act, CHAPTER 23 OF SUBTITLE C OF THE INTERNAL REVENUE CODE OF
25 1986, 26 U.S.C. ~~3302(c)(2)~~ 3302, because of an outstanding
26 balance of unrepaid advances from the federal government to the
27 unemployment compensation fund under section 1201 of TITLE XII OF

1 the social security act, 42 U.S.C. 1321. However, the credit for
2 any calendar year shall not exceed an amount determined by multi-
3 plying the employer's nonchargeable benefit component for that
4 calendar year times the employer's taxable payroll for that
5 year. Contributions paid by an employer shall be credited to the
6 employer's experience account, in accordance with the provisions
7 of section 17(5), without regard to any credit given under this
8 subsection. The amount credited to an employer's experience
9 account shall be the amount of the employer's tax before deduc-
10 tion of the credit provided in this subsection.

11 (6) The total of the chargeable benefits and account build-
12 ing components of an employer's contribution rate shall not
13 exceed by more than 1% in the 1983 calendar year, 1.5% in the
14 calendar year 1984, or 2% in the 1985 calendar year the higher of
15 4% or the total of the chargeable benefits and the account build-
16 ing components which applied to the employer during the preceding
17 calendar year. For calendar years after 1985, the total of the
18 chargeable benefits and account building components of the
19 employer's contribution rate shall be computed without regard to
20 the foregoing limitation provided in this subdivision. During a
21 year in which this subdivision limits an employer's contribution
22 rate, the resulting reduction shall be considered to be entirely
23 in the experience component of the employer's contribution rate,
24 as defined in section 18(d).

25 (7) Unless an employer's contribution rate is 1/10 of 1% for
26 calendar years beginning after December 31, 1995, the employer's

1 contribution rate shall be reduced by any of the following
2 calculation methods that results in the lowest rate:

3 (i) The chargeable benefits component, the account building
4 component, and the nonchargeable benefits component of the con-
5 tribution rate calculated under this section shall each be
6 reduced by ~~10%~~ 22-1/2% and if the resulting quotient is not an
7 exact multiple of 1/10 of 1%, that quotient shall be increased to
8 the next higher multiple of 1/10 of 1%. The 3 components as
9 increased shall then be added together.

10 (ii) One-tenth of 1% shall be deducted from the contribution
11 rate.

12 (iii) The contribution rate shall be reduced by ~~10%~~
13 22-1/2% and if the resulting quotient is not an exact multiple of
14 1/10 of 1%, that quotient shall be increased to the next higher
15 multiple of 1/10 of 1%.

16 The contribution rate reduction described in this section
17 applies to employers who have been liable for the payment of con-
18 tributions in accordance with this act for more than 4 consecu-
19 tive years, if the balance of money in the unemployment compensa-
20 tion fund established under section 26, excluding money borrowed
21 from the federal unemployment trust fund, is equal to or greater
22 than 1.2% of the aggregate amount of all contributing employers'
23 payrolls for the 12-month period ending on the computation date.
24 If the employer's contribution rate is reduced by a 1/10 of 1%
25 deduction in accordance with this subdivision, the employer's
26 contributions shall be credited to each of the components of the

1 contribution rate on a pro rata basis. As used in this
2 subdivision:

3 (i) "Federal unemployment trust fund" means the fund created
4 under section 904 of title IX of the social security act, 42
5 U.S.C. 1104.

6 (ii) "Payroll" means that term as defined in section 18(f).

7 (b) An employer previously liable for contributions under
8 this act which on or after January 1, 1978 filed a petition for
9 arrangement under the FORMER bankruptcy act of JULY 1, 1898,
10 chapter 541, 30 Stat. 544, or on or after October 1, 1979 filed a
11 petition for reorganization under title 11 of the United States
12 ~~code~~ CODE, ~~entitled bankruptcy,~~ 11 U.S.C. 101 to 1330, pursu-
13 ant to which a plan of arrangement or reorganization for rehabil-
14 itation purposes has been confirmed by order of the United States
15 bankruptcy court, shall be considered as a reorganized employer
16 and shall have a reserve fund balance of zero as of the first
17 calendar year immediately following court confirmation of the
18 plan of arrangement or reorganization, but not earlier than the
19 calendar year beginning January 1, 1983, if the employer meets
20 each of the following requirements:

21 (1) An employer whose plan of arrangement or reorganization
22 has been confirmed as of January 1, 1983 shall, within 60 days
23 after January 1, 1983, notify the commission of its intention to
24 elect the status of a reorganized employer. An employer which
25 has not had a plan of arrangement or reorganization confirmed as
26 of January 1, 1983 shall, within 60 days after the entry by the
27 bankruptcy court of the order of confirmation of the plan of

1 arrangement or reorganization, notify the commission of its
2 intention to elect the status of a reorganized employer. An
3 employer shall not make an election under this subdivision after
4 December 31, 1985.

5 (2) The employer has paid to the commission all contribu-
6 tions previously owed by the employer pursuant to this act for
7 all calendar years prior to the calendar year as to which the
8 employer elects to begin its status as a reorganized employer.

9 (3) More than 50% of the employer's total payroll is paid
10 for services rendered in this state during the employer's fiscal
11 year immediately preceding the date the employer notifies the
12 fund administrator of its intention to elect the status of a
13 reorganized employer.

14 (4) The employer, within 180 days after notifying the com-
15 mission of its intention to elect the status of a reorganized
16 employer, makes a cash payment to the commission, for the unem-
17 ployment compensation fund, equal to: .20 times the first
18 \$2,000,000.00 of the employer's negative balance, .35 times the
19 amount of the employer's negative balance above \$2,000,000.00 and
20 up to \$5,000,000.00, and .50 times the amount of the negative
21 balance above \$5,000,000.00. The total amount so determined by
22 the commission shall be based on the employer's negative balance
23 existing as of the end of the calendar month immediately preced-
24 ing the calendar year in which the employer will begin its status
25 as a reorganized employer. If the employer fails to pay the
26 amount determined, within 180 days of electing status as a
27 reorganized employer, the commission shall reinstate the

1 employer's negative balance previously reduced and redetermine
2 the employer's rate on the basis of such reinstated negative
3 balance. Such redetermined rate shall then be used to redeter-
4 mine the employer's quarterly contributions for that calendar
5 year. Such redetermined contributions shall be subject to the
6 interest provisions of section 15 as of the date the redetermined
7 quarterly contributions were originally due.

8 (5) Except as provided in subdivision (6), the employer con-
9 tribution rates for a reorganized employer beginning with the
10 first calendar year of the employer's status as a reorganized
11 employer shall be as follows:

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13	Year of Contribution Liability	Contribution Rate
16	1	2.7% of total taxable wages paid
17	2	2.7%
18	3	2.7%
19	4 and over	(chargeable benefits component based upon 3-year experience) plus (account building component based upon 3-year experience) plus (nonchargeable benefits component)

25 (6) To provide against the high risk of net loss to the fund
26 in such cases, any reorganized employer which employs in
27 "employment", not necessarily simultaneously but in any 1 week 25
28 or more individuals in the performance of 1 or more contracts or
29 subcontracts for construction in the state of roads, bridges,
30 highways, sewers, water mains, utilities, public buildings, fac-
31 tories, housing developments, or similar major construction
32 projects, shall be liable beginning the first calendar year of

1 the employer's status as a reorganized employer for contribution
 2 rates as follows:

3 _____

4	5	6
Year of Contribution	Liability	Contribution Rate
7	1	average construction contractor rate
8		as determined by the commission
9	2	average construction contractor rate
10		as determined by the commission
11	3	1/3 (chargeable benefits component)
12		+ 2/3 average construction contrac-
13		tor rate as determined by the com-
14		mission
15	4	2/3 (chargeable benefits component)
16		+ 1/3 average construction contrac-
17		tor rate as determined by the com-
18		mission
19	5 and over	(chargeable benefits component) +
20		(account building component) +
21		(nonchargeable benefits component)
22	(c)	Upon application by an employer to the commission for

23 designation as a distressed employer, the commission, within
 24 60 days after receipt of the application, shall make a determina-
 25 tion whether the employer meets the conditions set forth in this
 26 subsection. Upon finding that the conditions are met, the com-
 27 mission shall notify the legislature of the determination and
 28 request legislative acquiescence in the determination. If the
 29 legislature approves the determination by concurrent resolution,
 30 the employer shall be considered to be a "distressed employer" as
 31 of January 1 of the year in which the determination is made. The
 32 commission shall notify the employer of such determination and
 33 notify the employer of its contribution rate as a distressed
 34 employer and the contribution rate that would apply if the
 35 employer was not a distressed employer. The distressed employer
 36 shall determine its tax contribution using the 2 rates furnished

1 by the commission and shall pay its tax contribution based on the
2 lower of the 2 rates. If the determination of distressed
3 employer status is made during the calendar year, the employer
4 shall be entitled to a credit on future quarterly installments
5 for any excess contributions paid during that initial calendar
6 year. The employer shall notify the commission of the difference
7 between the amount paid and the amount which would have been paid
8 if the employer were not determined to be a distressed employer
9 and the difference will be owed to the unemployment compensation
10 fund, payable in accordance with this subsection. Cumulative
11 totals of the difference must be reported to the commission with
12 each return required to be filed. The commission may periodi-
13 cally determine continued eligibility of an employer under this
14 subsection. When the commission makes a determination that an
15 employer no longer qualifies as a distressed employer, the com-
16 mission shall notify the employer of that determination. After
17 notice by the commission that the employer no longer qualifies as
18 a distressed employer, the employer will be liable for contribu-
19 tions, beginning with the first quarter occurring after receipt
20 of notification of disqualification, on the basis of the rate
21 that would apply if the employer was not a distressed employer.
22 The contribution rate for a distressed employer shall be calcu-
23 lated under the law in effect for the 1982 calendar year except
24 that the rate thus determined shall be reduced by the applicable
25 solvency tax rate assessed against the employer under section
26 19a. The taxable wage limit of such distressed employer for the
27 1983, 1984, and 1985 calendar years shall be the maximum amount

1 of remuneration paid within a calendar year by such an employer
2 subject to the federal unemployment tax act, CHAPTER 23 OF SUBTI-
3 TLE C OF THE INTERNAL REVENUE CODE OF 1986, 26 U.S.C. 3301 to
4 3311, to an individual with respect to employment as defined in
5 that act which is subject to tax under that act during that
6 year. Commencing with the fourth quarter of 1986, the distressed
7 employer will pay in 10 equal annual installments the amount of
8 the unpaid contributions owed to the unemployment compensation
9 fund due to the application of this subsection, without
10 interest. Each installment shall be made with the fourth quar-
11 terly return for the respective year. As used in this subsec-
12 tion, "distressed employer" means an employer whose continued
13 presence in this state is considered essential to the state's
14 economic well-being and who meets the following criteria:

15 (1) The employer's average annual Michigan payroll in the 5
16 previous years exceeded \$500,000,000.00.

17 (2) The employer's average quarterly number of employees in
18 Michigan in the 5 previous years exceeded 25,000.

19 (3) The employer's business income as defined in section 3
20 of ~~Act No. 228 of the Public Acts of 1975, being section 208.3~~
21 ~~of the Michigan Compiled Laws~~ THE SINGLE BUSINESS TAX ACT, 1975
22 PA 228, MCL 208.3, has resulted in an aggregate loss of
23 \$1,000,000,000.00 or more during the 5-year period ending in the
24 second year prior to the year for which the application is being
25 made.

26 (4) The employer has received from the state of Michigan
27 loans totaling \$50,000,000.00 or more or loan guarantees from the

1 federal government in excess of \$500,000,000.00, either of which
2 are still outstanding.

3 (5) Failure to give an employer designation as a distressed
4 employer would adversely impair the employer's ability to repay
5 the outstanding loans owed to the state of Michigan or which are
6 guaranteed by the federal government.

7 (d) An employer may at any time make payments to that
8 employer's experience account in the fund in excess of the
9 requirements of this section, but these payments, when accepted
10 by the commission, shall be irrevocable. A payment made by an
11 employer within 30 days after mailing to the employer by the com-
12 mission of a notice of the adjusted contribution rate of the
13 employer shall be credited to the employer's account as of the
14 computation date for which the adjusted contribution rate was
15 computed, and the employer's contribution rate shall be further
16 adjusted accordingly. However, a payment made more than 120 days
17 after the beginning of a calendar year shall not affect the
18 employer's contribution rate for that year.

19 Sec. 27. (a)(1) When a determination, redetermination, or
20 decision is made that benefits are due an unemployed individual,
21 the benefits shall immediately become payable from the fund and
22 continue to be payable to the unemployed individual, subject to
23 the limitations imposed by the individual's monetary entitlement,
24 ~~as long as~~ IF the individual continues to be unemployed and to
25 file claims for benefits, until the determination, redetermina-
26 tion, or decision is reversed, a determination, redetermination,
27 or decision on a new issue holding the individual disqualified or

1 ineligible is made, or, for benefit years beginning before the
2 conversion date prescribed in section 75, a new separation issue
3 arises resulting from subsequent work.

4 (2) Benefits shall be paid in person or by mail through
5 employment offices in accordance with rules promulgated by the
6 commission.

7 (b)(1) Subject to subsection (f), the weekly benefit rate
8 for an individual, with respect to benefit years beginning before
9 the conversion date prescribed in section 75, shall be ~~67%~~ 70%
10 of the individual's average after tax weekly wage, except that
11 the individual's maximum weekly benefit rate shall not exceed
12 ~~\$300.00~~ 58% OF THE STATE AVERAGE WEEKLY WAGE. However, with
13 respect to benefit years beginning after the conversion date as
14 prescribed in section 75, the individual's weekly benefit rate
15 shall be ~~4.1%~~ 4.2% of the individual's wages paid in the calen-
16 dar quarter of the base period in which the individual was paid
17 the highest total wages, plus \$6.00 for each dependent as defined
18 in subdivision (3), up to a maximum of 5 dependents, claimed by
19 the individual at the time the individual files a new claim for
20 benefits, except that the individual's maximum weekly benefit
21 rate shall not exceed ~~\$300.00~~ 58% OF THE STATE AVERAGE WEEKLY
22 WAGE. With respect to benefit years beginning on or after
23 October 2, 1983, the weekly benefit rate shall be adjusted to the
24 next lower multiple of \$1.00.

25 (2) For benefit years beginning before the conversion date
26 prescribed in section 75, the state average weekly wage for a
27 calendar year shall be computed on the basis of the 12 months

1 ending the June 30 immediately preceding that calendar year. The
2 commission shall prepare a table of weekly benefit rates based on
3 an "average after tax weekly wage" calculated by subtracting,
4 from an individual's average weekly wage as determined in accord-
5 ance with section 51, a reasonable approximation of the weekly
6 amount required to be withheld by the employer from the remunera-
7 tion of the individual based on dependents and exemptions for
8 income taxes under chapter 24 of subtitle C of the internal reve-
9 nue code of 1986, 26 U.S.C. 3401 to 3406, and under section 351
10 of the income tax act of 1967, ~~Act No. 281 of the Public Acts of~~
11 ~~1967, being section 206.351 of the Michigan Compiled Laws~~ 1967
12 PA 281, MCL 206.351, and for old age and survivor's disability
13 insurance taxes under the federal insurance contributions act,
14 chapter 21 of subtitle C of the internal revenue code of 1986, 26
15 U.S.C. 3128. For purposes of applying the table to an
16 individual's claim, a dependent shall be as defined in
17 subdivision (3). The table applicable to an individual's claim
18 shall be the table reflecting the number of dependents claimed by
19 the individual under subdivision (3). The commission shall
20 adjust the tables based on changes in withholding schedules pub-
21 lished by the United States department of treasury, internal rev-
22 enue service, and by the department of treasury. The number of
23 dependents allowed shall be determined with respect to each week
24 of unemployment for which an individual is claiming benefits.

25 (3) For benefit years beginning before the conversion date
26 prescribed in section 75, a dependent means any of the following
27 persons who is receiving and for at least 90 consecutive days

1 immediately preceding the week for which benefits are claimed,
2 or, in the case of a dependent husband, wife, or child, for the
3 duration of the marital or parental relationship, if the rela-
4 tionship has existed less than 90 days, has received more than
5 half the cost of his or her support from the individual claiming
6 benefits:

7 (a) A child, including stepchild, adopted child, or grand-
8 child of the individual who is under 18 years of age, or 18 years
9 of age or over if, because of physical or mental infirmity, the
10 child is unable to engage in a gainful occupation, or is a
11 full-time student as defined by the particular educational insti-
12 tution, at a high school, vocational school, community or junior
13 college, or college or university and has not attained the age of
14 22.

15 (b) The husband or wife of the individual.

16 (c) The legal father or mother of the individual if that
17 parent is either more than 65 years of age or is permanently dis-
18 abled from engaging in a gainful occupation.

19 (d) A brother or sister of the individual if the brother or
20 sister is orphaned or the living parents are dependent parents of
21 an individual, and the brother or sister is under 18 years of
22 age, or 18 years of age or over if, because of physical or mental
23 infirmity, the brother or sister is unable to engage in a gainful
24 occupation, or is a full-time student as defined by the particu-
25 lar educational institution, at a high school, vocational school,
26 community or junior college, or college or university and is less
27 than 22 years of age.

1 (4) For benefit years beginning after the conversion date
2 prescribed in section 75, a dependent means any of the following
3 persons who received for at least 90 consecutive days immediately
4 preceding the first week of the benefit year or, in the case of a
5 dependent husband, wife, or child, for the duration of the mari-
6 tal or parental relationship if the relationship existed less
7 than 90 days before the beginning of the benefit year, has
8 received more than 1/2 the cost of his or her support from the
9 individual claiming the benefits:

10 (a) A child, including stepchild, adopted child, or grand-
11 child of the individual who is under 18 years of age, or 18 years
12 of age and over if, because of physical or mental infirmity, the
13 child is unable to engage in a gainful occupation, or is a
14 full-time student as defined by the particular educational insti-
15 tution, at a high school, vocational school, community or junior
16 college, or college or university and has not attained the age of
17 22.

18 (b) The husband or wife of the individual.

19 (c) The legal father or mother of the individual if that
20 parent is either more than 65 years of age or is permanently dis-
21 abled from engaging in a gainful occupation.

22 (d) A brother or sister of the individual if the brother or
23 sister is orphaned or the living parents are dependent parents of
24 an individual, and the brother or sister is under 18 years of
25 age, or 18 years of age and over if, because of physical or
26 mental infirmity, the brother or sister is unable to engage in a
27 gainful occupation, or is a full-time student as defined by the

1 particular educational institution, at a high school, vocational
2 school, community or junior college, or college or university and
3 is less than 22 years of age.

4 (5) For benefit years beginning before the conversion date
5 prescribed in section 75, dependency status of a dependent, child
6 or otherwise, once established or fixed in favor of an individual
7 continues during the individual's benefit year until terminated.
8 Dependency status of a dependent terminates at the end of the
9 week in which the dependent ceases to be an individual described
10 in subdivision (3)(a), (b), (c), or (d) because of age, death, or
11 divorce. For benefit years beginning after the conversion date
12 prescribed in section 75, the number of dependents established
13 for an individual at the beginning of the benefit year shall
14 remain in effect during the entire benefit year.

15 (6) For benefit years beginning before the conversion date
16 prescribed in section 75, failure on the part of an individual,
17 due to misinformation or lack of information, to furnish all
18 information material for determination of the number of the
19 individual's dependents when the individual files a claim for
20 benefits with respect to a week shall be considered good cause
21 for the issuance of a redetermination as to the amount of bene-
22 fits based on the number of the individual's dependents as of the
23 beginning date of that week. Dependency status of a dependent,
24 child or otherwise, once established or fixed in favor of a
25 person is not transferable to or usable by another person with
26 respect to the same week.

1 For benefit years beginning after the conversion date as
2 prescribed in section 75, failure on the part of an individual,
3 due to misinformation or lack of information, to furnish all
4 information material for determination of the number of the
5 individual's dependents shall be considered good cause for the
6 issuance of a redetermination as to the amount of benefits based
7 on the number of the individual's dependents as of the beginning
8 of the benefit year.

9 (c) Subject to subsection (f), ~~all of the following apply~~
10 ~~to eligible individuals:~~ (1) ~~Each~~ EACH eligible individual
11 shall be paid a weekly benefit rate with respect to the week for
12 which the individual earns or receives no remuneration OR REMU-
13 NERATION EQUAL TO LESS THAN 1/2 THE INDIVIDUAL'S WEEKLY BENEFIT
14 RATE, OR SHALL BE PAID 1/2 HIS OR HER WEEKLY BENEFIT RATE WITH
15 RESPECT TO THE WEEK FOR WHICH THE INDIVIDUAL EARNS OR RECEIVES
16 REMUNERATION EQUAL TO AT LEAST 1/2 BUT LESS THAN THE INDIVIDUAL'S
17 WEEKLY BENEFIT RATE. Notwithstanding the definition of week as
18 contained in section 50, if within 2 consecutive weeks in which
19 an individual was not unemployed within the meaning of section 48
20 there was a period of 7 or more consecutive days for which the
21 individual did not earn or receive remuneration, that period
22 shall be considered a week for benefit purposes under this act if
23 a claim for benefits for that period is filed not later than 30
24 days subsequent to the end of the period.

25 ~~(2) Each eligible individual shall have his or her weekly~~
26 ~~benefit rate reduced with respect to each week in which the~~
27 ~~individual earns or receives remuneration at the rate of 50 cents~~

1 ~~for each whole \$1.00 of remuneration earned or received during~~
2 ~~that week.~~

3 ~~(3) An individual who receives or earns partial remuneration~~
4 ~~may not receive a total of benefits and earnings that exceeds~~
5 ~~1-1/2 times his or her weekly benefit amount. For each dollar of~~
6 ~~total benefits and earnings that exceeds 1-1/2 times the~~
7 ~~individual's weekly benefit amount, benefits shall be reduced by~~
8 ~~\$1.00.~~

9 ~~(4) If the reduction in a claimant's benefit rate for a week~~
10 ~~in accordance with subparagraph (2) or (3) results in a benefit~~
11 ~~rate greater than zero for that week, the claimant's balance of~~
12 ~~weeks of benefit payments will be reduced by 1 week.~~

13 ~~(5) All remuneration for work performed during a shift that~~
14 ~~terminates on 1 day but that began on the preceding day shall be~~
15 ~~considered to have been earned by the eligible individual on the~~
16 ~~preceding day.~~

17 (d) For benefit years beginning before the conversion date
18 prescribed in section 75, and subject to subsection (f) and this
19 subsection, the amount of benefits to which an individual who is
20 otherwise eligible is entitled during a benefit year from an
21 employer with respect to employment during the base period is the
22 amount obtained by multiplying the weekly benefit rate with
23 respect to that employment by 3/4 of the number of credit weeks
24 earned in the employment. For the purpose of this subsection and
25 section 20(c), if the resultant product is not an even multiple
26 of 1/2 the weekly benefit rate, the product shall be raised to an
27 amount equal to the next higher multiple of 1/2 the weekly

1 benefit rate, and, for an individual who was employed by only 1
2 employer in the individual's base period and earned 34 credit
3 weeks with that employer, the product shall be raised to the next
4 higher multiple of the weekly benefit rate. The maximum amount
5 of benefits payable to an individual within a benefit year, with
6 respect to employment by an employer, shall not exceed 26 times
7 the weekly benefit rate with respect to that employment. The
8 maximum amount of benefits payable to an individual within a ben-
9 efit year shall not exceed the amount to which the individual
10 would be entitled for 26 weeks of unemployment in which remunera-
11 tion was not earned or received. The limitation of total bene-
12 fits set forth in this subsection does not apply to claimants
13 declared eligible for training benefits in accordance with sub-
14 section (g). For benefit years beginning after the conversion
15 date prescribed in section 75, and subject to subsection (f) and
16 this subsection, the maximum benefit amount payable to an indi-
17 vidual in a benefit year for purposes of this section and
18 section 20(c) is the number of weeks of benefits payable to an
19 individual during the benefit year, multiplied by the
20 individual's weekly benefit rate. The number of weeks of bene-
21 fits payable to an individual shall be calculated by taking 40%
22 of the individual's base period wages and dividing the result by
23 the individual's weekly benefit rate. If the quotient is not a
24 whole or half number, the result shall be rounded down to the
25 nearest half number. However, not more than 26 weeks of benefits
26 or less than 14 weeks of benefits shall be payable to an
27 individual in a benefit year. The limitation of total benefits

1 set forth in this subsection shall not apply to claimants
2 declared eligible for training benefits in accordance with
3 subsection (g).

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

13 (f)(1) For benefit years beginning before the conversion
14 date prescribed in section 75, and notwithstanding any inconsis-
15 tent provisions of this act, the weekly benefit rate of each
16 individual who is receiving or will receive a "retirement
17 benefit", as defined in subdivision (4), shall be adjusted as
18 provided in subparagraphs (a), (b), and (c). However, an
19 individual's extended benefit account and an individual's weekly
20 extended benefit rate under section 64 shall be established with-
21 out reduction under this subsection unless subdivision (5) is in
22 effect. Except as otherwise provided in this subsection, all
23 other provisions of this act continue to apply in connection with
24 the benefit claims of those retired persons.

25 (a) If and to the extent that unemployment benefits payable
26 under this act would be chargeable to an employer who has
27 contributed to the financing of a retirement plan under which the

1 claimant is receiving or will receive a retirement benefit
2 yielding a pro rata weekly amount equal to or larger than the
3 claimant's weekly benefit rate as otherwise established under
4 this act, the claimant shall not receive unemployment benefits
5 that would be chargeable to the employer under this act. THE
6 TRANSFER OF MONEY FROM AN INDIVIDUAL'S IRA OR OTHER TAX QUALIFIED
7 RETIREMENT ACCOUNT TO ANOTHER IRA OR OTHER TAX QUALIFIED RETIRE-
8 MENT ACCOUNT IN ACCORDANCE WITH THE INTERNAL REVENUE CODE OF 1986
9 IS NOT REMUNERATION TO THAT INDIVIDUAL FOR PURPOSES OF DETERMIN-
10 ING THE INDIVIDUAL'S ELIGIBILITY FOR UNEMPLOYMENT COMPENSATION,
11 OR IN THE CALCULATION OF UNEMPLOYMENT COMPENSATION TO WHICH THAT
12 INDIVIDUAL IS ENTITLED. AS USED IN THIS SUBSECTION, "IRA OR
13 OTHER TAX QUALIFIED RETIREMENT ACCOUNT" MEANS AN INDIVIDUAL
14 RETIREMENT ACCOUNT AS THAT TERM IS DEFINED IN THE INTERNAL REVE-
15 NUE CODE OF 1986, OR ANY OTHER RETIREMENT ACCOUNT QUALIFIED FOR
16 TAX DEFERRAL UNTIL ACCOUNT MONEY BECOMES TAXABLE INCOME TO THE
17 ACCOUNT BENEFICIARY UNDER THE INTERNAL REVENUE CODE OF 1986.

18 (b) If and to the extent that unemployment benefits payable
19 under this act would be chargeable to an employer who has con-
20 tributed to the financing of a retirement plan under which the
21 claimant is receiving or will receive a retirement benefit yield-
22 ing a pro rata weekly amount less than the claimant's weekly ben-
23 efit rate as otherwise established under this act, then the
24 weekly benefit rate otherwise payable to the claimant and charge-
25 able to the employer under this act shall be reduced by an amount
26 equal to the pro rata weekly amount, adjusted to the next lower

1 multiple of \$1.00, which the claimant is receiving or will
2 receive as a retirement benefit.

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

9 (d) If the unemployment benefit payable under this act is
10 computed on the basis of multiemployer credit weeks and a portion
11 of the benefit is allocable under section 20(e) to an employer
12 who has contributed to the financing of a retirement plan under
13 which the claimant is receiving or will receive a retirement ben-
14 efit, the adjustments required by subparagraph (a) or (b) apply
15 only to that portion of the weekly benefit rate that would other-
16 wise be allocable and chargeable to the employer.

17 (2) If an individual's weekly benefit rate under this act
18 was established before the period for which the individual first
19 receives a retirement benefit, any benefits received after a
20 retirement benefit becomes payable shall be determined in accord-
21 ance with the formula stated in this subsection.

22 (3) When necessary to assure prompt payment of benefits, the
23 commission shall determine the pro rata weekly amount yielded by
24 an individual's retirement benefit based on the best information
25 currently available to it. In the absence of fraud, a determina-
26 tion shall not be reconsidered unless it is established that the
27 individual's actual retirement benefit in fact differs from the

1 amount determined by \$2.00 or more per week. The reconsideration
2 shall apply only to benefits as may be claimed after the informa-
3 tion on which the reconsideration is based was received by the
4 commission.

5 (4)(a) As used in this subdivision, "retirement benefit"
6 means a benefit, annuity, or pension of any type or that part
7 thereof that is described in subparagraph (b) that is:

8 (i) Provided as an incident of employment under an estab-
9 lished retirement plan, policy, or agreement, including federal
10 social security if subdivision (5) is in effect.

11 (ii) Payable to an individual because the individual has
12 qualified on the basis of attained age, length of service, or
13 disability, whether or not the individual retired or was retired
14 from employment. Amounts paid to individuals in the course of
15 liquidation of a private pension or retirement fund because of
16 termination of the business or of a plant or department of the
17 business of the employer involved shall not be considered to be
18 retirement benefits.

19 (b) If a benefit as described in subparagraph (a) is payable
20 or paid to the individual under a plan to which the individual
21 has contributed:

22 (i) Less than half of the cost of the benefit, then only
23 half of the benefit shall be treated as a retirement benefit.

24 (ii) Half or more of the cost of the benefit, then none of
25 the benefit shall be treated as a retirement benefit.

26 (c) The burden of establishing the extent of an individual's
27 contribution to the cost of his or her retirement benefit for the

1 purpose of subparagraph (b) is upon the employer who has
2 contributed to the plan under which a benefit is provided.

3 (5) Notwithstanding any other provision of this subsection,
4 for any week that begins after March 31, 1980, and with respect
5 to which an individual is receiving a governmental or other pen-
6 sion and claiming unemployment compensation, the weekly benefit
7 amount payable to the individual for those weeks shall be
8 reduced, but not below zero, by the entire prorated weekly amount
9 of any governmental or other pension, retirement or retired pay,
10 annuity, or any other similar payment that is based on any previ-
11 ous work of the individual. This reduction shall be made only if
12 it is required as a condition for full tax credit against the tax
13 imposed by the federal unemployment tax act, chapter 23 of
14 subtitle C of the internal revenue code of 1986, 26 U.S.C. 3301
15 to 3311.

16 (6) For benefit years beginning after the conversion date
17 prescribed in section 75, notwithstanding any inconsistent provi-
18 sions of this act, the weekly benefit rate of each individual who
19 is receiving or will receive a retirement benefit, as defined in
20 subdivision (4), shall be adjusted as provided in
21 subparagraphs (a), (b), and (c). However, an individual's
22 extended benefit account and an individual's weekly extended ben-
23 efit rate under section 64 shall be established without reduction
24 under this subsection, unless subdivision (5) is in effect.
25 Except as otherwise provided in this subsection, all the other
26 provisions of this act shall continue to be applicable in
27 connection with the benefit claims of those retired persons.

1 (a) If any base period or chargeable employer has
2 contributed to the financing of a retirement plan under which the
3 claimant is receiving or will receive a retirement benefit yield-
4 ing a pro rata weekly amount equal to or larger than the
5 claimant's weekly benefit rate as otherwise established under
6 this act, the claimant shall not receive unemployment benefits.

7 (b) If any base period employer or chargeable employer has
8 contributed to the financing of a retirement plan under which the
9 claimant is receiving or will receive a retirement benefit yield-
10 ing a pro rata weekly amount less than the claimant's weekly ben-
11 efit rate as otherwise established under this act, then the
12 weekly benefit rate otherwise payable to the claimant shall be
13 reduced by an amount equal to the pro rata weekly amount,
14 adjusted to the next lower multiple of \$1.00, which the claimant
15 is receiving or will receive as a retirement benefit.

16 (c) If no base period or separating employer has contributed
17 to the financing of a retirement plan under which the claimant is
18 receiving or will receive a retirement benefit, then the weekly
19 benefit rate of the claimant as otherwise established under this
20 act shall not be reduced due to receipt of a retirement benefit.

21 (g) Notwithstanding any other provision of this act, an
22 individual pursuing vocational training or retraining pursuant to
23 section 28(2) who has exhausted all benefits available under sub-
24 section (d) may be paid for each week of approved vocational
25 training pursued beyond the date of exhaustion a benefit amount
26 in accordance with subsection (c), but not in excess of the
27 individual's most recent weekly benefit rate. However, an

1 individual shall not be paid training benefits totaling more than
2 18 times the individual's most recent weekly benefit rate. The
3 expiration or termination of a benefit year shall not stop or
4 interrupt payment of training benefits if the training for which
5 the benefits were granted began before expiration or termination
6 of the benefit year.

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

13 (i) Benefits based on service in employment described in
14 section 42(8), (9), and (10) are payable in the same amount, on
15 the same terms, and subject to the same conditions as compensa-
16 tion payable on the basis of other service subject to this act,
17 except that:

18 (1) With respect to service performed in an instructional,
19 research, or principal administrative capacity for an institution
20 of higher education as defined in section 53(2), or for an educa-
21 tional institution other than an institution of higher education
22 as defined in section 53(3), benefits shall not be paid to an
23 individual based on those services for any week of unemployment
24 beginning after December 31, 1977 that commences during the
25 period between 2 successive academic years or during a similar
26 period between 2 regular terms, whether or not successive, or
27 during a period of paid sabbatical leave provided for in the

1 individual's contract, to an individual if the individual
2 performs the service in the first of the academic years or terms
3 and if there is a contract or a reasonable assurance that the
4 individual will perform service in an instructional, research, or
5 principal administrative capacity for an institution of higher
6 education or an educational institution other than an institution
7 of higher education in the second of the academic years or terms,
8 whether or not the terms are successive.

9 (2) With respect to service performed in other than an
10 instructional, research, or principal administrative capacity for
11 an institution of higher education as defined in section 53(2) or
12 for an educational institution other than an institution of
13 higher education as defined in section 53(3), benefits shall not
14 be paid based on those services for any week of unemployment
15 beginning after December 31, 1977 that commences during the
16 period between 2 successive academic years or terms to any indi-
17 vidual if that individual performs the service in the first of
18 the academic years or terms and if there is a reasonable assur-
19 ance that the individual will perform the service for an institu-
20 tion of higher education or an educational institution other than
21 an institution of higher education in the second of the academic
22 years or terms.

23 (3) With respect to any service described in subdivision (1)
24 or (2), benefits shall not be paid to an individual based upon
25 service for any week of unemployment that commences during an
26 established and customary vacation period or holiday recess if
27 the individual performs the service in the period immediately

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

5 (4) If benefits are denied to an individual for any week
6 solely as a result of subdivision (2) and the individual was not
7 offered an opportunity to perform in the second academic year or
8 term the service for which reasonable assurance had been given,
9 the individual is entitled to a retroactive payment of benefits
10 for each week for which the individual had previously filed a
11 timely claim for benefits. An individual entitled to benefits
12 under this subdivision may apply for those benefits by mail in
13 accordance with R 421.210 as promulgated by the commission. AN
14 INDIVIDUAL WHO RECEIVED A REASONABLE ASSURANCE THAT HE OR SHE
15 WOULD PERFORM SERVICES IN A SECOND ACADEMIC YEAR OR TERM UNDER
16 SUBDIVISION (1) OR (2) AND WHO IS NOT PROVIDED THE OPPORTUNITY TO
17 PERFORM THOSE SERVICES IN THE SECOND ACADEMIC YEAR OR TERM HAS
18 GOOD CAUSE FOR LATE FILING. IF THE INDIVIDUAL OTHERWISE QUALI-
19 FIES TO RECEIVE BENEFITS FOR A WEEK IN WHICH A REASONABLE ASSUR-
20 ANCE WAS RECEIVED, HE OR SHE SHALL BE PAID BENEFITS FOR THAT WEEK
21 AFTER FILING A RETROACTIVE CLAIM AND ADDITIONALLY FILING A CERTI-
22 FICATION VERIFYING THAT HE OR SHE HAD BEEN ABLE AND AVAILABLE FOR
23 WORK THAT WEEK. THE INDIVIDUAL IS NOT REQUIRED TO HAVE SOUGHT
24 WORK DURING ANY WEEK FOR WHICH HE OR SHE RECEIVED THE REASONABLE
25 ASSURANCE DESCRIBED IN SUBDIVISION (1) OR (2).

26 ~~-(5) The amendments to subdivision (2) made by Act No. 219~~
27 ~~of the Public Acts of 1983 apply to all claims for unemployment~~

1 ~~compensation that are filed on and after October 31, 1983.~~
2 ~~However, the amendments are retroactive to September 5, 1982 only~~
3 ~~if, as a condition for full tax credit against the tax imposed by~~
4 ~~the federal unemployment tax act, chapter 23 of subtitle C of the~~
5 ~~internal revenue code of 1986, 26 U.S.C. 3301 to 3311, the United~~
6 ~~States secretary of labor determines that retroactivity is~~
7 ~~required by federal law.~~

8 (5) ~~-(6) Notwithstanding subdivision (2), on and after April~~
9 ~~1, 1984 benefits~~ BENEFITS based upon services in other than an
10 instructional, research, or principal administrative capacity for
11 an institution of higher education shall not be denied for any
12 week of unemployment commencing during the period between 2 suc-
13 cessive academic years or terms solely because the individual had
14 performed the service in the first of the academic years or terms
15 and there is reasonable assurance that the individual will per-
16 form the service for an institution of higher education or an
17 educational institution other than an institution of higher edu-
18 cation in the second of the academic years or terms, unless a
19 denial is required as a condition for full tax credit against the
20 tax imposed by the federal unemployment tax act, chapter 23 of
21 subtitle C of the internal revenue code of 1986, 26 U.S.C. 3301
22 to 3311. AN INDIVIDUAL WHO WAS GIVEN REASONABLE ASSURANCE THAT
23 HE OR SHE WOULD PERFORM THE SERVICE IN THE SECOND OF THE ACADEMIC
24 YEARS OR TERMS AND WHO IS SUBSEQUENTLY NOT OFFERED THE OPPORTU-
25 NITY TO PERFORM THE SERVICE IN THAT SECOND OF THE ACADEMIC YEARS
26 OR TERMS HAS GOOD CAUSE FOR LATE FILING. IF THE INDIVIDUAL
27 OTHERWISE QUALIFIES TO RECEIVE BENEFITS FOR A WEEK IN WHICH A

1 REASONABLE ASSURANCE WAS RECEIVED, HE OR SHE SHALL BE PAID
2 BENEFITS FOR THAT WEEK AFTER FILING A RETROACTIVE CLAIM AND ADDI-
3 TIONALLY FILING A CERTIFICATION VERIFYING THAT HE OR SHE HAD BEEN
4 ABLE AND AVAILABLE FOR WORK THAT WEEK. THE INDIVIDUAL IS NOT
5 REQUIRED TO HAVE SOUGHT WORK DURING ANY WEEK FOR WHICH HE OR SHE
6 RECEIVED THE REASONABLE ASSURANCE.

7 (6) ~~-(7)-~~ For benefit years established before the conver-
8 sion date prescribed in section 75, and notwithstanding subdivi-
9 sions (1), (2), and (3), the denial of benefits does not prevent
10 an individual from completing requalifying weeks in accordance
11 with section 29(3) nor does the denial prevent an individual from
12 receiving benefits based on service with an employer other than
13 an educational institution for any week of unemployment occurring
14 between academic years or terms, whether or not successive, or
15 during an established and customary vacation period or holiday
16 recess, even though the employer is not the most recent charge-
17 able employer in the individual's base period. However, in that
18 case section 20(b) applies to the sequence of benefit charging,
19 except for the employment with the educational institution, and
20 section 50(b) applies to the calculation of credit weeks. When a
21 denial of benefits under subdivision (1) no longer applies, bene-
22 fits shall be charged in accordance with the normal sequence of
23 charging as provided in section 20(b).

24 (7) ~~-(8)-~~ For benefit years beginning after the conversion
25 date prescribed in section 75, and notwithstanding subdivisions
26 (1), (2), and (3), the denial of benefits shall not prevent an
27 individual from completing requalifying weeks in accordance with

1 section 29(3) nor shall the denial prevent an individual from
2 receiving benefits based on service with another base period
3 employer other than an educational institution for any week of
4 unemployment occurring between academic years or terms, whether
5 or not successive, or during an established and customary vaca-
6 tion period or holiday recess. However, when benefits are paid
7 based on service with 1 or more base period employers other than
8 an educational institution, the individual's weekly benefit rate
9 shall be calculated in accordance with subsection (b)(1) but
10 during the denial period the individual's weekly benefit payment
11 shall be reduced by the portion of the payment attributable to
12 base period wages paid by an educational institution and the
13 account or experience account of the educational institution
14 shall not be charged for benefits payable to the individual.
15 When a denial of benefits under subdivision (1) is no longer
16 applicable, benefits shall be paid and charged on the basis of
17 base period wages with each of the base period employers includ-
18 ing the educational institution.

19 (8) ~~(9)~~ For the purposes of this subsection, "academic
20 year" means that period, as defined by the educational institu-
21 tion, when classes are in session for that length of time
22 required for students to receive sufficient instruction or earn
23 sufficient credit to complete academic requirements for a partic-
24 ular grade level or to complete instruction in a noncredit
25 course.

26 (9) ~~(10) Benefits~~ IN ACCORDANCE WITH SUBDIVISIONS (1),
27 (2), AND (3), BENEFITS FOR ANY WEEK OF UNEMPLOYMENT shall be

1 ~~denied~~ ~~, as provided in subdivisions (1), (2), and (3), for any~~
2 ~~week of unemployment beginning on and after April 1, 1984,~~ to an
3 individual who performed ~~those~~ services DESCRIBED IN
4 SUBDIVISION (1), (2), OR (3) in an educational institution while
5 in the employ of an educational service agency. For the purpose
6 of this subdivision, "educational service agency" means a govern-
7 mental agency or governmental entity that is established and
8 operated exclusively for the purpose of providing the services to
9 1 or more educational institutions.

10 (j) For weeks of unemployment beginning after December 31,
11 1977, benefits shall not be paid to an individual on the basis of
12 any base period services, substantially all of which consist of
13 participating in sports or athletic events or training or prepar-
14 ing to so participate, for a week that commences during the
15 period between 2 successive sport seasons or similar periods if
16 the individual performed the services in the first of the seasons
17 or similar periods and there is a reasonable assurance that the
18 individual will perform the services in the later of the seasons
19 or similar periods.

20 (k)(1) For weeks of unemployment beginning after
21 December 31, 1977, benefits shall not be payable on the basis of
22 services performed by an alien unless the alien is an individual
23 who was lawfully admitted for permanent residence at the time the
24 services were performed, was lawfully present for the purpose of
25 performing the services, or was permanently residing in the
26 United States under color of law at the time the services were
27 performed, including an alien who was lawfully present in the

1 United States under ~~section 203(a)(7) or~~ section 212(d)(5) of
2 the immigration and nationality act, CHAPTER 477, 66 STAT. 182, 8
3 U.S.C. ~~1153 and~~ 1182.

4 (2) Any data or information required of individuals applying
5 for benefits to determine whether benefits are payable because of
6 their alien status are uniformly required from all applicants for
7 benefits.

8 (3) Where an individual whose application for benefits would
9 otherwise be approved, a determination that benefits to that
10 individual are not payable because of the individual's alien
11 status shall not be made except upon a preponderance of the
12 evidence.

13 (m)(1) An individual filing a new claim for unemployment
14 compensation under this act after September 30, 1982, at the time
15 of filing the claim, shall disclose whether the individual owes
16 child support obligations as defined in this subsection. If an
17 individual discloses that he or she owes child support obliga-
18 tions and is determined to be eligible for unemployment compensa-
19 tion, the commission shall notify the state or local child sup-
20 port enforcement agency enforcing the obligation that the indi-
21 vidual has been determined to be eligible for unemployment
22 compensation.

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

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

3 (b) The amount, if any, determined pursuant to an agreement
4 submitted to the commission under section 454(19)(B)(i) of part D
5 of title IV of the social security act, ~~chapter 531, 49~~
6 ~~Stat. 620,~~ 42 U.S.C. 654, by the state or local child support
7 enforcement agency.

8 (c) Any amount otherwise required to be so deducted and
9 withheld from unemployment compensation pursuant to legal pro-
10 cess, as that term is defined in section 462(e) of part D of
11 title IV of the social security act, ~~chapter 531, 49 Stat. 620,~~
12 42 U.S.C. 662, properly served upon the commission.

13 (3) The amount of unemployment compensation subject to
14 deduction under subdivision (2) is that portion that remains pay-
15 able to the individual after application of the recoupment provi-
16 sions of section 62(a) and the reduction provisions of
17 subsections (c) and (f).

18 (4) Any amount deducted and withheld under subdivision (2)
19 shall be paid by the commission to the appropriate state or local
20 child support enforcement agency.

21 (5) Any amount deducted and withheld under subdivision (2)
22 shall be treated for all purposes as if it were paid to the indi-
23 vidual as unemployment compensation and paid by the individual to
24 the state or local child support enforcement agency in satisfac-
25 tion of the individual's child support obligations.

26 (6) This subsection applies only if the state or local child
27 support enforcement agency agrees in writing to reimburse and

1 does reimburse the commission for the administrative costs
2 incurred by the commission under this subsection that are attrib-
3 utable to child support obligations being enforced by the state
4 or local child support enforcement agency. The administrative
5 costs incurred shall be determined by the commission. The com-
6 mission, in its discretion, may require payment of administrative
7 costs in advance.

8 (7) As used in this subsection:

9 (a) "Unemployment compensation", for purposes of
10 subdivisions (1) through (5), means any compensation payable
11 under this act, including amounts payable by the commission pur-
12 suant to an agreement under any federal law providing for compen-
13 sation, assistance, or allowances with respect to unemployment.

14 (b) "Child support obligations" includes only obligations
15 that are being enforced pursuant to a plan described in
16 section 454 of part D of title IV of the social security act,
17 ~~chapter 531, 49 Stat. 620,~~ 42 U.S.C. 654, that has been
18 approved by the secretary of health and human services under
19 part D of title IV of the social security act, chapter 531, 49
20 Stat. 620, 42 U.S.C. 651 to ~~669~~ 655, 656 TO 660, AND 663 TO
21 669b.

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

25 ~~(n) Subsection (i)(2) applies to services performed by~~
26 ~~school bus drivers employed by a private contributing employer~~
27 ~~holding a contractual relationship with an educational~~

~~1 institution, but only if at least 75% of the individual's base
2 period wages with that employer are attributable to services per-
3 formed as a school bus driver.~~

~~4 -(o)(1) For weeks of unemployment beginning after July 1,
5 1996, unemployment benefits based on services by a seasonal
6 worker performed in seasonal employment shall be payable only for
7 weeks of unemployment that occur during the normal seasonal work
8 period. Benefits shall not be paid based on services performed
9 in seasonal employment for any week of unemployment beginning
10 after the effective date of this subdivision that begins during
11 the period between 2 successive normal seasonal work periods to
12 any individual if that individual performs the service in the
13 first of the normal seasonal work periods and if there is a rea-
14 sonable assurance that the individual will perform the service
15 for a seasonal employer in the second of the normal seasonal work
16 periods. If benefits are denied to an individual for any week
17 solely as a result of this subsection and the individual is not
18 offered an opportunity to perform in the second normal seasonal
19 work period for which reasonable assurance of employment had been
20 given, the individual is entitled to a retroactive payment of
21 benefits under this subsection for each week that the individual
22 previously filed a timely claim for benefits. An individual may
23 apply for any retroactive benefits under this subsection in
24 accordance with R 421.210 of the Michigan administrative code.~~

~~25 (2) Not less than 20 days before the estimated beginning
26 date of a normal seasonal work period, an employer may apply to
27 the commission in writing for designation as a seasonal~~

~~1 employer. At the time of application, the employer shall
2 conspicuously display a copy of the application on the employer's
3 premises. Within 90 days after receipt of the application, the
4 commission shall determine if the employer is a seasonal
5 employer. A determination or redetermination of the commission
6 concerning the status of an employer as a seasonal employer, or a
7 decision of a referee or the board of review, or of the courts of
8 this state concerning the status of an employer as a seasonal
9 employer, which has become final, together with the record there-
10 of, may be introduced in any proceeding involving a claim for
11 benefits, and the facts found and decision issued in the determi-
12 nation, redetermination, or decision shall be conclusive unless
13 substantial evidence to the contrary is introduced by or on
14 behalf of the claimant.~~

~~15 (3) If the employer is determined to be a seasonal employer,
16 the employer shall conspicuously display on its premises a notice
17 of the determination and the beginning and ending dates of the
18 employer's normal seasonal work periods. The notice shall be
19 furnished by the commission. The notice shall additionally spec-
20 ify that an employee must timely apply for unemployment benefits
21 at the end of a first seasonal work period to preserve his or her
22 right to receive retroactive unemployment benefits in the event
23 that he or she is not reemployed by the seasonal employer in the
24 second of the normal seasonal work periods.~~

~~25 (4) The commission may issue a determination terminating an
26 employer's status as a seasonal employer on the commission's own
27 motion for good cause, or upon the written request of the~~

~~1 employer. A termination determination under this subdivision
2 terminates an employer's status as a seasonal employer, and shall
3 become effective on the beginning date of the normal seasonal
4 work period that would have immediately followed the date the
5 commission issues the determination. A determination under this
6 subdivision is subject to review in the same manner and to the
7 same extent as any other determination under this act.~~

~~8 (5) An employer whose status as a seasonal employer is ter=
9 minated under subdivision (4) may not reapply for a seasonal
10 employer status determination until after a regularly recurring
11 normal seasonal work period has begun and ended.~~

~~12 (6) If a seasonal employer informs an employee who received
13 assurance of being rehired that, despite the assurance, the
14 employee will not be rehired at the beginning of the employer's
15 next normal seasonal work period, this subsection shall not pre=
16 vent the employee from receiving unemployment benefits in the
17 same manner and to the same extent he or she would receive bene=
18 fits under this act from an employer who has not been determined
19 to be a seasonal employer.~~

~~20 (7) A successor of a seasonal employer is considered to be a
21 seasonal employer unless the successor provides the commission,
22 within 120 days after the transfer, with a written request for
23 termination of its status as a seasonal employer in accordance
24 with subdivision (4).~~

~~25 (8) At the time an employee is hired by a seasonal employer,
26 the employer shall notify the employee in writing whether the
27 employee will be a seasonal worker. The employer shall provide~~

~~1 the worker with written notice of any subsequent change in the
2 employee's status as a seasonal worker. If an employee of a sea-
3 sonal employer is denied benefits because that employee is a sea-
4 sonal worker, the employee may contest that designation in
5 accordance with section 32a.~~

~~6 (9) As used in this subsection:~~

~~7 (a) "Construction industry" means the work activity desig-
8 nated in major groups 15, 16, and 17 of the standard industrial
9 classification manual, United States office of management and
10 budget, 1987 edition.~~

~~11 (b) "Normal seasonal work period" means that period or those
12 periods of time determined pursuant to rules promulgated by the
13 commission during which an individual is employed in seasonal
14 employment.~~

~~15 (c) "Seasonal employment" means the employment of 1 or more
16 individuals primarily hired to perform services in an industry,
17 other than the construction industry, that does either of the
18 following:~~

~~19 (1) Customarily operates during regularly recurring periods
20 of 26 weeks or less in any 52-consecutive-week period.~~

~~21 (2) Customarily employs at least 50% of its employees for
22 regularly recurring periods of 26 weeks or less within a period
23 of 52 consecutive weeks.~~

~~24 (d) "Seasonal employer" means an employer, other than an
25 employer in the construction industry, who applies to the commis-
26 sion for designation as a seasonal employer and who the~~

~~1 commission determines to be an employer whose operations and
2 business are substantially engaged in seasonal employment.~~

~~3 (e) "Seasonal worker" means a worker who has been paid wages
4 by a seasonal employer for work performed only during the normal
5 seasonal work period.~~

~~6 (10) If this subsection is found by the United States
7 department of labor to be contrary to the federal unemployment
8 tax act, chapter 23 of the internal revenue code of 1986, 26
9 U.S.C. 3301 to 3311, or the social security act, chapter 531, 49
10 Stat. 620, and if conformity with the federal law is required as
11 a condition for full tax credit against the tax imposed under the
12 federal unemployment tax act or as a condition for receipt by the
13 commission of federal administrative grant funds under the social
14 security act, this subsection shall be invalid.~~

~~15 (p) Benefits shall not be paid to an individual based upon
16 his or her services as a school crossing guard for any week of
17 unemployment that begins between 2 successive academic years or
18 terms, if that individual performs the services of a school
19 crossing guard in the first of the academic years or terms and
20 has a reasonable assurance that he or she will perform those
21 services in the second of the academic years or terms.~~

~~22 Sec. 29. (1) An individual is disqualified from receiving
23 benefits if he or she:~~

~~24 (a) Left work voluntarily without good cause attributable to
25 the employer or employing unit. However, if ~~the~~ EITHER OF THE
26 FOLLOWING CONDITIONS ARE MET, THE LEAVING DOES NOT DISQUALIFY THE
27 INDIVIDUAL:~~

1 (i) THE INDIVIDUAL LEAVING IS THE SPOUSE OF A FULL-TIME
2 EMPLOYEE WHO IS REQUIRED TO PERMANENTLY MOVE TO A GEOGRAPHIC
3 LOCATION DIFFERENT FROM THE GEOGRAPHIC LOCATION IN WHICH THAT
4 EMPLOYEE WAS ORIGINALLY EMPLOYED.

5 (ii) THE individual has an established benefit year in
6 effect and during that benefit year leaves unsuitable work within
7 60 days after the beginning of that work, the leaving does not
8 disqualify the individual.

9 (b) Was discharged for misconduct connected with the
10 individual's work or for intoxication while at work unless the
11 discharge was subsequently reduced to a disciplinary layoff or
12 suspension.

13 (c) Failed without good cause to apply for available suit-
14 able work after receiving from the employment office or the com-
15 mission notice of the availability of that work.

16 (d) Failed without good cause while unemployed to report to
17 the individual's former employer or employing unit within a rea-
18 sonable time after that employer or employing unit provided
19 notice of the availability of an interview concerning available
20 suitable work with the former employer or employing unit.

21 (e) Failed without good cause to accept suitable work
22 offered to the individual or to return to the individual's cus-
23 tomary self-employment, if any, when directed by the employment
24 office or the commission.

25 (f) Lost his or her job due to absence from work resulting
26 from a violation of law for which the individual was convicted
27 and sentenced to jail or prison. This subdivision does not apply

1 if conviction of an individual results in a sentence to county
2 jail under conditions of day parole as provided in ~~Act No. 60 of~~
3 ~~the Public Acts of 1962, being sections 801.251 to 801.258 of the~~
4 ~~Michigan Compiled Laws~~ 1962 PA 60, MCL 801.251 TO 801.258, or if
5 the conviction was for a traffic violation that resulted in an
6 absence of less than 10 consecutive work days from the
7 individual's place of employment.

8 (g) Is discharged, whether or not the discharge is subse-
9 quently reduced to a disciplinary layoff or suspension, for par-
10 ticipation in either of the following:

11 (i) A strike or other concerted action in violation of an
12 applicable collective bargaining agreement that results in cur-
13 tailment of work or restriction of or interference with
14 production.

15 (ii) A wildcat strike or other concerted action not autho-
16 rized by the individual's recognized bargaining representative.

17 (h) Was discharged for an act of assault and battery con-
18 nected with the individual's work.

19 (i) Was discharged for theft connected with the individual's
20 work.

21 (j) Was discharged for willful destruction of property con-
22 nected with the individual's work.

23 (k) Committed a theft after receiving notice of a layoff or
24 discharge, but before the effective date of the layoff or dis-
25 charge, resulting in loss or damage to the employer who would
26 otherwise be chargeable for the benefits, regardless of whether
27 the individual qualified for the benefits before the theft.

1 ~~(l) Was employed by a temporary help firm, which as used in~~
2 ~~this section means an employer whose primary business is to pro-~~
3 ~~vide a client with the temporary services of 1 or more individu-~~
4 ~~als under contract with the employer, to perform services for a~~
5 ~~client of that firm if each of the following conditions is met:~~

6 ~~(i) The temporary help firm provided the employee with a~~
7 ~~written notice before the employee began performing services for~~
8 ~~the client stating in substance both of the following:~~

9 ~~(A) That within 7 days after completing services for a~~
10 ~~client of the temporary help firm, the employee is under a duty~~
11 ~~to notify the temporary help firm of the completion of those~~
12 ~~services.~~

13 ~~(B) That a failure to provide the temporary help firm with~~
14 ~~notice of the employee's completion of services pursuant to~~
15 ~~sub-subparagraph (A) constitutes a voluntary quit that will~~
16 ~~affect the employee's eligibility for unemployment compensation~~
17 ~~should the employee seek unemployment compensation following com-~~
18 ~~pletion of those services.~~

19 ~~(ii) The employee did not provide the temporary help firm~~
20 ~~with notice that the employee had completed his or her services~~
21 ~~for the client within 7 days after completion of his or her serv-~~
22 ~~ices for the client.~~

23 ~~(l) ~~(m)~~ Was discharged for (i) Illegally ingesting,~~
24 ~~injecting, inhaling, or possessing a controlled substance on the~~
25 ~~premises of the employer, (ii) Refusing to submit to a drug test~~
26 ~~that was required to be administered in a nondiscriminatory~~
27 ~~manner, or (iii) Testing positive on a drug test, if the test was~~

1 administered in a nondiscriminatory manner. If the worker
2 disputes the result of the testing, a generally accepted confir-
3 matory test shall be administered and shall also indicate a posi-
4 tive result for the presence of a controlled substance before a
5 disqualification of the worker under this subdivision. As used
6 in this subdivision:

7 (A) "Controlled substance" means that term as defined in
8 section 7104 of the public health code, ~~Act No. 368 of the~~
9 ~~Public Acts of 1978, being section 333.7104 of the Michigan~~
10 ~~Compiled Laws~~ 1978 PA 368, MCL 333.7104.

11 (B) "Drug test" means a test designed to detect the illegal
12 use of a controlled substance.

13 (C) "Nondiscriminatory manner" means administered impar-
14 tially and objectively in accordance with a collective bargaining
15 agreement, rule, policy, a verbal or written notice, or a
16 labor-management contract.

17 (M) ~~(n)~~ Has an income exceeding \$100,000.00 for the calen-
18 dar year in which he or she applies for benefits. This subdivi-
19 sion shall not take effect unless both of the following occur:

20 (i) Within 30 days ~~of the effective date of the act that~~
21 ~~added subdivision (l)~~ AFTER MARCH 26, 1996, the governor
22 requests from the United States department of labor a determina-
23 tion confirming whether this subdivision is in conformity with
24 the federal unemployment tax act, chapter 23 ~~—~~ of SUBTITLE C OF
25 the internal revenue code of 1986, 26 U.S.C. 3301 to 3311, and
26 the social security act, CHAPTER 531, 49 Stat. 620, and whether
27 conformity with those federal acts is a condition for a full tax

1 credit against the tax imposed under the federal unemployment tax
2 act, ~~(FUTA)~~ CHAPTER 23 OF SUBTITLE C OF THE INTERNAL REVENUE
3 CODE OF 1986, 26 U.S.C. 3301 TO 3311, or is a condition for state
4 receipt of federal administrative grant funds under the social
5 security act, CHAPTER 531, 49 STAT. 620.

6 (ii) The United States department of labor determines that
7 this subdivision is in conformity with the acts described in sub-
8 paragraph (i), or verifies that conformity with those federal
9 acts is not a condition for a tax credit or a grant described in
10 subparagraph (i).

11 (2) A disqualification under subsection (1) begins the week
12 in which the act or discharge that caused the disqualification
13 occurs and continues until the disqualified individual requali-
14 fies under subsection (3), except that for benefit years begin-
15 ning before the conversion date prescribed in section 75, the
16 disqualification does not prevent the payment of benefits if
17 there are credit weeks, other than multiemployer credit weeks,
18 after the most recent disqualifying act or discharge.

19 (3) After the week in which the disqualifying act or dis-
20 charge described in subsection (1) occurs, an individual who
21 seeks to requalify for benefits is subject to all of the
22 following:

23 (a) For benefit years established before the conversion date
24 described in section 75, the individual shall complete 6 requali-
25 fying weeks if he or she was disqualified under
26 subsection (1)(c), (d), (e), (f), OR (g), ~~or (i),~~ or 13
27 requalifying weeks if he or she was disqualified under subsection

1 (1)(h), (i), (j), (k), or ~~(m)~~ (l). A requalifying week
2 required under this subsection shall be each week in which the
3 individual does any of the following:

4 (i) Earns or receives remuneration in an amount at least
5 equal to an amount needed to earn a credit week, as that term is
6 defined in section 50.

7 (ii) Otherwise meets all of the requirements of this act to
8 receive a benefit payment if the individual were not disqualified
9 under subsection (1).

10 (iii) Receives a benefit payment based on credit weeks sub-
11 sequent to the disqualifying act or discharge.

12 (b) For benefit years established before the conversion date
13 prescribed in section 75, if the individual is disqualified under
14 subsection (1)(a) or (b), he or she shall requalify, after the
15 week in which the disqualifying discharge occurred by earning in
16 employment for an employer liable under this act or the unemploy-
17 ment compensation act of another state an amount equal to, or in
18 excess of, 7 times the individual's potential weekly benefit
19 rate, calculated on the basis of employment with the employer
20 involved in the disqualification, or by earning in employment for
21 an employer liable under this act or the unemployment compensa-
22 tion act of another state an amount equal to, or in excess of, 40
23 times the state minimum hourly wage times 7, whichever is the
24 lesser amount.

25 (c) For benefit years established before the conversion date
26 prescribed in section 75, a benefit payable to an individual
27 disqualified under subsection (1)(a) or (b), shall be charged to

1 the nonchargeable benefits account, and not to the account of the
2 employer with whom the individual was involved in the
3 disqualification.

4 (d) For benefit years beginning after the conversion date
5 prescribed in section 75, subsequent to the week in which the
6 disqualifying act or discharge occurred, an individual shall com-
7 plete 6 requalifying weeks if he or she was disqualified under
8 subsection (1)(c), (d), (e), (f), OR (g), ~~or (i),~~ or 13 requal-
9 ifying weeks if he or she was disqualified under
10 subsection (1)(h), (i), (j), (k), or ~~(m)~~ (l). A requalifying
11 week required under this subsection shall be each week in which
12 the individual does any of the following:

13 (i) Earns or receives remuneration in an amount equal to at
14 least 1/13 of the minimum amount needed in a calendar quarter of
15 the base period for an individual to qualify for benefits,
16 rounded down to the nearest whole dollar.

17 (ii) Otherwise meets all of the requirements of this act to
18 receive a benefit payment if the individual were not disqualified
19 under subsection (1).

20 (e) For benefit years beginning after the conversion date
21 prescribed in section 75, if the individual is disqualified under
22 subsection (1)(a) or (b), he or she shall requalify, after the
23 week in which the disqualifying act or discharge occurred by
24 earning in employment for an employer liable under this act or
25 the unemployment compensation law of another state at least the
26 lesser of the following:

1 (i) Seven times the individual's weekly benefit rate.

2 (ii) Forty times the state minimum hourly wage times 7.

3 (f) A benefit payable to the individual disqualified or sep-
4 arated under disqualifying circumstances under subsection (1)(a)
5 or (b), shall be charged to the nonchargeable benefits account,
6 and not to the account of the employer with whom the individual
7 was involved in the separation. Benefits payable to an individ-
8 ual determined by the commission to be separated under disquali-
9 fying circumstances shall not be charged to the account of the
10 employer involved in the disqualification for any period after
11 the employer notifies the commission of the claimant's possible
12 ineligibility or disqualification. If a disqualifying act or
13 discharge occurs during the individual's benefit year, any bene-
14 fits that may become payable to the individual in a later benefit
15 year based on employment with the employer involved in the dis-
16 qualification shall be charged to the nonchargeable benefits
17 account.

18 (4) The maximum amount of benefits otherwise available under
19 section 27(d) to an individual disqualified under subsection (1)
20 is subject to all of the following conditions:

21 (a) For benefit years established before the conversion date
22 prescribed in section 75, if the individual is disqualified under
23 subsection (1)(c), (d), (e), (f), OR (g) ~~, or (1)~~ and the maxi-
24 mum amount of benefits is based on wages and credit weeks earned
25 from an employer before an act or discharge involving that
26 employer, the amount shall be reduced by an amount equal to the

1 individual's weekly benefit rate as to that employer multiplied
2 by the lesser of either of the following:

3 (i) The number of requalifying weeks required of the indi-
4 vidual under this section.

5 (ii) The number of weeks of benefit entitlement remaining
6 with that employer.

7 (b) If the individual has insufficient or no potential bene-
8 fit entitlement remaining with the employer involved in the dis-
9 qualification in the benefit year in existence on the date of the
10 disqualifying determination, a reduction of benefits described in
11 this subsection shall apply in a succeeding benefit year with
12 respect to any benefit entitlement based upon credit weeks earned
13 with the employer before the disqualifying act or discharge.

14 (c) For benefit years established before the conversion date
15 prescribed in section 75, an individual disqualified under sub-
16 section (1)(h), (i), (j), (k), or ~~(m)~~ (l) is not entitled to
17 benefits based on wages and credit weeks earned before the dis-
18 qualifying act or discharge with the employer involved in the
19 disqualification.

20 (d) The benefit entitlement of an individual disqualified
21 under subsection (1)(a) or (b) is not subject to reduction as a
22 result of that disqualification.

23 (e) A denial or reduction of benefits under this subsection
24 does not apply to benefits based upon multiemployer credit
25 weeks.

26 (f) For benefit years established after the conversion date
27 prescribed in section 75, if the individual is disqualified under

1 subsection (1)(c), (d), (e), (f), OR (g), ~~or (l)~~, the maximum
2 number of weeks otherwise applicable in calculating benefits for
3 the individual under section 27(d) shall be reduced by the lesser
4 of the following:

5 (i) The number of requalifying weeks required of the indi-
6 vidual under this subsection.

7 (ii) The number of weeks of benefit entitlement remaining on
8 the claim.

9 (g) For benefit years beginning after the conversion date
10 prescribed in section 75, the benefits of an individual disquali-
11 fied under subsection (1)(h), (i), (j), (k), or ~~(m)~~ (l) shall
12 be reduced by 13 weeks and any weekly benefit payments made to
13 the claimant thereafter shall be reduced by the portion of the
14 payment attributable to base period wages paid by the base period
15 employer involved in a disqualification under subsection (1)(h),
16 (i), (j), (k), or ~~(m)~~ (l).

17 (5) If an individual leaves work to accept permanent
18 full-time work with another employer and performs services for
19 that employer, or if an individual leaves work to accept a recall
20 from a former employer:

21 (a) Subsection (1) does not apply.

22 (b) Wages earned with the employer whom the individual last
23 left, including wages previously transferred under this subsec-
24 tion to the last employer, for the purpose of computing and
25 charging benefits, are wages earned from the employer with whom
26 the individual accepted work or recall, and benefits paid based
27 upon those wages shall be charged to that employer.

1 (c) When issuing a determination covering the period of
2 employment with a new or former employer described in this sub-
3 section, the commission shall advise the chargeable employer of
4 the name and address of the other employer, the period covered by
5 the employment, and the extent of the benefits that may be
6 charged to the account of the chargeable employer.

7 (6) In determining whether work is suitable for an individu-
8 al, the commission shall consider the degree of risk involved to
9 the individual's health, safety, and morals, the individual's
10 physical fitness and prior training, THE INDIVIDUAL'S EXPERIENCE
11 AND PRIOR EARNINGS, the individual's length of unemployment and
12 prospects for securing local work in the individual's customary
13 occupation, and the distance of the available work from the
14 individual's residence. ~~Additionally, the commission shall con-~~
15 ~~sider the individual's experience and prior earnings, subject to~~
16 ~~the following limitation:~~

17 ~~(a) An individual unemployed for 1 to 12 weeks who refuses~~
18 ~~an offer of work determined to be suitable under this section~~
19 ~~shall be denied benefits if the pay rate for that work is at~~
20 ~~least 80% of the gross pay rate he or she received immediately~~
21 ~~before becoming unemployed.~~

22 ~~(b) An individual unemployed for 13 to 20 weeks who refuses~~
23 ~~an offer of work determined to be suitable under this section~~
24 ~~shall be denied benefits if the pay rate for that work is at~~
25 ~~least 75% of the gross pay rate he or she received immediately~~
26 ~~before becoming unemployed.~~

1 ~~(c) An individual unemployed for more than 20 weeks who~~
2 ~~refuses an offer of work determined to be suitable under this~~
3 ~~section shall be denied benefits if the pay rate for that work is~~
4 ~~at least 70% of the gross pay rate he or she received immediately~~
5 ~~before becoming unemployed.~~

6 (7) Work is not suitable and benefits shall not be denied
7 under this act to an otherwise eligible individual for refusing
8 to accept new work under any of the following conditions:

9 (a) If the position offered is vacant due directly to a
10 strike, lockout, or other labor dispute.

11 (b) If the remuneration, hours, or other conditions of the
12 work offered are substantially less favorable to the individual
13 than those prevailing for similar work in the locality.

14 (c) If as a condition of being employed, the individual
15 would be required to join a company union or to resign from or
16 refrain from joining a bona fide labor organization.

17 (8) All of the following apply to an individual who seeks
18 benefits under this act:

19 (a) An individual is disqualified from receiving benefits
20 for a week in which the individual's total or partial unemploy-
21 ment is due to either of the following:

22 (i) A labor dispute in active progress OTHER THAN A LOCKOUT
23 at the place at which the individual is or was last employed, or
24 a shutdown or start-up operation caused by that labor dispute.

25 (ii) A labor dispute, other than a lockout, in active
26 progress or a shutdown or start-up operation caused by that labor
27 dispute in any other establishment within the United States that

1 is both functionally integrated with the establishment described
2 in subparagraph (i) and operated by the same employing unit.

3 (b) An individual's disqualification imposed or imposable
4 under this subsection is terminated if the individual performs
5 services in employment with an employer in at least 2 consecutive
6 weeks falling wholly within the period of the individual's total
7 or partial unemployment due to the labor dispute, and in addition
8 earns wages in each of those weeks in an amount equal to or
9 greater than the individual's actual or potential weekly benefit
10 rate with respect to those weeks based on the individual's
11 employment with the employer involved in the labor dispute.

12 (c) An individual is not disqualified under this subsection
13 if the individual is not directly involved in the labor dispute.
14 An individual is not directly involved in a labor dispute unless
15 any of the following are established:

16 (i) At the time or in the course of a labor dispute in the
17 establishment in which the individual was then employed, the
18 individual in concert with 1 or more other employees voluntarily
19 stopped working other than at the direction of the individual's
20 employing unit.

21 (ii) The individual is participating in, financing, or
22 directly interested in the labor dispute that causes the
23 individual's total or partial unemployment. The payment of regu-
24 lar union dues, in amounts and for purposes established before
25 the inception of the labor dispute, is not financing a labor dis-
26 pute within the meaning of this subparagraph.

1 (iii) At any time a labor dispute in the establishment or
2 department in which the individual was employed does not exist,
3 and the individual voluntarily stops working, other than at the
4 direction of the individual's employing unit, in sympathy with
5 employees in some other establishment or department in which a
6 labor dispute is in progress.

7 (iv) The individual's total or partial unemployment is due
8 to a labor dispute that was or is in progress in a department,
9 unit, or group of workers in the same establishment.

10 (d) As used in this subsection, "directly interested" shall
11 be construed and applied so as not to disqualify individuals
12 unemployed as a result of a labor dispute the resolution of which
13 may not reasonably be expected to affect their wages, hours, or
14 other conditions of employment, and to disqualify individuals
15 whose wages, hours, or conditions of employment may reasonably be
16 expected to be affected by the resolution of the labor dispute.
17 A "reasonable expectation" of an effect on an individual's wages,
18 hours, or other conditions of employment exists, in the absence
19 of a substantial preponderance of evidence to the contrary, in
20 any of the following situations:

21 (i) If it is established that there is in the particular
22 establishment or employing unit a practice, custom, or contrac-
23 tual obligation to extend within a reasonable period to members
24 of the individual's grade or class of workers in the establish-
25 ment in which the individual is or was last employed changes in
26 terms and conditions of employment that are substantially similar
27 or related to some or all of the changes in terms and conditions

1 of employment that are made for the workers among whom there
2 exists the labor dispute that has caused the individual's total
3 or partial unemployment.

4 (ii) If it is established that 1 of the issues in or pur-
5 poses of the labor dispute is to obtain a change in the terms and
6 conditions of employment for members of the individual's grade or
7 class of workers in the establishment in which the individual is
8 or was last employed.

9 (iii) If a collective bargaining agreement covers both the
10 individual's grade or class of workers in the establishment in
11 which the individual is or was last employed and the workers in
12 another establishment of the same employing unit who are actively
13 participating in the labor dispute, and that collective bargain-
14 ing agreement is subject by its terms to modification, supplemen-
15 tation, or replacement, or has expired or been opened by mutual
16 consent at the time of the labor dispute.

17 (e) In determining the scope of the grade or class of work-
18 ers, evidence of the following is relevant:

19 (i) Representation of the workers by the same national or
20 international organization or by local affiliates of that
21 national or international organization.

22 (ii) Whether the workers are included in a single, legally
23 designated, or negotiated bargaining unit.

24 (iii) Whether the workers are or within the past 6 months
25 have been covered by a common master collective bargaining agree-
26 ment that sets forth all or any part of the terms and conditions

1 of the workers' employment, or by separate agreements that are or
2 have been bargained as a part of the same negotiations.

3 (iv) Any functional integration of the work performed by
4 those workers.

5 (v) Whether the resolution of those issues involved in the
6 labor dispute as to some of the workers could directly or indi-
7 rectly affect the advancement, negotiation, or settlement of the
8 same or similar issues in respect to the remaining workers.

9 (vi) Whether the workers are currently or have been covered
10 by the same or similar demands by their recognized or certified
11 bargaining agent or agents for changes in their wages, hours, or
12 other conditions of employment.

13 (vii) Whether issues on the same subject matter as those
14 involved in the labor dispute have been the subject of proposals
15 or demands made upon the employing unit that would by their terms
16 have applied to those workers.

17 (9) Except for an individual disqualified under subsection
18 (1)(g), or an individual whose disqualifying discharge under
19 subsection (1)(b) is determined or redetermined to be a disci-
20 plinary layoff or suspension, an individual is disqualified from
21 receiving benefits for the duration of the individual's disci-
22 plinary layoff or suspension if the individual becomes unemployed
23 because of a disciplinary layoff or suspension based upon any of
24 the following:

25 (a) Misconduct directly or indirectly connected with work.

26 (b) Participation in a strike or other concerted activity
27 resulting in a curtailment of work or restriction of or

1 interference with production contrary to an applicable collective
2 bargaining agreement.

3 (c) Participation in a wildcat strike or other concerted
4 activity not authorized by the individual's recognized bargaining
5 representative.

6 (10) If a disqualifying discharge under subsection (1)(b) is
7 determined or redetermined to be a suspension, the disqualifica-
8 tion provided under subsection (9) applies from the date of the
9 discharge.

10 (11) Notwithstanding subsections (1) to (10), if the employ-
11 ing unit submits notice to the commission of possible ineligibil-
12 ity or disqualification beyond the time limits prescribed by com-
13 mission rule, the notice shall not form the basis of a determina-
14 tion of ineligibility or disqualification for a claim period com-
15 pensated before the receipt of the notice by the commission.

16 (12) An individual is disqualified from receiving benefits
17 for any week or part of a week in which the individual has
18 received, is receiving, or is seeking unemployment benefits under
19 an unemployment compensation law of another state or of the
20 United States. If the appropriate agency of the other state or
21 of the United States finally determines that the individual is
22 not entitled to unemployment benefits, the disqualification
23 described in this subsection does not apply.

24 (13) BENEFITS PAID TO AN INDIVIDUAL DESCRIBED IN
25 SUBSECTION (1)(A)(i) SHALL BE CHARGED TO THE NONCHARGEABLE BENE-
26 FITS ACCOUNT DESCRIBED IN SECTION 17.

1 Sec. 50. (a) "Week" means calendar week, ending at midnight
2 Saturday, but all work performed and wages earned during a
3 working shift which starts before midnight Saturday shall be
4 included in the week in which that shift begins.

5 (b) Subject to subdivisions (1) and (2), for benefit years
6 established before January 1, 1996, "credit week" means a calen-
7 dar week of an individual's base period during which the individ-
8 ual earned wages equal to or greater than 20 times the state min-
9 imum hourly wage in effect on the first day of the calendar week
10 in which the individual filed an application for benefits.

11 However, for benefit years established on or after January 1,
12 1996 and before the conversion date prescribed in section 75,
13 "credit week" means a calendar week of an individual's base
14 period during which the individual earned wages equal to or
15 greater than ~~30~~ 20 times the state minimum hourly wage in
16 effect on the first day of the calendar week in which the indi-
17 vidual filed an application for benefits. This subsection is
18 subject to the following:

19 (1) If an individual earns wages from more than 1 employer
20 in a credit week, that week shall be counted as 1 multiemployer
21 credit week and shall be governed by the provisions of section
22 20(e), unless the individual has earned sufficient wages in the
23 base period with only 1 of the employers for whom the individual
24 performed services in the week of concurrent employment to enti-
25 tle the individual to a maximum weekly benefit rate, in which
26 case, the week shall be a credit week with respect to that
27 employer only and not a multiemployer credit week.

1 (2) Not more than 35 uncanceled and uncharged credit weeks
2 shall be counted as credit weeks. In determining the 35 credit
3 weeks to be used for computing and paying benefits, credit weeks
4 shall be counted in the following sequence:

5 (a) First, all credit weeks which are not multiemployer
6 credit weeks and which were earned with employers not involved in
7 a disqualifying act or discharge under section 29(1), and all
8 credit weeks earned with an employer involved in such a disquali-
9 fying act or discharge which were earned subsequent to the last
10 act or discharge in which the employer was involved, shall be
11 counted in inverse order of most recent employment with each
12 employer.

13 (b) Second, if the credit weeks counted under subparagraph
14 (a) total less than 35, all credit weeks which are not multiem-
15 ployer credit weeks and which were earned with each employer
16 before a disqualifying act or discharge shall be counted, in
17 inverse order to that in which the most recent disqualifying act
18 or discharge with each employer occurred, to the extent necessary
19 to use all available credit weeks with respect to the employers,
20 or a total of 35 credit weeks, whichever is less.

21 (c) Third, if the credit weeks counted under subparagraphs
22 (a) and (b) total less than 35, all multiemployer credit weeks
23 shall be counted, in inverse chronological order of their occur-
24 rence, to the extent necessary to count all available credit
25 weeks, or a total of 35 credit weeks, whichever is less.

26 (3) As used in this subsection:

1 (a) "Uncharged credit week" means a credit week which has
2 not been used as a basis for a benefit payment, a reduction of
3 benefits under section 29(4), or a penalty disqualification under
4 section 62(b).

5 (b) "Uncanceled credit week" means a credit week which is
6 not canceled in accordance with section 62(b).

7 (4) There shall not be counted toward the wages required to
8 establish a credit week under this subsection payments in the
9 form of termination, separation, severance, or dismissal allow-
10 ances; or any payments for a vacation or a holiday unless the
11 payment has been made, or the right to receive it has irrevocably
12 vested, within 14 days following the vacation or holiday.