

# HOUSE BILL NO. 4334

February 24, 2021, Introduced by Reps. Lasinski, Sabo, Brabec, Cavanagh, Tate, Witwer, Rabhi, Haadsma, Brenda Carter, Shannon, Sowerby, LaGrand, Morse, Sneller, Ellison, Coleman, Hope, Young, Koleszar, Manoogian, Puri, Steenland, Hertel, Aiyash, Cherry, Rogers, Cambensy, Garza, Tyrone Carter, Steckloff, Peterson, Weiss, Neeley, Hood, Hammoud, Brixie, Scott, Bolden, Stone, Liberati, Clemente, Cynthia Johnson, Thanedar, Kuppa, Breen, Pohutsky, Camilleri, Jones, Anthony and Yancey and referred to the Committee on Commerce and Tourism.

A bill to amend 1936 (Ex Sess) PA 1, entitled  
"Michigan employment security act,"  
by amending section 27 (MCL 421.27), as amended by 2020 PA 229.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 27. (a) (1) When a determination, redetermination, or  
2 decision is made that benefits are due an unemployed individual,  
3 the benefits become payable from the fund and continue to be  
4 payable to the unemployed individual, subject to the limitations  
5 imposed by the individual's monetary entitlement, if the individual

1 continues to be unemployed and to file claims for benefits, until  
2 the determination, redetermination, or decision is reversed ~~, or a~~  
3 determination, redetermination, or decision on a new issue holding  
4 the individual disqualified or ineligible is made. ~~, or, for~~  
5 ~~benefit years beginning before October 1, 2000, a new separation~~  
6 ~~issue arises resulting from subsequent work.~~

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

10 (b)(1) Subject to subsection (f), ~~the weekly benefit rate for~~  
11 ~~an individual, with respect to benefit years beginning before~~  
12 ~~October 1, 2000, is 67% of the individual's average after tax~~  
13 ~~weekly wage, except that the individual's maximum weekly benefit~~  
14 ~~rate must not exceed \$300.00. However, with respect to **for** benefit~~  
15 ~~years beginning on or after October 1, 2000, ~~the~~**an** individual's~~  
16 ~~weekly benefit rate is 4.1% of the individual's wages paid in the~~  
17 ~~calendar quarter of the base period in which the individual was~~  
18 ~~paid the highest total wages. ~~, plus \$6.00 for each dependent as~~~~  
19 ~~defined in subdivision (4), up to a maximum of 5 dependents,~~  
20 ~~claimed by the individual at the time the individual files a new~~  
21 ~~claim for benefits, except that the **An** individual's maximum weekly~~  
22 ~~benefit rate must not exceed \$300.00 before April 26, 2002 and~~  
23 ~~\$362.00 for claims filed on and after April 26, 2002. The weekly~~  
24 ~~benefit rate for an individual claiming benefits on and after April~~  
25 ~~26, 2002 must be recalculated subject to the \$362.00 maximum weekly~~  
26 ~~benefit rate. **In addition, an individual shall receive \$20.00 per**~~  
27 ~~**week for each dependent, up to a maximum of 6 dependents, claimed**~~  
28 ~~**by the individual at the time the individual files a new claim for**~~  
29 ~~**benefits.** The unemployment agency shall establish the procedures~~

1 necessary to verify the number of dependents claimed. If ~~a person~~  
 2 **an individual** fraudulently claims a dependent, ~~that person he or~~  
 3 **she** is subject to the penalties set forth in sections 54 and 54c.  
 4 For benefit years beginning on or after October 2, 1983, the weekly  
 5 benefit rate must be adjusted to the next lower multiple of \$1.00.

6 (2) For benefit years beginning ~~before October 1, 2000, on or~~  
 7 **after January 1, 2020**, the state average weekly wage for a calendar  
 8 year is computed on the basis of the 12 months ending the June 30  
 9 immediately ~~before~~**preceding** that calendar year.

10 (3) For benefit years beginning before October 1, 2000, a  
 11 dependent means any of the following ~~persons~~**individuals** who are  
 12 receiving and for at least 90 consecutive days immediately before  
 13 the week for which benefits are claimed, or, in the case of a  
 14 dependent husband, wife, or child, for the duration of the marital  
 15 or parental relationship, if the relationship has existed less than  
 16 90 days, has received more than 1/2 the cost of his or her support  
 17 from the individual claiming benefits:

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

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

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

29 (d) A brother or sister of the individual if the brother or

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

9 (4) For benefit years beginning on or after October 1, 2000, a  
10 dependent means any of the following ~~persons~~**individuals** who  
11 received for at least 90 consecutive days immediately before the  
12 first week of the benefit year or, in the case of a dependent  
13 husband, wife, or child, for the duration of the marital or  
14 parental relationship if the relationship existed less than 90 days  
15 before the beginning of the benefit year, has received more than  
16 1/2 the cost of his or her support from the individual claiming the  
17 benefits:

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

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

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

29 (d) A brother or sister of the individual if the brother or

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

9 (5) The number of dependents established for an individual at  
10 the beginning of the benefit year ~~shall remain~~ **remains** in effect  
11 during the entire benefit year.

12 (6) Dependency status of a dependent, child or otherwise, once  
13 established or fixed in favor of ~~a person~~ **an individual** is not  
14 transferable to or usable by another ~~person~~ **individual** with respect  
15 to the same week.

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

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

24 (1) Each eligible individual must be paid a weekly benefit  
25 rate ~~with respect to the~~ **for a** week ~~for which~~ **that** the individual  
26 earns or receives no remuneration. Notwithstanding the definition  
27 of week in section 50, if within 2 consecutive weeks in which an  
28 individual was not unemployed within the meaning of section 48  
29 there was a period of 7 or more consecutive days for which the

1 individual did not earn or receive remuneration, that period is  
2 considered a week for benefit purposes under this act if a claim  
3 for benefits for that period is filed not later than 30 days after  
4 the end of the period.

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

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

28 (4) If the reduction in a claimant's benefit rate for a week  
29 in accordance with subdivision (2) or (3) results in a benefit rate

1 greater than zero for that week, the claimant's balance of weeks of  
2 benefit payments is reduced by 1 week.

3 (5) All remuneration for work performed during a shift that  
4 terminates on 1 day but that began on the preceding day is  
5 considered to have been earned by the eligible individual on the  
6 preceding day.

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

10 (a) The number of individuals whose weekly benefit rate was  
11 reduced at the rate of ~~40 or~~ 50 cents for each whole \$1.00 of  
12 remuneration earned or received over the immediately preceding  
13 calendar year.

14 (b) The number of individuals who received or earned partial  
15 remuneration at or exceeding the applicable limit of 1-1/2 ~~or 1-3/5~~  
16 times their weekly benefit amount prescribed in subdivision (3) for  
17 any 1 or more weeks during the immediately preceding calendar year.

18 (7) The unemployment agency shall not use prorated quarterly  
19 wages to establish a reduction in benefits under this subsection.

20 (d) Subject to subsection (f) and this subsection, the maximum  
21 benefit amount payable to an individual in a benefit year for  
22 purposes of this section and section 20(d) is the number of weeks  
23 of benefits payable to an individual during the benefit year,  
24 multiplied by the individual's weekly benefit rate. The number of  
25 weeks of benefits payable to an individual ~~shall be~~ **is** calculated  
26 by taking 43% of the individual's base period wages and dividing  
27 the result by the individual's weekly benefit rate. If the quotient  
28 is not a whole or half number, the result is rounded down to the  
29 nearest half number. ~~However, for each eligible individual filing~~

1 ~~an initial claim before January 15, 2012, not more than 26 weeks of~~  
 2 ~~benefits or less than 14 weeks of benefits are payable to an~~  
 3 ~~individual in a benefit year.~~ For each eligible individual filing  
 4 an initial claim on or after January 15, 2012, not more than 20  
 5 weeks of benefits or less than 14 weeks of benefits are payable to  
 6 an individual in a benefit year. The limitation of total benefits  
 7 set forth in this subsection does not apply to claimants declared  
 8 eligible for training benefits ~~in accordance with~~ **pursuant to**  
 9 subsection (g). **For each eligible individual filing an initial**  
 10 **claim on or after January 15, 2020, not more than 26 weeks of**  
 11 **benefits or less than 14 weeks of benefits are payable to an**  
 12 **individual in a benefit year.** Notwithstanding any other provision  
 13 of this act, with respect to benefit years and claims for weeks  
 14 beginning before January 1, 2021, for each eligible individual who  
 15 files a claim for benefits and establishes a benefit year, not more  
 16 than 26 weeks of benefits or less than 14 weeks of benefits may be  
 17 payable to an individual in a benefit year.

18 (e) When a claimant dies or is judicially declared insane or  
 19 mentally incompetent, unemployment compensation benefits accrued  
 20 and payable to ~~that person~~ **the claimant** for weeks of unemployment  
 21 before death, insanity, or incompetency, but not paid, become due  
 22 and payable to the person who is the legal heir or guardian of the  
 23 claimant or to any other person found by the ~~commission~~  
 24 **unemployment agency** to be equitably entitled to the benefits by  
 25 reason of having incurred expense in behalf of the claimant for the  
 26 claimant's burial or other necessary expenses.

27 (f) (1) For benefit years beginning before October 1, 2000, and  
 28 notwithstanding any inconsistent provisions of this act, the weekly  
 29 benefit rate of each individual who is receiving or will receive a



1 "retirement benefit", as defined in subdivision (4), is adjusted as  
2 provided in subparagraphs (a), (b), and (c). However, an  
3 individual's extended benefit account and an individual's weekly  
4 extended benefit rate under section 64 is established without  
5 reduction under this subsection unless subdivision (5) is in  
6 effect. Except as otherwise provided in this subsection, all other  
7 provisions of this act continue to apply in connection with the  
8 benefit claims of those retired ~~persons~~**individuals**.

9 (a) If and to the extent that unemployment benefits payable  
10 under this act would be chargeable to an employer who has  
11 contributed to the financing of a retirement plan under which the  
12 claimant is receiving or will receive a retirement benefit yielding  
13 a pro rata weekly amount equal to or larger than the claimant's  
14 weekly benefit rate as otherwise established under this act, the  
15 claimant must not receive unemployment benefits that would be  
16 chargeable to the employer under this act.

17 (b) If and to the extent that unemployment benefits payable  
18 under this act would be chargeable to an employer who has  
19 contributed to the financing of a retirement plan under which the  
20 claimant is receiving or will receive a retirement benefit yielding  
21 a pro rata weekly amount less than the claimant's weekly benefit  
22 rate as otherwise established under this act, then the weekly  
23 benefit rate otherwise payable to the claimant and chargeable to  
24 the employer under this act is reduced by an amount equal to the  
25 pro rata weekly amount, adjusted to the next lower multiple of  
26 \$1.00, which the claimant is receiving or will receive as a  
27 retirement benefit.

28 (c) If the unemployment benefit payable under this act would  
29 be chargeable to an employer who has not contributed to the

1 financing of a retirement plan under which the claimant is  
 2 receiving or will receive a retirement benefit, then the weekly  
 3 benefit rate of the claimant as otherwise established under this  
 4 act is not reduced ~~due to receipt of~~ **because the claimant is**  
 5 **receiving or will receive** a retirement benefit.

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

14 (2) If an individual's weekly benefit rate under this act was  
 15 established before the period for which the individual first  
 16 receives a retirement benefit, any benefits received after a  
 17 retirement benefit becomes payable must be determined in accordance  
 18 with the formula stated in this subsection.

19 (3) When necessary to assure prompt payment of benefits, the  
 20 ~~commission~~ **unemployment agency** shall determine the pro rata weekly  
 21 amount yielded by an individual's retirement benefit based on the  
 22 best information currently available to it. In the absence of  
 23 fraud, a determination must not be reconsidered unless it is  
 24 established that the individual's actual retirement benefit in fact  
 25 differs from the amount determined by \$2.00 or more per week. The  
 26 reconsideration applies only to benefits that may be claimed after  
 27 the information on which the reconsideration is based was received  
 28 by the ~~commission~~ **unemployment agency**.

29 (4) (a) As used in this subsection, "retirement benefit" means

1 a benefit, annuity, or pension of any type or ~~that a~~ part thereof  
2 ~~that is as~~ described in subparagraph (b) that is both:

3 (i) Provided as an incident of employment under an established  
4 retirement plan, policy, or agreement, including federal Social  
5 Security if subdivision (5) is in effect.

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

13 (b) If a benefit as described in subparagraph (a) is payable  
14 or paid to ~~the an~~ individual under a plan to which the individual  
15 has contributed, **the benefit is treated as follows:**

16 (i) ~~Less~~ **If the individual has contributed less** than 1/2 of the  
17 cost of the benefit, then only 1/2 of the benefit is treated as a  
18 retirement benefit.

19 (ii) ~~One-half~~ **If the individual has contributed 1/2** or more of  
20 the cost of the benefit, then none of the benefit is treated as a  
21 retirement benefit.

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

26 (5) Notwithstanding any other provision of this subsection,  
27 for any week that begins after March 31, 1980, ~~and with respect to~~  
28 **for** which an individual is receiving a governmental or other  
29 pension and claiming unemployment compensation, the weekly benefit

1 amount payable to the individual for those weeks is reduced, but  
2 not below zero, by the entire prorated weekly amount of any  
3 governmental or other pension, retirement or retired pay, annuity,  
4 or any other similar payment that is based on any previous work of  
5 the individual. This reduction is made only if it is required as a  
6 condition for full tax credit against the tax imposed by the  
7 federal unemployment tax act, 26 USC 3301 to 3311.

8 (6) For benefit years beginning on or after October 1, 2000,  
9 notwithstanding any inconsistent provisions of this act, the weekly  
10 benefit rate of each individual who is receiving or will receive a  
11 retirement benefit, as defined in subdivision (4), is adjusted as  
12 provided in subparagraphs (a), (b), and (c). However, an  
13 individual's extended benefit account and an individual's weekly  
14 extended benefit rate under section 64 is established without  
15 reduction under this subsection, unless subdivision (5) is in  
16 effect. Except as otherwise provided in this subsection, all the  
17 other provisions of this act apply to the benefit claims of those  
18 retired ~~persons~~—**individuals**. However, if the reduction would  
19 impair the full tax credit against the tax imposed by the federal  
20 unemployment tax act, 26 USC 3301 to 3311, unemployment benefits  
21 are not reduced as provided in subparagraphs (a), (b), and (c) for  
22 receipt of any governmental or other pension, retirement or retired  
23 pay, annuity, or other similar payment that was not includable in  
24 the gross income of the individual for the taxable year in which it  
25 was received because it was a part of a rollover distribution.

26 (a) If any base period **employer** or chargeable employer has  
27 contributed to the financing of a retirement plan under which the  
28 claimant is receiving or will receive a retirement benefit yielding  
29 a pro rata weekly amount equal to or larger than the claimant's

1 weekly benefit rate as otherwise established under this act, the  
2 claimant is not eligible to receive unemployment benefits.

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

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

18 (g) Notwithstanding any other provision of this act, an  
19 individual pursuing vocational training or retraining pursuant to  
20 section 28(2) who has exhausted all benefits available under  
21 subsection (d) may be paid for each week of approved vocational  
22 training pursued beyond the date of exhaustion **of** a benefit amount  
23 ~~in accordance with~~ **pursuant to** subsection (c), but not in excess of  
24 the individual's most recent weekly benefit rate. However, an  
25 individual must not be paid training benefits totaling more than 18  
26 times the individual's most recent weekly benefit rate. The  
27 expiration or termination of a benefit year does not stop or  
28 interrupt payment of training benefits if the training for which  
29 the benefits were granted began before expiration or termination of

1 the benefit year.

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

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

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

1 successive.

2 (2) ~~With respect to~~ **For** service performed in other than an  
 3 instructional, research, or principal administrative capacity for  
 4 an institution of higher education as defined in section 53(2) or  
 5 for an educational institution other than an institution of higher  
 6 education as defined in section 53(3), benefits are not payable  
 7 based on those services for any week of unemployment ~~beginning~~  
 8 ~~after December 31, 1977~~ that commences during the period between 2  
 9 successive academic years or terms to any individual if ~~that the~~  
 10 individual performs the service in the first of the academic years  
 11 or terms and if there is a reasonable assurance that the individual  
 12 will perform the service for an institution of higher education or  
 13 an educational institution other than an institution of higher  
 14 education in the second of the academic years or terms.

15 (3) ~~With respect to any~~ **For** service described in subdivision  
 16 (1) or (2), benefits are not payable to an individual based ~~upon~~ **on**  
 17 service for any week of unemployment that commences during an  
 18 established and customary vacation period or holiday recess if the  
 19 individual performs the service in the period immediately before  
 20 the vacation period or holiday recess and there is a contract or  
 21 reasonable assurance that the individual will perform the service  
 22 in the period immediately following the vacation period or holiday  
 23 recess.

24 (4) If benefits are denied to an individual for any week  
 25 solely as a result of subdivision (2) and the individual was not  
 26 offered an opportunity to perform in the second academic year or  
 27 term the service for which reasonable assurance had been given, the  
 28 individual is entitled to a retroactive payment of benefits for  
 29 each week for which the individual had previously filed a timely

1 claim for benefits. An individual entitled to benefits under this  
 2 subdivision may apply for those benefits by mail in accordance with  
 3 R 421.210 of the Michigan Administrative Code. ~~as promulgated by~~  
 4 ~~the commission.~~

5 (5) ~~Benefits~~ **The unemployment agency shall not deny benefits**  
 6 **that are** based ~~upon~~ **on** services in other than an instructional,  
 7 research, or principal administrative capacity for an institution  
 8 of higher education ~~are not denied~~ for any week of unemployment  
 9 commencing during the period between 2 successive academic years or  
 10 terms solely because the individual had performed the service in  
 11 the first of the academic years or terms and there is reasonable  
 12 assurance that the individual will perform the service for an  
 13 institution of higher education or an educational institution other  
 14 than an institution of higher education in the second of the  
 15 academic years or terms, unless a denial is required as a condition  
 16 for full tax credit against the tax imposed by the federal  
 17 unemployment tax act, 26 USC 3301 to 3311.

18 (6) For benefit years established before October 1, 2000, and  
 19 notwithstanding subdivisions (1), (2), and (3), the denial of  
 20 benefits does not prevent an individual from completing  
 21 requalifying weeks in accordance with section 29(3) nor does the  
 22 denial prevent an individual from receiving benefits based on  
 23 service with an employer other than an educational institution for  
 24 any week of unemployment occurring between academic years or terms,  
 25 whether or not successive, or during an established and customary  
 26 vacation period or holiday recess, even though the employer is not  
 27 the most recent chargeable employer in the individual's base  
 28 period. However, in that case section 20(b) applies to the sequence  
 29 of benefit charging, except for the employment with the educational



1 institution. ~~, and section 50(b) applies to the calculation of~~  
2 ~~credit weeks.~~ When a denial of benefits under subdivision (1) no  
3 longer applies, benefits are charged in accordance with the normal  
4 sequence of charging as provided in section 20(b).

5 (7) For benefit years beginning on or after October 1, 2000,  
6 and notwithstanding subdivisions (1), (2), and (3), the denial of  
7 benefits does not prevent an individual from completing  
8 requalifying weeks in accordance with section 29(3) and does not  
9 prevent an individual from receiving benefits based on service with  
10 another base period employer other than an educational institution  
11 for any week of unemployment occurring between academic years or  
12 terms, whether or not successive, or during an established and  
13 customary vacation period or holiday recess. However, if benefits  
14 are paid based on service with 1 or more base period employers  
15 other than an educational institution, the individual's weekly  
16 benefit rate is calculated in accordance with subsection (b)(1) but  
17 during the denial period the individual's weekly benefit payment is  
18 reduced by the portion of the payment attributable to base period  
19 wages paid by an educational institution and the account or  
20 experience account of the educational institution is not charged  
21 for benefits payable to the individual. When a denial of benefits  
22 under subdivision (1) is no longer applicable, benefits are paid  
23 and charged on the basis of base period wages with each of the base  
24 period employers including the educational institution.

25 (8) For the purposes of this subsection, "academic year" means  
26 that period, as defined by the educational institution, when  
27 classes are in session for that length of time required for  
28 students to receive sufficient instruction or earn sufficient  
29 credit to complete academic requirements for a particular grade

1 level or to complete instruction in a noncredit course.

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

10 (j) Benefits are not payable to an individual on the basis of  
11 any base period services, substantially all of which consist of  
12 participating in sports or athletic events or training or preparing  
13 to participate, for a week that commences during the period between  
14 2 successive sport seasons or similar periods if the individual  
15 performed the services in the first of the seasons or similar  
16 periods and there is a reasonable assurance that the individual  
17 will perform the services in the later of the seasons or similar  
18 periods.

19 (k)(1) Benefits are not payable on the basis of services  
20 performed by an alien unless the alien is an individual who was  
21 lawfully admitted for permanent residence at the time the services  
22 were performed, was lawfully present for the purpose of performing  
23 the services, or was permanently residing in the United States  
24 under color of law at the time the services were performed,  
25 including an alien who was lawfully present in the United States  
26 under section 212(d)(5) of the immigration and nationality act, 8  
27 USC 1182.

28 (2) Any data or information required of individuals applying  
29 for benefits to determine whether benefits are payable because of

1 their alien status are uniformly required from all applicants for  
2 benefits.

3 (3) If an individual's application for benefits would  
4 otherwise be approved, a determination that benefits to ~~that~~**the**  
5 individual are not payable because of the individual's alien status  
6 must ~~not~~ be made ~~except~~ upon a preponderance of the evidence.

7 (m)(1) An individual filing a new claim for unemployment  
8 compensation under this act, at the time of filing the claim, shall  
9 disclose whether the individual owes child support obligations as  
10 defined in this subsection. If an individual discloses that he or  
11 she owes child support obligations and is determined to be eligible  
12 for unemployment compensation, the unemployment agency shall notify  
13 the state or local child support enforcement agency enforcing the  
14 obligation that the individual has been determined to be eligible  
15 for unemployment compensation.

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

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

22 (b) The amount, if any, determined pursuant to an agreement  
23 submitted to the ~~commission~~**unemployment agency** under 42 USC  
24 654(19)(B)(i), by the state or local child support enforcement  
25 agency.

26 (c) Any amount otherwise required to be deducted and withheld  
27 from unemployment compensation by legal process, as that term is  
28 defined in 42 USC 659(i)(5), properly served upon the  
29 ~~commission~~**unemployment agency**.

1           (3) The amount of unemployment compensation subject to  
2 deduction under subdivision (2) is that portion that remains  
3 payable to the individual after application of the ~~recoupment~~  
4 **recovery** provisions of section 62(a) and the reduction provisions  
5 of subsections (c) and (f).

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

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

14           (6) Provisions concerning deductions under this subsection  
15 apply only if the state or local child support enforcement agency  
16 agrees in writing to reimburse and does reimburse the unemployment  
17 agency for the administrative costs incurred by the unemployment  
18 agency under this subsection that are attributable to child support  
19 obligations being enforced by the state or local child support  
20 enforcement agency. The administrative costs incurred are  
21 determined by the unemployment agency. The unemployment agency, in  
22 its discretion, may require payment of administrative costs in  
23 advance.

24           (7) As used in this subsection:

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

1 (b) "Child support obligations" ~~includes~~**means** only  
2 obligations that are being enforced pursuant to a plan described in  
3 42 USC 654 that has been approved by the Secretary of Health and  
4 Human Services under 42 USC 651 to 669b.

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

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

17 (o) (1) ~~For weeks of unemployment beginning after July 1, 1996,~~  
18 ~~unemployment~~**Unemployment** benefits based on services by a seasonal  
19 worker performed in seasonal employment are payable only for weeks  
20 of unemployment that occur during the normal seasonal work period.  
21 Benefits are not payable based on services performed in seasonal  
22 employment for any week of unemployment ~~beginning after March 28,~~  
23 ~~1996~~ that begins during the period between 2 successive normal  
24 seasonal work periods to any individual if ~~that~~**the** individual  
25 performs the service in the first of the normal seasonal work  
26 periods and if there is a reasonable assurance ~~that~~**the** individual  
27 will perform the service for a seasonal employer in the second of  
28 the normal seasonal work periods. If benefits are denied to an  
29 individual for any week solely as a result of this subsection and

1 the individual is not offered an opportunity to perform in the  
2 second normal seasonal work period for which reasonable assurance  
3 of employment had been given, the individual is entitled to a  
4 retroactive payment of benefits under this subsection for each week  
5 that the individual previously filed a timely claim for benefits.  
6 An individual may apply for any retroactive benefits under this  
7 subsection ~~in accordance with~~ **pursuant to** R 421.210 of the Michigan  
8 Administrative Code.

9 (2) Not less than 20 days before the estimated beginning date  
10 of a normal seasonal work period, an employer may apply to the  
11 ~~commission~~ **unemployment agency** in writing for designation as a  
12 seasonal employer. At the time of application, the employer shall  
13 conspicuously display a copy of the application on the employer's  
14 premises. Within 90 days after receipt of the application, the  
15 ~~commission~~ **unemployment agency** shall determine if the employer is a  
16 seasonal employer. A determination or redetermination of the  
17 ~~commission~~ **unemployment agency** concerning the status of an employer  
18 as a seasonal employer, or a decision of an administrative law  
19 judge, the Michigan compensation appellate commission, or the  
20 courts of this state concerning the status of an employer as a  
21 seasonal employer, ~~which~~ **that** has become final, together with the  
22 record, ~~thereof,~~ may be introduced in any proceeding involving a  
23 claim for benefits, and the facts found and decision issued in the  
24 determination, redetermination, or decision is conclusive unless  
25 substantial evidence to the contrary is introduced by or on behalf  
26 of the claimant.

27 (3) If the **unemployment agency determines that an** employer is  
28 ~~determined to be~~ a seasonal employer, the employer shall  
29 conspicuously display on its premises a notice ~~of~~ **that includes** the

1 determination, ~~and~~ the beginning and ending dates of the employer's  
2 normal seasonal work periods, ~~-. The commission shall furnish the~~  
3 ~~notice. The notice must additionally specify~~ **and a statement** that  
4 an employee must timely apply for unemployment benefits at the end  
5 of a first seasonal work period to preserve his or her right to  
6 receive retroactive unemployment benefits if he or she is not  
7 reemployed by the seasonal employer in the second of the normal  
8 seasonal work periods. **The unemployment agency shall provide the**  
9 **notice to the employer.**

10 (4) The ~~commission~~ **unemployment agency** may issue a  
11 determination terminating an employer's status as a seasonal  
12 employer on the commission's own motion for good cause, or upon the  
13 written request of the employer. A termination determination under  
14 this subdivision terminates an employer's status as a seasonal  
15 employer, and becomes effective on the beginning date of the normal  
16 seasonal work period that would have immediately followed the date  
17 the ~~commission~~ **unemployment agency** issues the determination. A  
18 determination under this subdivision is subject to review in the  
19 same manner and to the same extent as any other determination under  
20 this act.

21 (5) An employer whose status as a seasonal employer is  
22 terminated under subdivision (4) may not reapply for a seasonal  
23 employer status determination until after a regularly recurring  
24 normal seasonal work period has begun and ended.

25 (6) If a seasonal employer informs an employee who received  
26 assurance of being rehired that, despite the assurance, the  
27 employee will not be rehired at the beginning of the employer's  
28 next normal seasonal work period, this subsection does not prevent  
29 the employee from receiving unemployment benefits in the same

1 manner and to the same extent he or she would receive benefits  
2 under this act from an employer who has not been determined to be a  
3 seasonal employer.

4 (7) A successor of a seasonal employer is considered to be a  
5 seasonal employer unless the successor provides the ~~commission,~~  
6 **unemployment agency**, within 120 days after the transfer, with a  
7 written request for termination of its status as a seasonal  
8 employer ~~in accordance with~~ **pursuant to** subdivision (4).

9 (8) At the time an employee is hired by a seasonal employer,  
10 the employer shall notify the employee in writing if the employee  
11 will be a seasonal worker. The employer shall provide the worker  
12 with written notice of any subsequent change in the employee's  
13 status as a seasonal worker. If an employee of a seasonal employer  
14 is denied benefits because that employee is a seasonal worker, the  
15 employee may contest that designation in accordance with section  
16 32a.

17 (9) As used in this subsection:

18 (a) "Construction industry" means the work activity designated  
19 in sector group 23 - construction of the North American  
20 classification system - United States Office of Management and  
21 Budget, 1997 edition.

22 (b) "Normal seasonal work period" means that period or those  
23 periods of time determined under rules promulgated by the  
24 unemployment agency during which an individual is employed in  
25 seasonal employment.

26 (c) "Seasonal employment" means the employment of 1 or more  
27 individuals primarily hired to perform services during regularly  
28 recurring periods of 26 weeks or less in any 52-week period other  
29 than services in the construction industry.



1 (d) "Seasonal employer" means an employer, other than an  
 2 employer in the construction industry, who applies to the  
 3 unemployment agency for designation as a seasonal employer and who  
 4 the unemployment agency determines is an employer whose operations  
 5 and business require employees engaged in seasonal employment. A  
 6 seasonal employer designation under this act need not correspond to  
 7 a category assigned under the North American classification system  
 8 – United States Office of Management and Budget.

9 (e) "Seasonal worker" means a worker who has been paid wages  
 10 by a seasonal employer for work performed only during the normal  
 11 seasonal work period.

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

21 (p) Benefits are not payable to an individual based ~~upon~~**on**  
 22 his or her services as a school crossing guard for any week of  
 23 unemployment that begins between 2 successive academic years or  
 24 terms, if ~~that~~**the** individual performs the services of a school  
 25 crossing guard in the first of the academic years or terms and has  
 26 a reasonable assurance that he or she will perform those services  
 27 in the second of the academic years or terms.

28 Enacting section 1. This amendatory act takes effect 90 days  
 29 after the date it is enacted into law.