

**SUBSTITUTE FOR
HOUSE BILL NO. 5827**

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 258.

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
6 continues to be unemployed and to file claims for benefits, until
7 the determination, redetermination, or decision is reversed ~~or~~ a
8 determination, redetermination, or decision on a new issue holding
9 the individual disqualified or ineligible is made. ~~or, for~~

1 ~~benefit years beginning before October 1, 2000, a new separation~~
2 ~~issue arises resulting from subsequent work.~~

3 (2) Benefits are payable in person or by mail through
4 employment security offices in accordance with rules promulgated by
5 the unemployment agency.

6 (b)(1) Subject to subsection (f), ~~the weekly benefit rate for~~
7 ~~an individual, with respect to benefit years beginning before~~
8 ~~October 1, 2000, is 67% of the individual's average after tax~~
9 ~~weekly wage, except that the individual's maximum weekly benefit~~
10 ~~rate must not exceed \$300.00. However, with respect to **for** benefit~~
11 ~~years beginning on or after October 1, 2000, ~~the~~**an** individual's~~
12 ~~weekly benefit rate is 4.1% of the individual's wages paid in the~~
13 ~~calendar quarter of the base period in which the individual was~~
14 ~~paid the highest total wages, plus \$6.00 for each dependent as~~
15 ~~defined in subdivision (4), up to a maximum of 5 dependents,~~
16 ~~claimed by the individual at the time the individual files a new~~
17 ~~claim for benefits, except that the individual's maximum weekly~~
18 ~~benefit rate must not exceed \$300.00 **for claims filed** before April~~
19 ~~26, 2002 and \$362.00 for claims filed on and after April 26, 2002.~~
20 ~~The weekly benefit rate for an individual claiming benefits on and~~
21 ~~after April 26, 2002 must be recalculated subject to the \$362.00~~
22 ~~maximum weekly benefit rate. The unemployment agency shall~~
23 ~~establish the procedures necessary to verify the number of~~
24 ~~dependents claimed. ~~If a person~~**An individual who** fraudulently~~
25 ~~claims a dependent, ~~that person~~ is subject to the penalties set~~
26 ~~forth in sections 54 and 54c. For benefit years beginning on or~~
27 ~~after October 2, 1983, the weekly benefit rate must be adjusted to~~
28 ~~the next lower multiple of \$1.00.~~

29 (2) For benefit years beginning ~~before October 1, 2000,~~ **on or**

1 **after January 1, 2025**, the state average weekly wage for a calendar
2 year is computed on the basis of the 12 months ending the June 30
3 immediately ~~before~~**preceding** that calendar year.

4 (3) For benefit years beginning before October 1, 2000, a
5 dependent means any of the following ~~persons~~**individuals** who are
6 receiving and for ~~at least~~**not less than** 90 consecutive days
7 immediately before the week for which benefits are claimed, or, in
8 the case of a dependent husband, wife, or child, for the duration
9 of the marital or parental relationship, if the relationship has
10 existed less than 90 days, has received more than 1/2 the cost of
11 ~~his or her~~**the individual's** support from the individual claiming
12 benefits:

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

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

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

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

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

4 (4) For benefit years beginning on or after October 1, 2000, a
5 dependent means any of the following ~~persons~~**individuals** who
6 received for ~~at least~~**not less than** 90 consecutive days immediately
7 before the first week of the benefit year or, in the case of a
8 dependent husband, wife, or child, for the duration of the marital
9 or parental relationship if the relationship existed less than 90
10 days before the beginning of the benefit year, has received more
11 than 1/2 the cost of ~~his or her~~**the individual's** support from the
12 individual claiming the benefits:

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

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

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

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

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

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

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

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

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

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

29 (2) ~~The weekly benefit rate is reduced with respect to each~~

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

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

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

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

1 preceding day.

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

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

9 (b) The number of individuals who received or earned partial
10 remuneration at or exceeding the applicable limit of 1-1/2 or 1-3/5
11 times ~~their~~**the individuals'** weekly benefit amount prescribed in
12 subdivision (3) for any 1 or more weeks during the immediately
13 preceding calendar year.

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

16 (d) Subject to subsection (f) and this subsection, the maximum
17 benefit amount payable to an individual in a benefit year for
18 purposes of this section and section 20(d) is the number of weeks
19 of benefits payable to an individual during the benefit year,
20 multiplied by the individual's weekly benefit rate. The number of
21 weeks of benefits payable to an individual ~~shall~~**must** be calculated
22 by taking 43% of the individual's base period wages and dividing
23 the result by the individual's weekly benefit rate. If the quotient
24 is not a whole or half number, the result is rounded down to the
25 nearest half number. ~~However, for each eligible individual filing~~
26 ~~an initial claim before January 15, 2012, not more than 26 weeks of~~
27 ~~benefits or less than 14 weeks of benefits are payable to an~~
28 ~~individual in a benefit year.~~ For each eligible individual filing
29 an initial claim on or after January 15, 2012, not more than 20

1 weeks of benefits or less than 14 weeks of benefits are payable to
2 an individual in a benefit year. The limitation of total benefits
3 set forth in this subsection does not apply to claimants declared
4 eligible for training benefits ~~in accordance with~~ **pursuant to**
5 subsection (g). **For each eligible individual filing an initial**
6 **claim on or after January 15, 2025, not more than 26 weeks of**
7 **benefits or less than 14 weeks of benefits are payable to an**
8 **individual in a benefit year.** Notwithstanding any other provision
9 of this act, and subject to subsection (q), with respect to benefit
10 years and claims for weeks beginning before April 1, 2021, for each
11 eligible individual who files a claim for benefits and establishes
12 a benefit year, not more than 26 weeks of benefits or less than 14
13 weeks of benefits may be payable to an individual in a benefit
14 year.

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

24 (f) (1) For benefit years beginning before October 1, 2000, and
25 notwithstanding any inconsistent provisions of this act, the weekly
26 benefit rate of each individual who is receiving or will receive a
27 "retirement benefit", as defined in subdivision (4), is adjusted as
28 provided in subparagraphs (a), (b), and (c). However, an
29 individual's extended benefit account and an individual's weekly

1 extended benefit rate under section 64 is established without
2 reduction under this subsection unless subdivision (5) is in
3 effect. Except as otherwise provided in this subsection, all other
4 provisions of this act continue to apply in connection with the
5 benefit claims of those retired ~~persons~~**individuals**.

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

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

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

1 act is not reduced ~~due to receipt of~~ **because the claimant is**
 2 **receiving or will receive** a retirement benefit.

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

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

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

26 (4) (a) As used in this subsection, "retirement benefit" means
 27 a benefit, annuity, or pension of any type or ~~that a~~ part thereof
 28 ~~that is as~~ described in subparagraph (b) that is both:

29 (i) Provided as an incident of employment under an established

1 retirement plan, policy, or agreement, including federal Social
2 Security if subdivision (5) is in effect.

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

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

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

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

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

23 (5) Notwithstanding any other provision of this subsection,
24 for any week that begins after March 31, 1980, and ~~with respect to~~
25 **for** which an individual is receiving a governmental or other
26 pension and claiming unemployment compensation, the weekly benefit
27 amount payable to the individual for those weeks is reduced, but
28 not below zero, by the entire prorated weekly amount of any
29 governmental or other pension, retirement or retired pay, annuity,

1 or any other similar payment that is based on any previous work of
2 the individual. This reduction is made only if it is required as a
3 condition for full tax credit against the tax imposed by the
4 federal unemployment tax act, 26 USC 3301 to 3311.

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

23 (a) If any base period **employer** or chargeable employer has
24 contributed to the financing of a retirement plan under which the
25 claimant is receiving or will receive a retirement benefit yielding
26 a pro rata weekly amount equal to or larger than the claimant's
27 weekly benefit rate as otherwise established under this act, the
28 claimant is not eligible to receive unemployment benefits.

29 (b) If any base period employer or chargeable employer has

1 contributed to the financing of a retirement plan under which the
2 claimant is receiving or will receive a retirement benefit yielding
3 a pro rata weekly amount less than the claimant's weekly benefit
4 rate as otherwise established under this act, then the weekly
5 benefit rate otherwise payable to the claimant is reduced by an
6 amount equal to the pro rata weekly amount, adjusted to the next
7 lower multiple of \$1.00, ~~which~~**that** the claimant is receiving or
8 will receive as a retirement benefit.

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

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

28 (h) A payment of accrued unemployment benefits is not payable
29 to an eligible individual or in behalf of ~~that~~**the** individual as

1 provided in subsection (e) more than 6 years after the ending date
2 of the benefit year covering the payment or 2 calendar years after
3 the calendar year in which there is final disposition of a
4 contested case, whichever is later.

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

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

28 (2) ~~With respect to~~ **For** service performed in other than an
29 instructional, research, or principal administrative capacity for

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

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

21 (4) If benefits are denied to an individual for any week
22 solely as a result of subdivision (2) and the individual was not
23 offered an opportunity to perform in the second academic year or
24 term the service for which reasonable assurance had been given, the
25 individual is entitled to a retroactive payment of benefits for
26 each week for which the individual had previously filed a timely
27 claim for benefits. An individual entitled to benefits under this
28 subdivision may apply for those benefits by mail in accordance with
29 R 421.210 of the Michigan Administrative Code as promulgated by the

1 ~~commission-unemployment agency.~~

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

15 (6) For benefit years established before October 1, 2000, and
16 notwithstanding subdivisions (1), (2), and (3), the denial of
17 benefits does not prevent an individual from completing
18 requalifying weeks in accordance with section 29(3) nor does the
19 denial prevent an individual from receiving benefits based on
20 service with an employer other than an educational institution for
21 any week of unemployment occurring between academic years or terms,
22 whether or not successive, or during an established and customary
23 vacation period or holiday recess, even though the employer is not
24 the most recent chargeable employer in the individual's base
25 period. However, in that case section 20(b) applies to the sequence
26 of benefit charging, except for the employment with the educational
27 institution. ~~, and section 50(b) applies to the calculation of~~
28 ~~credit weeks.~~ When a denial of benefits under subdivision (1) no
29 longer applies, benefits are charged in accordance with the normal

1 sequence of charging as provided in section 20(b).

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

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

28 (9) In accordance with subdivisions (1), (2), and (3),
29 benefits for any week of unemployment are denied to an individual

1 who performed services described in subdivision (1), (2), or (3) in
2 an educational institution while in the employ of an educational
3 service agency. For the purpose of this subdivision, "educational
4 service agency" means a governmental agency or governmental entity
5 that is established and operated exclusively for the purpose of
6 providing the services to 1 or more educational institutions.

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

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

25 (2) Any data or information required of individuals applying
26 for benefits to determine whether benefits are payable because of
27 ~~their~~ **the individuals'** alien status are uniformly required from all
28 applicants for benefits.

29 (3) If an individual's application for benefits would

1 otherwise be approved, a determination that benefits to ~~that~~**the**
 2 individual are not payable because of the individual's alien status
 3 must not be made except upon a preponderance of the evidence.

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

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

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

19 (b) The amount, if any, determined pursuant to an agreement
 20 submitted to the ~~commission~~**unemployment agency** under 42 USC
 21 654(19)(B)(i), by the state or local child support enforcement
 22 agency.

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

27 (3) The amount of unemployment compensation subject to
 28 deduction under subdivision (2) is that portion that remains
 29 payable to the individual after application of the ~~recoupment~~

1 **recovery** provisions of section 62(a) and the reduction provisions
2 of subsections (c) and (f).

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

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

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

21 (7) As used in this subsection:

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

27 (b) "Child support obligations" ~~includes~~**means** only
28 obligations that are being enforced pursuant to a plan described in
29 42 USC 654 that has been approved by the Secretary of Health and

1 Human Services under 42 USC 651 to 669b.

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

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

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

1 retroactive payment of benefits under this subsection for each week
2 that the individual previously filed a timely claim for benefits.
3 An individual may apply for any retroactive benefits under this
4 subsection ~~in accordance with~~ **pursuant to** R 421.210 of the Michigan
5 Administrative Code.

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

24 (3) If the **unemployment agency determines that an** employer is
25 ~~determined to be~~ a seasonal employer, the employer shall
26 conspicuously display on its premises a notice ~~of~~ **that includes** the
27 determination, ~~and~~ the beginning and ending dates of the employer's
28 normal seasonal work periods, ~~. The commission shall furnish the~~
29 ~~notice. The notice must additionally specify~~ **and a statement** that

1 an employee must timely apply for unemployment benefits at the end
2 of a first seasonal work period to preserve ~~his or her~~ **the**
3 **employee's** right to receive retroactive unemployment benefits if ~~he~~
4 ~~or she~~ **the employee** is not reemployed by the seasonal employer in
5 the second of the normal seasonal work periods. **The unemployment**
6 **agency shall provide the notice to the employer.**

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

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

22 (6) If a seasonal employer informs an employee who received
23 assurance of being rehired that, despite the assurance, the
24 employee will not be rehired at the beginning of the employer's
25 next normal seasonal work period, this subsection does not prevent
26 the employee from receiving unemployment benefits in the same
27 manner and to the same extent ~~he or she~~ **the employee** would receive
28 benefits under this act from an employer who has not been
29 determined to be a seasonal employer.

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

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

14 (9) As used in this subsection:

15 (a) "Construction industry" means the work activity designated
16 in sector group 23 - construction of the North American
17 ~~classification system~~ **Classification System** - United States Office
18 of Management and Budget, 1997 edition.

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

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

27 (d) "Seasonal employer" means an employer, other than an
28 employer in the construction industry, who applies to the
29 unemployment agency for designation as a seasonal employer and who

1 the unemployment agency determines is an employer whose operations
 2 and business require employees engaged in seasonal employment. A
 3 seasonal employer designation under this act need not correspond to
 4 a category assigned under the North American ~~classification system~~
 5 **Classification System** - United States Office of Management and
 6 Budget.

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

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

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

27 (q) The extension of benefits for claims for weeks beginning
 28 after January 1, 2021 but before April 1, 2021 as described in
 29 subsection (d) does not take effect unless \$220,000,000.00 or more

1 is appropriated as provided for in Senate Bill No. 748 of the 100th
2 Legislature for deposit into the unemployment compensation fund to
3 cover the extension of benefits. After March 1, 2021, from the
4 funds appropriated in Senate Bill No. 748 of the 100th Legislature
5 for Michigan unemployment compensation funds, \$220,000,000.00 shall
6 be deposited into the unemployment compensation fund for the sole
7 purpose of funding the extension of benefits for claims for weeks
8 beginning after January 1, 2021 but before April 1, 2021 as
9 described in subsection (d). If federal funds are available and
10 expenditures are allowable under federal law, expenditures of
11 federal funds under this subsection shall occur before the
12 expenditure of state general fund appropriations made for the same
13 purpose described in this subsection. State general fund
14 appropriations replaced by federal expenditures authorized under
15 this subsection shall revert to the general fund.

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