



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 4151 (as reported without amendment)
Sponsor: Representative Walter J. DeLange
House Committee: Human Resources and Labor
Senate Committee: Human Resources, Labor, and Veterans Affairs

CONTENT

The bill would amend the revenue Act to provide that a taxpayer's refund could be applied to a liability to repay benefits obtained under the Michigan Employment Security Act to which the taxpayer was not entitled, upon a request for tax refund offset from the Michigan Employment Security Commission.

Currently, a tax refund must be applied in the following order of priority: 1) to a tax liability of the taxpayer to the State; 2) to any other liability of the taxpayer to the State; and 3) to any of the following in the order of priority received: a child support liability, a writ of garnishment or other valid court order, and a levy of the Internal Revenue Service. A liability to repay unemployment benefits would be added to the third category.

MCL 205.30a

Legislative Analyst: S. Margules

FISCAL IMPACT

House Bills 4150 and 4151 would have an indeterminate impact on State government and local units of government. These bills would make it easier to secure a return of unemployment benefit overpayments. The Unemployment Insurance Trust Fund would be replenished and the Federal unemployment tax paid for coverage of governmental employees could be reduced to reflect these lower benefit payments.

Date Completed: 5-30-95

Fiscal Analyst: K. Lindquist