

HOUSE BILL No. 4375

March 3, 1999, Introduced by Reps. Bogardus, Schauer, Jamnick, Gielegthem, LaForge, Bovin, Garza, Dennis, Clarke, Hansen, Callahan, Woodward, Hale, Hardman, Frank, Pestka, Rison, Basham, Minore, Kelly, Daniels, Schermesser, DeHart, Scott, Prusi, Brater, Martinez, Cherry, Price, Clark, Switalski, Quarles and O'Neil and referred to the Committee on Employment Relations, Training and Safety.

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

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

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

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

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

7

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Table A

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

24

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Table B

26

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

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1 5 and over (chargeable benefits component) +
2 (account building component) +
3 (nonchargeable benefits component)
4 (2) With the exception of employers who are in the first 4

5 consecutive years of liability, each employer's contribution rate
6 for each calendar year after 1977 shall be the sum of the follow-
7 ing components, all of which are determined as of the computation
8 date: a chargeable benefits component determined under subdivi-
9 sion (3), an account building component determined under subdivi-
10 sion (4), and a nonchargeable benefits component determined under
11 subdivision (5). Each employer's contribution rate for calendar
12 years before 1978 shall be determined by the provisions of this
13 act in effect during the years in question.

(3) (i) The chargeable benefits component of an employer's contribution rate is the percentage determined by dividing: the total amount of benefits charged to the employer's experience account within the lesser of 60 consecutive months ending on the computation date or the number of consecutive months ending on the computation date with respect to which the employer has been continuously liable for contributions; by the amount of wages, subject to contributions, paid by the employer within the same period. If the resulting quotient is not an exact multiple of $\frac{1}{10}$ of 1%, it shall be increased to the next higher multiple of $\frac{1}{10}$ of 1%.

(ii) For benefit years established before the conversion date prescribed in section 75, the chargeable benefits component shall not exceed 6.0%, unless there is a statutory change in the maximum duration of regular benefit payments or the statutory ratio of regular benefit payments to credit weeks. In the event

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

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

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

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

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

1 employer's account for the 60 months ending as of the computation
2 date, or for calendar years after 1995, if the employer's charge-
3 able benefits component is less than 2/10 of 1%, the maximum non-
4 chargeable benefit component shall not exceed 1/2 of 1%. For
5 calendar years after 1995, if there are no benefit charges
6 against an employer's account for the 72 months ending as of the
7 computation date, the maximum nonchargeable benefits component
8 shall not exceed 4/10 of 1%. For calendar years after 1996, if
9 there are no benefit charges against an employer's account for
10 the 84 months ending as of the computation date, the maximum non-
11 chargeable benefits component shall not exceed 3/10 of 1%. For
12 calendar years after 1997, if there are no benefit charges
13 against an employer's account for the 96 months ending as of the
14 computation date, the maximum nonchargeable benefits component
15 shall not exceed 2/10 of 1%. For calendar years after 1998, if
16 there are no benefit charges against an employer's account for
17 the 108 months ending as of the computation date, the maximum
18 nonchargeable benefits component shall not exceed 1/10 of 1%. An
19 employer with a positive balance in its experience account on the
20 June 30 computation date preceding the calendar year shall
21 receive for that calendar year a credit in an amount equal to 1/2
22 of the extra federal unemployment tax paid in the preceding cal-
23 endar year under section 3302(c)(2) of the federal unemployment
24 tax act, 26 U.S.C. 3302(c)(2), because of an outstanding balance
25 of unrepaid advances from the federal government to the unemploy-
26 ment compensation fund under section 1201 of the social security
27 act, 42 U.S.C. 1321. However, the credit for any calendar year

1 shall not exceed an amount determined by multiplying the
2 employer's nonchargeable benefit component for that calendar year
3 times the employer's taxable payroll for that year.

4 Contributions paid by an employer shall be credited to the
5 employer's experience account, in accordance with the provisions
6 of section 17(5), without regard to any credit given under this
7 subsection. The amount credited to an employer's experience
8 account shall be the amount of the employer's tax before deduc-
9 tion of the credit provided in this subsection.

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

24 (7) Unless an employer's contribution rate is 1/10 of 1% for
25 calendar years beginning after December 31, 1995, the employer's
26 contribution rate shall be reduced by any of the following
27 calculation methods that results in the lowest rate:

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

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

10 (iii) The contribution rate shall be reduced by ~~10%~~
11 22-1/2% and if the resulting quotient is not an exact multiple of
12 1/10 of 1%, that quotient shall be increased to the next higher
13 multiple of 1/10 of 1%.

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

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

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

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

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

1 employer shall not make an election under this subdivision after
2 December 31, 1985.

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

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

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

1 balance. Such redetermined rate shall then be used to
 2 redetermine the employer's quarterly contributions for that cal-
 3 endar year. Such redetermined contributions shall be subject to
 4 the interest provisions of section 15 as of the date the redeter-
 5 mined quarterly contributions were originally due.

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

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

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

1	Year of Contribution Liability	Contribution Rate
2	1	average construction contractor rate as determined by the commission
3	2	average construction contractor rate as determined by the commission
4	3	1/3 (chargeable benefits component) + 2/3 average construction contrac- tor rate as determined by the com- mission
5	4	2/3 (chargeable benefits component) + 1/3 average construction contrac- tor rate as determined by the com- mission
6	5 and over	(chargeable benefits component) + (account building component) + (nonchargeable benefits component)
7	(c) Upon application by an employer to the commission for	
8	designated as a distressed employer, the commission, within	
9	60 days after receipt of the application, shall make a determina-	
10	tion whether the employer meets the conditions set forth in this	
11	subsection. Upon finding that the conditions are met, the com-	
12	mission shall notify the legislature of the determination and	
13	request legislative acquiescence in the determination. If the	
14	legislature approves the determination by concurrent resolution,	
15	the employer shall be considered to be a "distressed employer" as	
16	of January 1 of the year in which the determination is made. The	
17	commission shall notify the employer of such determination and	
18	notify the employer of its contribution rate as a distressed	
19	employer and the contribution rate that would apply if the	
20	employer was not a distressed employer. The distressed employer	
21	shall determine its tax contribution using the 2 rates furnished	
22	by the commission and shall pay its tax contribution based on the	
23	lower of the 2 rates. If the determination of distressed	

1 employer status is made during the calendar year, the employer
2 shall be entitled to a credit on future quarterly installments
3 for any excess contributions paid during that initial calendar
4 year. The employer shall notify the commission of the difference
5 between the amount paid and the amount which would have been paid
6 if the employer were not determined to be a distressed employer
7 and the difference will be owed to the unemployment compensation
8 fund, payable in accordance with this subsection. Cumulative
9 totals of the difference must be reported to the commission with
10 each return required to be filed. The commission may periodi-
11 cally determine continued eligibility of an employer under this
12 subsection. When the commission makes a determination that an
13 employer no longer qualifies as a distressed employer, the com-
14 mission shall notify the employer of that determination. After
15 notice by the commission that the employer no longer qualifies as
16 a distressed employer, the employer will be liable for contribu-
17 tions, beginning with the first quarter occurring after receipt
18 of notification of disqualification, on the basis of the rate
19 that would apply if the employer was not a distressed employer.
20 The contribution rate for a distressed employer shall be calcu-
21 lated under the law in effect for the 1982 calendar year except
22 that the rate thus determined shall be reduced by the applicable
23 solvency tax rate assessed against the employer under section
24 19a. The taxable wage limit of such distressed employer for the
25 1983, 1984, and 1985 calendar years shall be the maximum amount
26 of remuneration paid within a calendar year by such an employer
27 subject to the federal unemployment tax act, 26 U.S.C. 3301 to

1 3311, to an individual with respect to employment as defined in
2 that act which is subject to tax under that act during that
3 year. Commencing with the fourth quarter of 1986, the distressed
4 employer will pay in 10 equal annual installments the amount of
5 the unpaid contributions owed to the unemployment compensation
6 fund due to the application of this subsection, without
7 interest. Each installment shall be made with the fourth quar-
8 terly return for the respective year. As used in this subsec-
9 tion, "distressed employer" means an employer whose continued
10 presence in this state is considered essential to the state's
11 economic well-being and who meets the following criteria:

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

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

16 (3) The employer's business income as defined in section 3
17 of Act No. 228 of the Public Acts of 1975, being section 208.3 of
18 the Michigan Compiled Laws, has resulted in an aggregate loss of
19 \$1,000,000,000.00 or more during the 5-year period ending in the
20 second year prior to the year for which the application is being
21 made.

22 (4) The employer has received from the state of Michigan
23 loans totaling \$50,000,000.00 or more or loan guarantees from the
24 federal government in excess of \$500,000,000.00, either of which
25 are still outstanding.

26 (5) Failure to give an employer designation as a distressed
27 employer would adversely impair the employer's ability to repay

1 the outstanding loans owed to the state of Michigan or which are
2 guaranteed by the federal government.

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

15 Sec. 27. (a)(1) When a determination, redetermination, or
16 decision is made that benefits are due an unemployed individual,
17 the benefits shall immediately become payable from the fund and
18 continue to be payable to the unemployed individual, subject to
19 the limitations imposed by the individual's monetary entitlement,
20 ~~as long as~~ IF the individual continues to be unemployed and to
21 file claims for benefits, until the determination, redetermina-
22 tion, or decision is reversed, a determination, redetermination,
23 or decision on a new issue holding the individual disqualified or
24 ineligible is made, or, for benefit years beginning before the
25 conversion date prescribed in section 75, a new separation issue
26 arises resulting from subsequent work.

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

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

22 (2) For benefit years beginning before the conversion date
23 prescribed in section 75, the state average weekly wage for a
24 calendar year shall be computed on the basis of the 12 months
25 ending the June 30 immediately preceding that calendar year. The
26 commission shall prepare a table of weekly benefit rates based on
27 an "average after tax weekly wage" calculated by subtracting,

1 from an individual's average weekly wage as determined in
2 accordance with section 51, a reasonable approximation of the
3 weekly amount required to be withheld by the employer from the
4 remuneration of the individual based on dependents and exemptions
5 for income taxes under chapter 24 of subtitle C of the internal
6 revenue code of 1986, 26 U.S.C. 3401 to 3406, and under
7 section 351 of the income tax act of 1967, ~~Act No. 281 of the~~
8 ~~Public Acts of 1967, being section 206.351 of the Michigan~~
9 ~~Compiled Laws~~ 1967 PA 281, MCL 206.531, and for old age and
10 survivor's disability insurance taxes under the federal insurance
11 contributions act, chapter 21 of subtitle C of the internal reve-
12 nue code of 1986, 26 U.S.C. 3128. For purposes of applying the
13 table to an individual's claim, a dependent shall be as defined
14 in subdivision (3). The table applicable to an individual's
15 claim shall be the table reflecting the number of dependents
16 claimed by the individual under subdivision (3). The commission
17 shall adjust the tables based on changes in withholding schedules
18 published by the United States department of treasury, internal
19 revenue service, and by the department of treasury. The number
20 of dependents allowed shall be determined with respect to each
21 week of unemployment for which an individual is claiming
22 benefits.

23 (3) For benefit years beginning before the conversion date
24 prescribed in section 75, a dependent means any of the following
25 persons who is receiving and for at least 90 consecutive days
26 immediately preceding the week for which benefits are claimed,
27 or, in the case of a dependent husband, wife, or child, for the

1 duration of the marital or parental relationship, if the
2 relationship has existed less than 90 days, has received more
3 than half the cost of his or her support from the individual
4 claiming benefits:

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

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

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

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

26 (4) For benefit years beginning after the conversion date
27 prescribed in section 75, a dependent means any of the following

1 persons who received for at least 90 consecutive days immediately
2 preceding the first week of the benefit year or, in the case of a
3 dependent husband, wife, or child, for the duration of the mari-
4 tal or parental relationship if the relationship existed less
5 than 90 days before the beginning of the benefit year, has
6 received more than 1/2 the cost of his or her support from the
7 individual claiming the benefits:

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

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

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

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

1 school, community or junior college, or college or university and
2 is less than 22 years of age.

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

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

26 For benefit years beginning after the conversion date as
27 prescribed in section 75, failure on the part of an individual,

1 due to misinformation or lack of information, to furnish all
2 information material for determination of the number of the
3 individual's dependents shall be considered good cause for the
4 issuance of a redetermination as to the amount of benefits based
5 on the number of the individual's dependents as of the beginning
6 of the benefit year.

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

23 ~~(2) Each eligible individual shall have his or her weekly~~
24 ~~benefit rate reduced with respect to each week in which the indi-~~
25 ~~vidual earns or receives remuneration at the rate of 50 cents for~~
26 ~~each whole \$1.00 of remuneration earned or received during that~~
27 ~~week.~~

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

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

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

15 (d) For benefit years beginning before the conversion date
16 prescribed in section 75, and subject to subsection (f) and this
17 subsection, the amount of benefits to which an individual who is
18 otherwise eligible is entitled during a benefit year from an
19 employer with respect to employment during the base period is the
20 amount obtained by multiplying the weekly benefit rate with
21 respect to that employment by 3/4 of the number of credit weeks
22 earned in the employment. For the purpose of this subsection and
23 section 20(c), if the resultant product is not an even multiple
24 of 1/2 the weekly benefit rate, the product shall be raised to an
25 amount equal to the next higher multiple of 1/2 the weekly bene-
26 fit rate, and, for an individual who was employed by only 1
27 employer in the individual's base period and earned 34 credit

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

1 eligible for training benefits in accordance with
2 subsection (g).

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

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

24 (a) If and to the extent that unemployment benefits payable
25 under this act would be chargeable to an employer who has con-
26 tributed to the financing of a retirement plan under which the
27 claimant is receiving or will receive a retirement benefit

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

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

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

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

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

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

1 information on which the reconsideration is based was received by
2 the commission.

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

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

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

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

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

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

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

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

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

26 (a) If any base period or chargeable employer has
27 contributed to the financing of a retirement plan under which the

1 claimant is receiving or will receive a retirement benefit
2 yielding a pro rata weekly amount equal to or larger than the
3 claimant's weekly benefit rate as otherwise established under
4 this act, the claimant shall not receive unemployment benefits.

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

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

19 (g) Notwithstanding any other provision of this act, an
20 individual pursuing vocational training or retraining pursuant to
21 section 28(2) who has exhausted all benefits available under sub-
22 section (d) may be paid for each week of approved vocational
23 training pursued beyond the date of exhaustion a benefit amount
24 in accordance with subsection (c), but not in excess of the
25 individual's most recent weekly benefit rate. However, an indi-
26 vidual shall not be paid training benefits totaling more than 18
27 times the individual's most recent weekly benefit rate. The

1 expiration or termination of a benefit year shall not stop or
2 interrupt payment of training benefits if the training for which
3 the benefits were granted began before expiration or termination
4 of the benefit year.

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

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

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

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

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

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

1 the service in the period immediately following the vacation
2 period or holiday recess.

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

24 ~~-(5) The amendments to subdivision (2) made by Act No. 219~~
25 ~~of the Public Acts of 1983 apply to all claims for unemployment~~
26 ~~compensation that are filed on and after October 31, 1983.~~
27 ~~However, the amendments are retroactive to September 5, 1982 only~~

1 ~~if, as a condition for full tax credit against the tax imposed by~~
2 ~~the federal unemployment tax act, chapter 23 of subtitle C of the~~
3 ~~internal revenue code of 1986, 26 U.S.C. 3301 to 3311, the United~~
4 ~~States secretary of labor determines that retroactivity is~~
5 ~~required by federal law.~~

6 (5) ~~—(6) Notwithstanding subdivision (2), on and after April~~
7 ~~1, 1984 benefits~~ BENEFITS based upon services in other than an
8 instructional, research, or principal administrative capacity for
9 an institution of higher education shall not be denied for any
10 week of unemployment commencing during the period between 2 suc-
11 cessive academic years or terms solely because the individual had
12 performed the service in the first of the academic years or terms
13 and there is reasonable assurance that the individual will per-
14 form the service for an institution of higher education or an
15 educational institution other than an institution of higher edu-
16 cation in the second of the academic years or terms, unless a
17 denial is required as a condition for full tax credit against the
18 tax imposed by the federal unemployment tax act, chapter 23 of
19 subtitle C of the internal revenue code of 1986, 26 U.S.C. 3301
20 to 3311. AN INDIVIDUAL WHO WAS GIVEN REASONABLE ASSURANCE THAT
21 HE OR SHE WOULD PERFORM THE SERVICE IN THE SECOND OF THE ACADEMIC
22 YEARS OR TERMS AND WHO IS SUBSEQUENTLY NOT OFFERED THE OPPORTU-
23 NITY TO PERFORM THE SERVICE IN THAT SECOND OF THE ACADEMIC YEARS
24 OR TERMS HAS GOOD CAUSE FOR LATE FILING. IF THE INDIVIDUAL OTH-
25 ERWISE QUALIFIES TO RECEIVE BENEFITS FOR A WEEK IN WHICH A REA-
26 SONABLE ASSURANCE WAS RECEIVED, HE OR SHE SHALL BE PAID BENEFITS
27 FOR THAT WEEK AFTER FILING A RETROACTIVE CLAIM AND ADDITIONALLY

1 FILING A CERTIFICATION VERIFYING THAT HE OR SHE HAD BEEN ABLE AND
2 AVAILABLE FOR WORK THAT WEEK. THE INDIVIDUAL IS NOT REQUIRED TO
3 HAVE SOUGHT WORK DURING ANY WEEK FOR WHICH HE OR SHE RECEIVED THE
4 REASONABLE ASSURANCE.

5 (6) ~~-(7)-~~ For benefit years established before the conver-
6 sion date prescribed in section 75, and notwithstanding subdivi-
7 sions (1), (2), and (3), the denial of benefits does not prevent
8 an individual from completing requalifying weeks in accordance
9 with section 29(3) nor does the denial prevent an individual from
10 receiving benefits based on service with an employer other than
11 an educational institution for any week of unemployment occurring
12 between academic years or terms, whether or not successive, or
13 during an established and customary vacation period or holiday
14 recess, even though the employer is not the most recent charge-
15 able employer in the individual's base period. However, in that
16 case section 20(b) applies to the sequence of benefit charging,
17 except for the employment with the educational institution, and
18 section 50(b) applies to the calculation of credit weeks. When a
19 denial of benefits under subdivision (1) no longer applies, bene-
20 fits shall be charged in accordance with the normal sequence of
21 charging as provided in section 20(b).

22 (7) ~~-(8)-~~ For benefit years beginning after the conversion
23 date prescribed in section 75, and notwithstanding subdivisions
24 (1), (2), and (3), the denial of benefits shall not prevent an
25 individual from completing requalifying weeks in accordance with
26 section 29(3) nor shall the denial prevent an individual from
27 receiving benefits based on service with another base period

1 employer other than an educational institution for any week of
 2 unemployment occurring between academic years or terms, whether
 3 or not successive, or during an established and customary vaca-
 4 tion period or holiday recess. However, when benefits are paid
 5 based on service with 1 or more base period employers other than
 6 an educational institution, the individual's weekly benefit rate
 7 shall be calculated in accordance with subsection (b)(1) but
 8 during the denial period the individual's weekly benefit payment
 9 shall be reduced by the portion of the payment attributable to
 10 base period wages paid by an educational institution and the
 11 account or experience account of the educational institution
 12 shall not be charged for benefits payable to the individual.
 13 When a denial of benefits under subdivision (1) is no longer
 14 applicable, benefits shall be paid and charged on the basis of
 15 base period wages with each of the base period employers includ-
 16 ing the educational institution.

17 (8) ~~—(9)—~~ For the purposes of this subsection, "academic
 18 year" means that period, as defined by the educational institu-
 19 tion, when classes are in session for that length of time
 20 required for students to receive sufficient instruction or earn
 21 sufficient credit to complete academic requirements for a partic-
 22 ular grade level or to complete instruction in a noncredit
 23 course.

24 (9) ~~—(10) Benefits—~~ IN ACCORDANCE WITH SUBDIVISIONS (1),
 25 (2), AND (3), BENEFITS FOR ANY WEEK OF UNEMPLOYMENT shall be
 26 denied ~~—, as provided in subdivisions (1), (2), and (3), for any~~
 27 ~~week of unemployment beginning on and after April 1, 1984, to an~~

1 individual who performed ~~those~~ services DESCRIBED IN
2 SUBDIVISION (1), (2), OR (3) in an educational institution while
3 in the employ of an educational service agency. For the purpose
4 of this subdivision, "educational service agency" means a govern-
5 mental agency or governmental entity that is established and
6 operated exclusively for the purpose of providing the services to
7 1 or more educational institutions.

8 (j) For weeks of unemployment beginning after December 31,
9 1977, benefits shall not be paid to an individual on the basis of
10 any base period services, substantially all of which consist of
11 participating in sports or athletic events or training or prepar-
12 ing to so participate, for a week that commences during the
13 period between 2 successive sport seasons or similar periods if
14 the individual performed the services in the first of the seasons
15 or similar periods and there is a reasonable assurance that the
16 individual will perform the services in the later of the seasons
17 or similar periods.

18 (k)(1) For weeks of unemployment beginning after
19 December 31, 1977, benefits shall not be payable on the basis of
20 services performed by an alien unless the alien is an individual
21 who was lawfully admitted for permanent residence at the time the
22 services were performed, was lawfully present for the purpose of
23 performing the services, or was permanently residing in the
24 United States under color of law at the time the services were
25 performed, including an alien who was lawfully present in the
26 United States under ~~section 203(a)(7) or~~ section 212(d)(5) of
27 the immigration and nationality act, 8 U.S.C. ~~1153 and~~ 1182.

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

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

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

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

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

26 (b) The amount, if any, determined pursuant to an agreement
27 submitted to the commission under section 454(19)(B)(i) of part D

1 of title IV of the social security act, ~~chapter 531, 49~~
2 ~~Stat. 620,~~ 42 U.S.C. 654, by the state or local child support
3 enforcement agency.

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

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

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

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

22 (6) This subsection applies only if the state or local child
23 support enforcement agency agrees in writing to reimburse and
24 does reimburse the commission for the administrative costs
25 incurred by the commission under this subsection that are attrib-
26 utable to child support obligations being enforced by the state
27 or local child support enforcement agency. The administrative

1 costs incurred shall be determined by the commission. The
2 commission, in its discretion, may require payment of administra-
3 tive costs in advance.

4 (7) As used in this subsection:

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

10 (b) "Child support obligations" includes only obligations
11 that are being enforced pursuant to a plan described in
12 section 454 of part D of title IV of the social security act,
13 ~~chapter 531, 49 Stat. 620,~~ 42 U.S.C. 654, that has been
14 approved by the secretary of health and human services under
15 part D of title IV of the social security act, chapter 531, 49
16 Stat. 620, 42 U.S.C. 651 to ~~669~~ 669b.

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

20 ~~-(n) Subsection (i)(2) applies to services performed by~~
21 ~~school bus drivers employed by a private contributing employer~~
22 ~~holding a contractual relationship with an educational institu-~~
23 ~~tion, but only if at least 75% of the individual's base period~~
24 ~~wages with that employer are attributable to services performed~~
25 ~~as a school bus driver.~~

26 ~~-(o)(1) For weeks of unemployment beginning after July 1,~~
27 ~~1996, unemployment benefits based on services by a seasonal~~

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

~~20 (2) Not less than 20 days before the estimated beginning
21 date of a normal seasonal work period, an employer may apply to
22 the commission in writing for designation as a seasonal
23 employer. At the time of application, the employer shall con-
24 spicuously display a copy of the application on the employer's
25 premises. Within 90 days after receipt of the application, the
26 commission shall determine if the employer is a seasonal
27 employer. A determination or redetermination of the commission~~

~~1 concerning the status of an employer as a seasonal employer, or a
2 decision of a referee or the board of review, or of the courts of
3 this state concerning the status of an employer as a seasonal
4 employer, which has become final, together with the record there-
5 of, may be introduced in any proceeding involving a claim for
6 benefits, and the facts found and decision issued in the determi-
7 nation, redetermination, or decision shall be conclusive unless
8 substantial evidence to the contrary is introduced by or on
9 behalf of the claimant.~~

~~10 (3) If the employer is determined to be a seasonal employer,
11 the employer shall conspicuously display on its premises a notice
12 of the determination and the beginning and ending dates of the
13 employer's normal seasonal work periods. The notice shall be
14 furnished by the commission. The notice shall additionally spec-
15 ify that an employee must timely apply for unemployment benefits
16 at the end of a first seasonal work period to preserve his or her
17 right to receive retroactive unemployment benefits in the event
18 that he or she is not reemployed by the seasonal employer in the
19 second of the normal seasonal work periods.~~

~~20 (4) The commission may issue a determination terminating an
21 employer's status as a seasonal employer on the commission's own
22 motion for good cause, or upon the written request of the
23 employer. A termination determination under this subdivision
24 terminates an employer's status as a seasonal employer, and shall
25 become effective on the beginning date of the normal seasonal
26 work period that would have immediately followed the date the
27 commission issues the determination. A determination under this~~

1 ~~subdivision is subject to review in the same manner and to the~~
2 ~~same extent as any other determination under this act.~~

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

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

15 ~~(7) A successor of a seasonal employer is considered to be a~~
16 ~~seasonal employer unless the successor provides the commission,~~
17 ~~within 120 days after the transfer, with a written request for~~
18 ~~termination of its status as a seasonal employer in accordance~~
19 ~~with subdivision (4).~~

20 ~~(8) At the time an employee is hired by a seasonal employer,~~
21 ~~the employer shall notify the employee in writing whether the~~
22 ~~employee will be a seasonal worker. The employer shall provide~~
23 ~~the worker with written notice of any subsequent change in the~~
24 ~~employee's status as a seasonal worker. If an employee of a sea-~~
25 ~~sonal employer is denied benefits because that employee is a sea-~~
26 ~~sonal worker, the employee may contest that designation in~~
27 ~~accordance with section 32a.~~

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

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

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

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

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

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

~~(d) "Seasonal employer" means an employer, other than an employer in the construction industry, who applies to the commission for designation as a seasonal employer and who the commission determines to be an employer whose operations and business are substantially engaged in seasonal employment.~~

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

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

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

17 Sec. 29. (1) An individual is disqualified from receiving
18 benefits if he or she:

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

23 (i) THE INDIVIDUAL LEAVING IS THE SPOUSE OF A FULL-TIME
24 EMPLOYEE WHO IS REQUIRED TO PERMANENTLY MOVE TO A GEOGRAPHIC
25 LOCATION DIFFERENT FROM THE GEOGRAPHIC LOCATION IN WHICH THAT
26 EMPLOYEE WAS ORIGINALLY EMPLOYED.

1 (ii) THE individual has an established benefit year in
2 effect and during that benefit year leaves unsuitable work within
3 60 days after the beginning of that work, the leaving does not
4 disqualify the individual.

5 (b) Was discharged for misconduct connected with the
6 individual's work or for intoxication while at work unless the
7 discharge was subsequently reduced to a disciplinary layoff or
8 suspension.

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

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

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

21 (f) Lost his or her job due to absence from work resulting
22 from a violation of law for which the individual was convicted
23 and sentenced to jail or prison. This subdivision does not apply
24 if conviction of an individual results in a sentence to county
25 jail under conditions of day parole as provided in ~~Act No. 60 of~~
26 ~~the Public Acts of 1962, being sections 801.251 to 801.258 of the~~
27 ~~Michigan Compiled Laws~~ 1962 PA 60, MCL 801.251 TO 801.258, or if

1 the conviction was for a traffic violation that resulted in an
2 absence of less than 10 consecutive work days from the
3 individual's place of employment.

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

7 (i) A strike or other concerted action in violation of an
8 applicable collective bargaining agreement that results in cur-
9 tailment of work or restriction of or interference with
10 production.

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

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

15 (i) Was discharged for theft connected with the individual's
16 work.

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

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

24 ~~-(l) Was employed by a temporary help firm, which as used in~~
25 ~~this section means an employer whose primary business is to pro-~~
26 ~~vide a client with the temporary services of 1 or more~~
27 ~~individuals under contract with the employer, to perform services~~

1 ~~for a client of that firm if each of the following conditions is~~
2 ~~met:~~

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

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

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

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

20 ~~(l) —(m)—~~ Was discharged for (i) Illegally ingesting,
21 injecting, inhaling, or possessing a controlled substance on the
22 premises of the employer, (ii) Refusing to submit to a drug test
23 that was required to be administered in a nondiscriminatory
24 manner, or (iii) Testing positive on a drug test, if the test was
25 administered in a nondiscriminatory manner. If the worker dis-
26 puts the result of the testing, a generally accepted
27 confirmatory test shall be administered and shall also indicate a

1 positive result for the presence of a controlled substance before
 2 a disqualification of the worker under this subdivision. As used
 3 in this subdivision:

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

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

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

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

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

1 receipt of federal administrative grant funds under the social
2 security act, CHAPTER 531, 49 STAT. 620.

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

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

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

20 (a) For benefit years established before the conversion date
21 described in section 75, the individual shall complete 6 requali-
22 fying weeks if he or she was disqualified under
23 subsection (1)(c), (d), (e), (f), OR (g), ~~or (l),~~ or 13 requal-
24 ifying weeks if he or she was disqualified under subsection
25 (1)(h), (i), (j), (k), or ~~(m)~~ (l). A requalifying week
26 required under this subsection shall be each week in which the
27 individual does any of the following:

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

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

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

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

22 (c) For benefit years established before the conversion date
23 prescribed in section 75, a benefit payable to an individual dis-
24 qualified under subsection (1)(a) or (b), shall be charged to the
25 nonchargeable benefits account, and not to the account of the
26 employer with whom the individual was involved in the
27 disqualification.

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

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

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

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

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

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

26 (f) A benefit payable to the individual disqualified or
27 separated under disqualifying circumstances under

1 subsection (1)(a) or (b), shall be charged to the nonchargeable
2 benefits account, and not to the account of the employer with
3 whom the individual was involved in the separation. Benefits
4 payable to an individual determined by the commission to be sepa-
5 rated under disqualifying circumstances shall not be charged to
6 the account of the employer involved in the disqualification for
7 any period after the employer notifies the commission of the
8 claimant's possible ineligibility or disqualification. If a dis-
9 qualifying act or discharge occurs during the individual's bene-
10 fit year, any benefits that may become payable to the individual
11 in a later benefit year based on employment with the employer
12 involved in the disqualification shall be charged to the non-
13 chargeable benefits account.

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

17 (a) For benefit years established before the conversion date
18 prescribed in section 75, if the individual is disqualified under
19 subsection (1)(c), (d), (e), (f), OR (g) ~~, or (1)~~ and the maxi-
20 mum amount of benefits is based on wages and credit weeks earned
21 from an employer before an act or discharge involving that
22 employer, the amount shall be reduced by an amount equal to the
23 individual's weekly benefit rate as to that employer multiplied
24 by the lesser of either of the following:

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

1 (ii) The number of weeks of benefit entitlement remaining
2 with that employer.

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

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

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

19 (e) A denial or reduction of benefits under this subsection
20 does not apply to benefits based upon multiemployer credit
21 weeks.

22 (f) For benefit years established after the conversion date
23 prescribed in section 75, if the individual is disqualified under
24 subsection (1)(c), (d), (e), (f), OR (g), ~~or (l)~~, the maximum
25 number of weeks otherwise applicable in calculating benefits for
26 the individual under section 27(d) shall be reduced by the lesser
27 of the following:

1 (i) The number of requalifying weeks required of the
2 individual under this subsection.

3 (ii) The number of weeks of benefit entitlement remaining on
4 the claim.

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

13 (5) If an individual leaves work to accept permanent
14 full-time work with another employer and performs services for
15 that employer, or if an individual leaves work to accept a recall
16 from a former employer:

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

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

24 (c) When issuing a determination covering the period of
25 employment with a new or former employer described in this sub-
26 section, the commission shall advise the chargeable employer of
27 the name and address of the other employer, the period covered by

1 the employment, and the extent of the benefits that may be
2 charged to the account of the chargeable employer.

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

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

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

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

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

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

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

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

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

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

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

20 (ii) A labor dispute, other than a lockout, in active
21 progress or a shutdown or start-up operation caused by that labor
22 dispute in any other establishment within the United States that
23 is both functionally integrated with the establishment described
24 in subparagraph (i) and operated by the same employing unit.

25 (b) An individual's disqualification imposed or imposable
26 under this subsection is terminated if the individual performs
27 services in employment with an employer in at least 2 consecutive

1 weeks falling wholly within the period of the individual's total
2 or partial unemployment due to the labor dispute, and in addition
3 earns wages in each of those weeks in an amount equal to or
4 greater than the individual's actual or potential weekly benefit
5 rate with respect to those weeks based on the individual's
6 employment with the employer involved in the labor dispute.

7 (c) An individual is not disqualified under this subsection
8 if the individual is not directly involved in the labor dispute.
9 An individual is not directly involved in a labor dispute unless
10 any of the following are established:

11 (i) At the time or in the course of a labor dispute in the
12 establishment in which the individual was then employed, the
13 individual in concert with 1 or more other employees voluntarily
14 stopped working other than at the direction of the individual's
15 employing unit.

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

22 (iii) At any time a labor dispute in the establishment or
23 department in which the individual was employed does not exist,
24 and the individual voluntarily stops working, other than at the
25 direction of the individual's employing unit, in sympathy with
26 employees in some other establishment or department in which a
27 labor dispute is in progress.

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

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

15 (i) If it is established that there is in the particular
16 establishment or employing unit a practice, custom, or contrac-
17 tual obligation to extend within a reasonable period to members
18 of the individual's grade or class of workers in the establish-
19 ment in which the individual is or was last employed changes in
20 terms and conditions of employment that are substantially similar
21 or related to some or all of the changes in terms and conditions
22 of employment that are made for the workers among whom there
23 exists the labor dispute that has caused the individual's total
24 or partial unemployment.

25 (ii) If it is established that 1 of the issues in or pur-
26 poses of the labor dispute is to obtain a change in the terms and
27 conditions of employment for members of the individual's grade or

1 class of workers in the establishment in which the individual is
2 or was last employed.

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

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

13 (i) Representation of the workers by the same national or
14 international organization or by local affiliates of that
15 national or international organization.

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

18 (iii) Whether the workers are or within the past 6 months
19 have been covered by a common master collective bargaining agree-
20 ment that sets forth all or any part of the terms and conditions
21 of the workers' employment, or by separate agreements that are or
22 have been bargained as a part of the same negotiations.

23 (iv) Any functional integration of the work performed by
24 those workers.

25 (v) Whether the resolution of those issues involved in the
26 labor dispute as to some of the workers could directly or

1 indirectly affect the advancement, negotiation, or settlement of
2 the same or similar issues in respect to the remaining workers.

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

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

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

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

20 (b) Participation in a strike or other concerted activity
21 resulting in a curtailment of work or restriction of or interfer-
22 ence with production contrary to an applicable collective bar-
23 gaining agreement.

24 (c) Participation in a wildcat strike or other concerted
25 activity not authorized by the individual's recognized bargaining
26 representative.

1 (10) If a disqualifying discharge under subsection (1)(b) is
2 determined or redetermined to be a suspension, the
3 disqualification provided under subsection (9) applies from the
4 date of the discharge.

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

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

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

22 Sec. 50. (a) "Week" means calendar week, ending at midnight
23 Saturday, but all work performed and wages earned during a work-
24 ing shift which starts before midnight Saturday shall be included
25 in the week in which that shift begins.

26 (b) Subject to subdivisions (1) and (2), for benefit years
27 established before January 1, 1996, "credit week" means a

1 calendar week of an individual's base period during which the
2 individual earned wages equal to or greater than 20 times the
3 state minimum hourly wage in effect on the first day of the cal-
4 endar week in which the individual filed an application for
5 benefits. However, for benefit years established on or after
6 January 1, 1996 and before the conversion date prescribed in sec-
7 tion 75, "credit week" means a calendar week of an individual's
8 base period during which the individual earned wages equal to or
9 greater than ~~30~~ 20 times the state minimum hourly wage in
10 effect on the first day of the calendar week in which the indi-
11 vidual filed an application for benefits. This subsection is
12 subject to the following:

13 (1) If an individual earns wages from more than 1 employer
14 in a credit week, that week shall be counted as 1 multiemployer
15 credit week and shall be governed by the provisions of section
16 20(e), unless the individual has earned sufficient wages in the
17 base period with only 1 of the employers for whom the individual
18 performed services in the week of concurrent employment to enti-
19 tle the individual to a maximum weekly benefit rate, in which
20 case, the week shall be a credit week with respect to that
21 employer only and not a multiemployer credit week.

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

26 (a) First, all credit weeks which are not multiemployer
27 credit weeks and which were earned with employers not involved in

1 a disqualifying act or discharge under section 29(1), and all
2 credit weeks earned with an employer involved in such a disquali-
3 fying act or discharge which were earned subsequent to the last
4 act or discharge in which the employer was involved, shall be
5 counted in inverse order of most recent employment with each
6 employer.

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

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

20 (3) As used in this subsection:

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

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

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